

AGENDA



2:00 P.M.

CITY COUNCIL SPECIAL MEETING

REVISED

WEDNESDAY, JANUARY 26, 2022

NOTES:

- Public Forum:
There will be no Public Forum or Public Comment.
- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

www.SedonaAZ.gov

DUE TO CONTINUED PRECAUTIONS RELATED TO COVID-19, SEATING FOR THE PUBLIC IS LIMITED. PLEASE NOTE THERE WILL BE NO PUBLIC FORUM OR PUBLIC COMMENT AT THIS MEETING. THOSE WISHING TO COMMENT ON SCHEDULED AGENDA ITEMS ARE STRONGLY ENCOURAGED TO DO SO BY SENDING AN EMAIL TO CITYCLERKSDEPT@SEDONAAZ.GOV IN ADVANCE OF THE 2:00 P.M. CALL TO ORDER. COMMENTS WILL BE MADE PART OF THE OFFICIAL MEETING RECORD. THE MEETING CAN BE VIEWED LIVE ON ZOOM BY USING THE FOLLOWING LINK:

<https://us02web.zoom.us/j/81599501382?pwd=ZDg4YzhLQ2paOFI5cHFZY3F4UkdBZz09>

1. CALL TO ORDER

2. ROLL CALL

3. SPECIAL BUSINESS

LINK TO DOCUMENT =

- AB 2760 **Presentation/discussion/possible direction** as part of the annual joint planning meeting between the City of Sedona and the Chamber of Commerce and Tourism Bureau in preparation for the development of the FY23 budget and work program.
- Discussion/possible action** regarding future meetings/agenda items.

4. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- To consult with legal counsel for advice regarding matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- Return to open session. Discussion/possible action regarding executive session items.

5. ADJOURNMENT

Posted: 01/25/2022

By: DJ

JoAnne Cook, CMC

City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at www.SedonaAZ.gov. The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

COURTYARD BY MARRIOTT SEDONA MEETING ROOM
4105 WEST STATE ROUTE 89A, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.



**CITY COUNCIL
AGENDA BILL**

**AB 2760
January 26, 2022
Special Business**

Agenda Item: 3a

Proposed Action & Subject: Presentation/discussion as part of the annual joint planning meeting between the City of Sedona and the Chamber of Commerce and Tourism Bureau in preparation for the development of the FY23 budget and work program.

Department	City Manager's Office
Time to Present	1 hour
Total Time for Item	3 hours
Other Council Meetings	January 6, 2022 Council Retreat
Exhibits	<ul style="list-style-type: none"> A. Presentation B. FY22 Budget and Year to Date Actuals C. Association of Chamber Executives (A.C.C.E.) Horizon Initiative – Executive Summary D. A.C.C.E. Horizon Initiative Full Report E. Western Association of Chamber Executives (W.A.C.E.) Defining the Promise of The Chamber of Commerce in 21st Century

City Attorney Approval	Reviewed 1/18/22 KWC	Expenditure Required	
		\$	0
City Manager's Recommendation	For presentation and discussion only.	Amount Budgeted	
		\$	0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: For the last few years the joint meeting between the City Council and the Chamber Tourism Bureau has been held as part of the City Council's annual retreat. This annual conversation is meant to provide direction to the Tourism Bureau for creating a budget and workplan for the following fiscal year. This year the joint meeting has been agendized separately. Separating the meetings provided Council the opportunity to use their annual retreat to discuss the contract and contractual relationship amongst themselves and within the context of the entire fiscal year 2022/2023 (FY23) City work program, and to be better prepared for a more productive joint meeting.

During the retreat, much discussion took place regarding the state of tourism, future goals, and the roles of the City and Tourism Bureau moving forward. Because there are some relatively

new staff, elected officials and Chamber board members in key roles in each organization, it was suggested by the City Manager that a few councilors take a deeper dive into the Chamber organizational structure, budget, funding sources, functions of the Chamber vs Tourism Bureau, accomplishments, proposed work program, Sustainable Tourism Goals, etc. This group will function much like the work groups that review the City's other provider agreements every few years and will ultimately use the time, information and gained insight to develop recommendations that will be made to the rest of the Council. Those recommendations may include, but not be limited to, where the FY23 budget should be set, and which programs, projects and services should be requested of the Tourism Bureau for FY23. The group will be made up of Councilors Kinsella, Ploog and Lamkin.

During this joint meeting, Chamber staff will present an update regarding their current work program and accomplishments; report on the "state of tourism" and key performance indicators; and share perspective from the travel and tourism industry, Chamber board members and area businesses. City councilors will have the opportunity to ask questions, offer perspective and engage in discussion, but no formal action will be taken during this session.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): None.

MOTION



I move to: presentation and discussion only. No action required.



**City of Sedona | Sedona Chamber of
Commerce & Tourism Bureau
FY23 Working Group Session**

**Courtyard by Marriott – West Sedona
Wednesday, January 26, 2022
2 pm – 5 pm**




Coronavirus Updates

THE CORONAVIRUS CRISIS

U.S. COVID cases continue to skyrocket and disruptions abound as 2022 begins

January 1, 2022 · 2:12 PM ET

JOE HERNANDEZ



Travelers make their way through Miami International Airport on Tuesday. Airlines cancelled more than 2,400 U.S. flights by midday on Saturday, according to the flight tracking website FlightAware.



US flight cancellations hit new holiday peak amid Covid and bad weather


1 January 2022



Air travellers in the US have already seen days of disruption.
Flight cancellations in the US have hit a new peak in a Christmas season hit hard by the Covid pandemic and bad weather.
 Nearly 4,400 flights around the world were cancelled on Saturday, more than 2,500 of them in the US, air traffic site FlightAware reported.
 Airlines have been struggling with staffing problems with crew quarantining after contracting Covid.

Further clarification 'coming very soon' to CDC Covid-19 isolation guidelines

By Kim Riddle and Rachel Jarboe | 1/1/22



Dr. Fauci says the CDC changed Covid-19 isolation guidelines 11/11.

Washington, DC (CNN) — Dr. Anthony Fauci says he expects “further clarification” on the U.S. Centers for Disease Control and Prevention’s updated guidance to end the Covid-19 isolation period after just two days for people who are not exhibiting symptoms.

According to CNN’s Dr. Fauci, both on Sunday whether the CDC’s shorter Covid-19 isolation guidelines were driven by science or by politics and business pressures. President Joe Biden’s chief medical adviser said, “There’s no doubt that you do need to get people out into the workplace if they are without symptoms.”

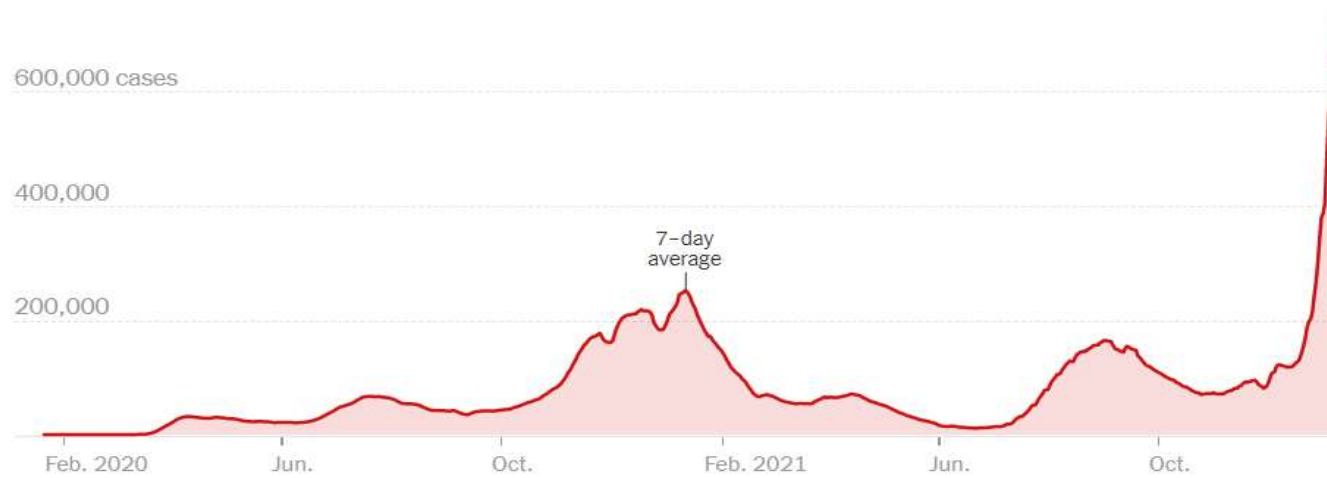
“In the second half of a 10-day period, which would normally be a 10-day isolation period, the likelihood of transmissibility is considerably lower,” Fauci, director of the National Institute of Allergy and Infectious Diseases, said on CNN’s “State of the Union.”

“For that reason, the CDC needs the judgment that it would be reasonable to get people out. You’re right — people are getting concerned about why not get people at that time?,” Fauci said. “But that’s a reasonable thing to do. I believe that the CDC will be coming out with more clarifications of that, since it obviously has generated a number of questions about it for the 10-day period, should you or should you not be testing people? There will be further clarification of that coming very soon,” Fauci said.

The New York Times

New reported cases

All time Last 90 days



United States >

	Avg. on Jan. 10	14-day change
New cases	737,415	+203%
New deaths	1,653	+36%



Destination Analysts **Travel Sentiment Index**

Presentation of Findings
January 4th, 2022

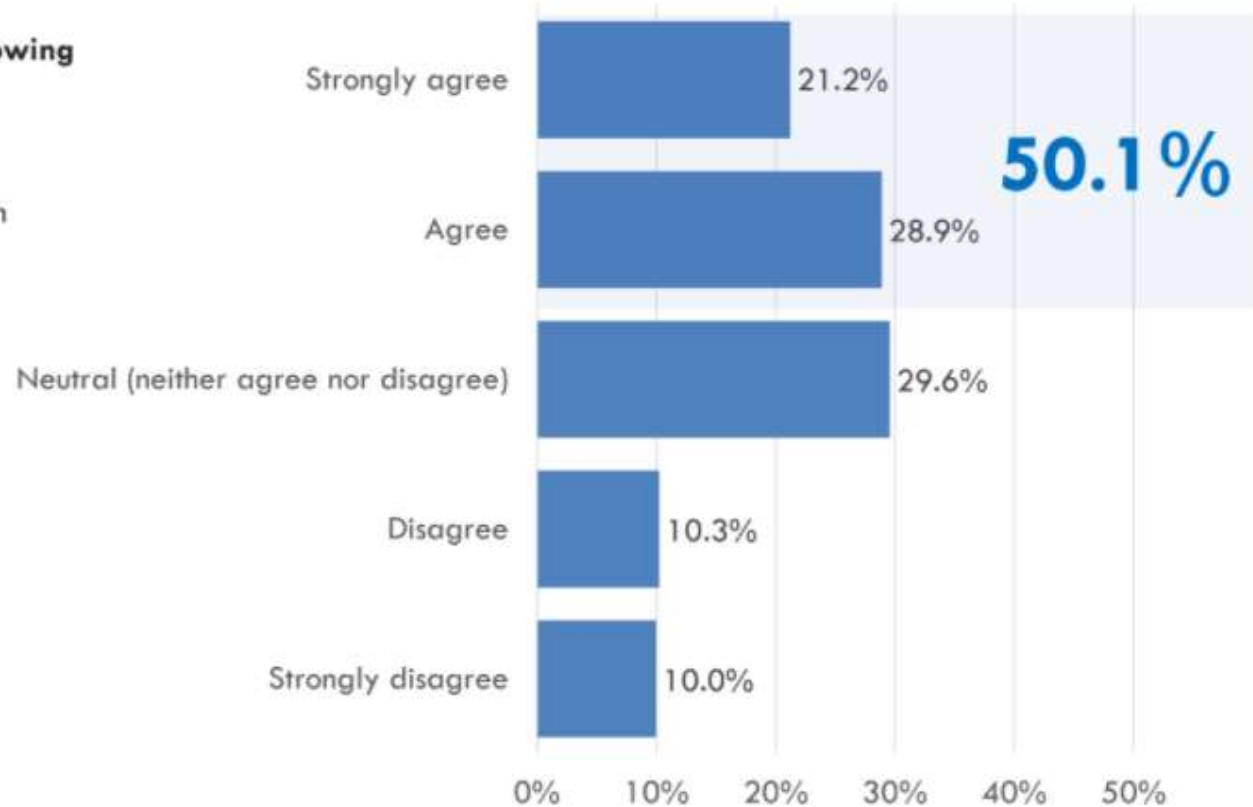
Destination  Analysts

THE OMICRON VARIANT'S IMPACT ON INTEREST IN TRAVEL

How much do you agree with the following statement?

Statement: Recent news about "Omicron variant" cases make me less interested in traveling right now.

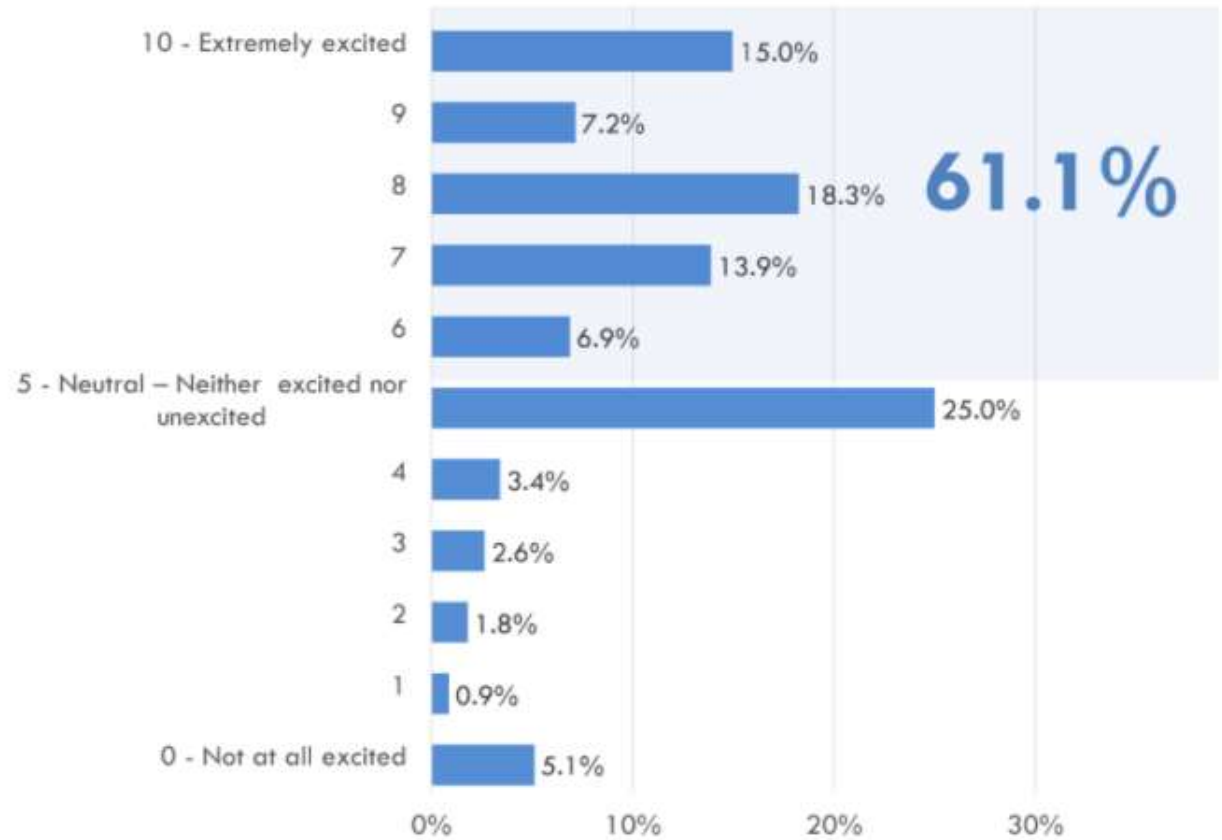
(Base: Wave 81 data. All respondents, 1,205 completed surveys. Data collected December 26-28, 2021)



OPENNESS TO TRAVEL INSPIRATION

Question: At this moment, how excited are you in learning about new, exciting travel experiences or destinations to visit?

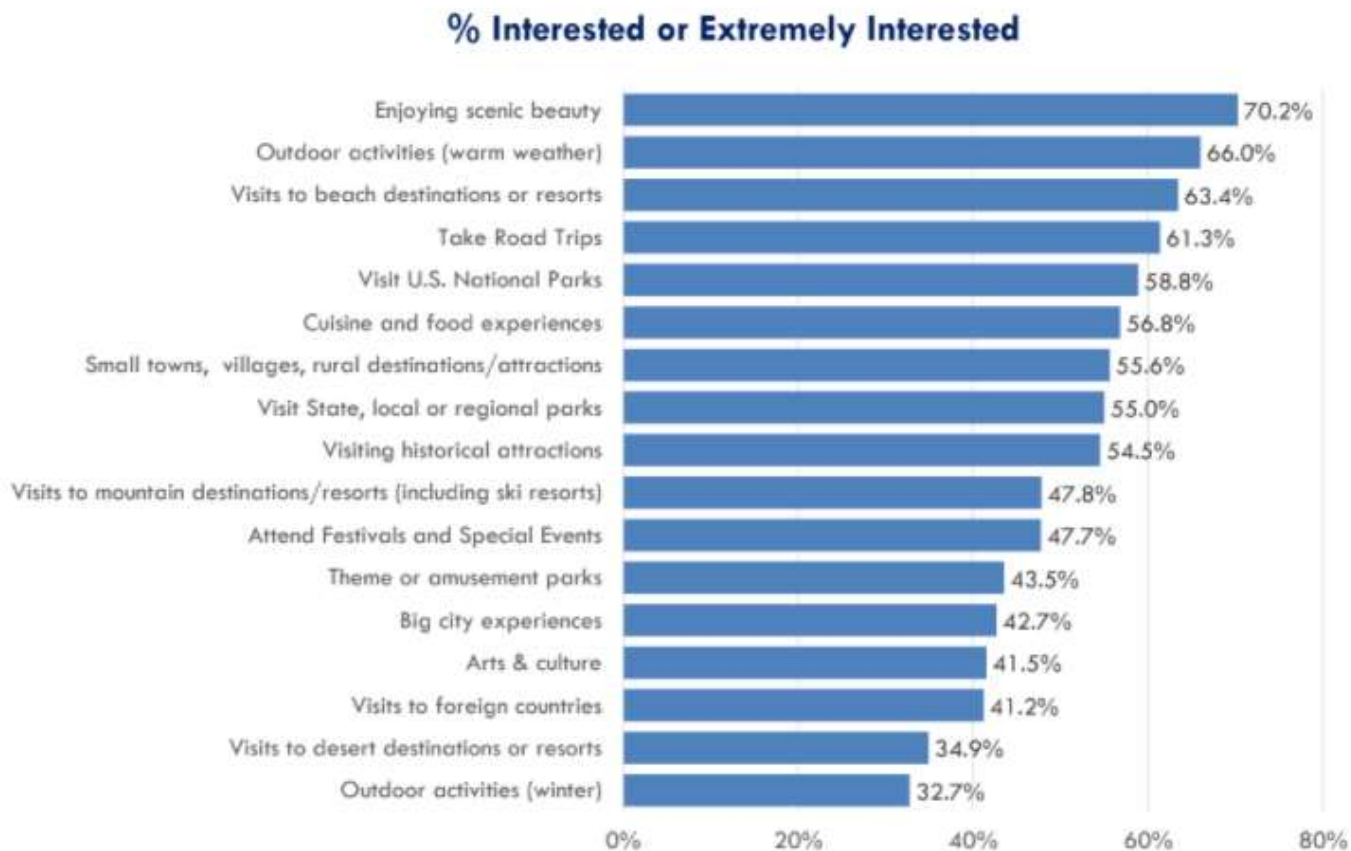
(Base: Wave 81 data. All respondents, 1,205 completed surveys. Data collected December 26-28, 2021)



INTEREST IN TRIP EXPERIENCES 2022

Question: How interested are you in taking LEISURE TRIPS which would include the following in the NEXT TWELVE (12) MONTHS?

(Base: Wave 81 data. All respondents, 1,205 completed surveys. Data collected December 26-28, 2021)

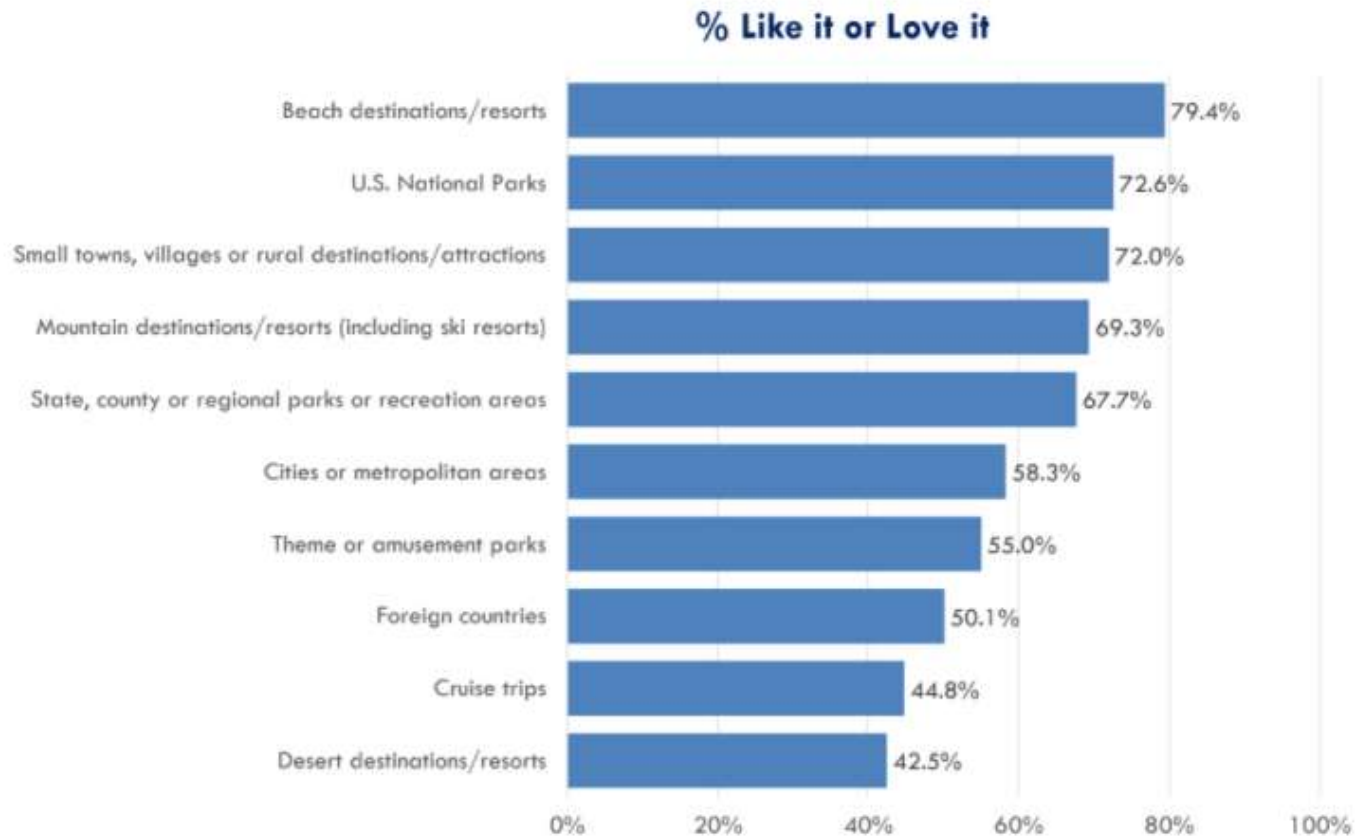


FEELINGS ABOUT TYPES OF DESTINATIONS

Question: In general, how do you feel about leisure trips to the following types of travel destinations?

(Thinking back prior to the current Coronavirus situation)

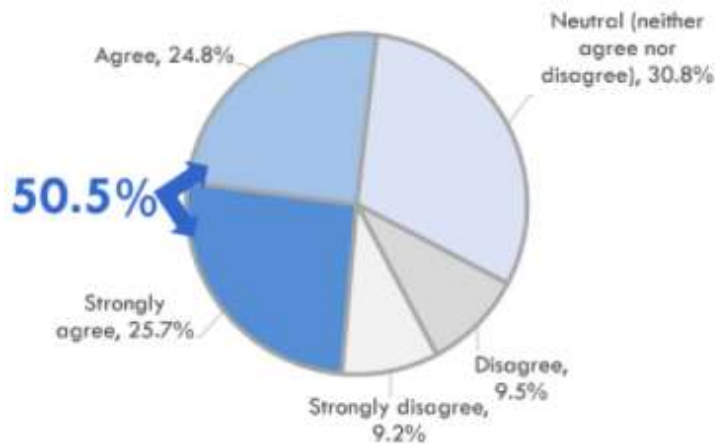
(Base: Wave 81 data. All respondents, 1,205 completed surveys. Data collected December 26-28, 2021)



AVOIDING CONVENTIONS & CONFERENCES

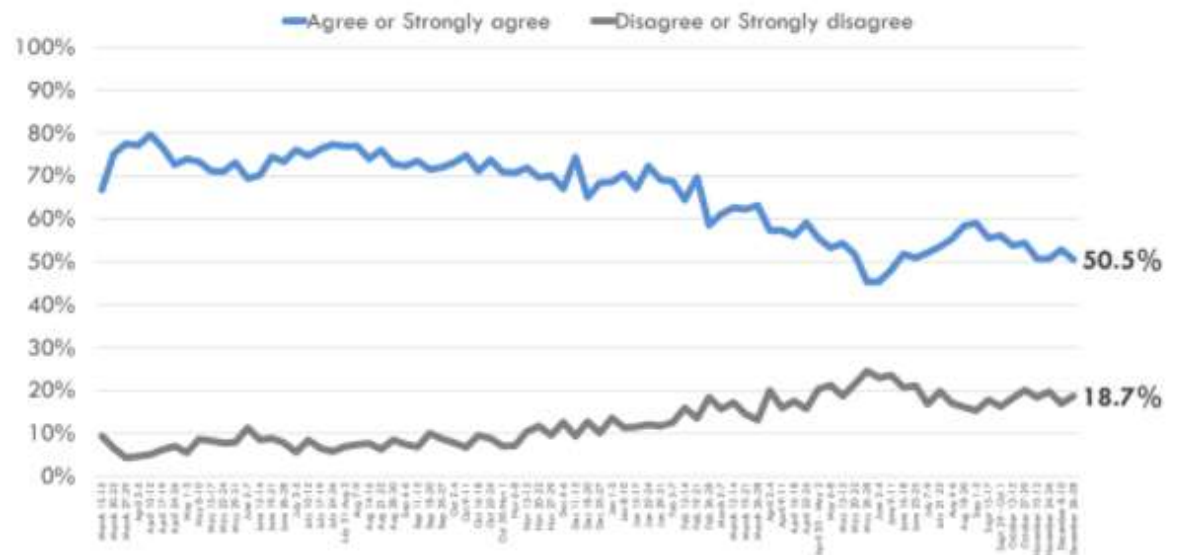
How much do you agree with the following statement?

Statement: I will be unlikely to attend any conferences or conventions until the coronavirus situation is resolved.



(Base: Wave 81 data. All respondents, 1,205 completed surveys. Data collected December 26-28, 2021)

Historical data



TAKEAWAYS

1 The Omicron variant has and will impact trips—causing the pandemic to still loom large

2 The growing wave of infections has caused American travelers to feel an increasing retreat away from normalcy

3 Nevertheless, Americans' enthusiasm for travel is undeterred, in spite of the recent course of the pandemic

4 Americans' travel in 2022 looks to be focused on fun, with reawakened interests in many types of experiences

Sedona Sustainable Tourism Plan

Connecting Sedona visitors to long-term destination sustainability.



(Adopted March 2019)



Destination Resiliency Plan

FY22

<https://sedonachamber.com/destination-resiliency-plan-2022/>

FY22 Allocated Bed Tax Funds

Including FY21 Rollover



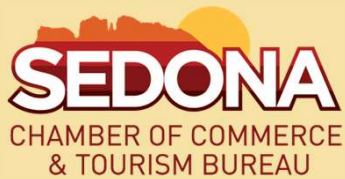
		TOURISM BUREAU			VISITOR CENTER			TOURISM BUREAU & VISITOR CENTER		
		FY22 Budget	FYTD 12/31/21	% of Budget	FY22 Budget	FYTD 12/31/21	% of Budget	FY22 Budget	FYTD 12/31/21	% of Budget
1	FY22 Funding from Bed Tax Revenue	\$1,719,542	\$ 784,771	45.6%	\$ 520,178	\$ 260,089	50.0%	\$ 2,239,720	\$ 1,044,860	46.7%
2	Expenses:									
3	Quality of Tourism Economy Programs									
4	Arizona Office of Tourism Programs	\$ 51,500	\$ 31,980	62.1%				\$ 51,500	\$ 31,980	62.1%
5	Marketing Support	\$ 203,220	\$ 75,132	37.0%				\$ 203,220	\$ 75,132	37.0%
6	Marketing Collateral	\$ 20,000	\$ 6,136	30.7%	\$ 8,200	\$ 294	3.6%	\$ 28,200	\$ 6,430	22.8%
7	Media & Communications	\$ 79,100	\$ 45,900	58.0%				\$ 79,100	\$ 45,900	58.0%
8	Meetings Sales (net of member participation fees)	\$ 104,948	\$ 40,218	38.3%				\$ 104,948	\$ 40,218	38.3%
9	Research	\$ 61,625	\$ 50,268	81.6%				\$ 61,625	\$ 50,268	81.6%
10	Travel Trade Industry Sales (net member fees)	\$ 77,205	\$ 17,686	22.9%				\$ 77,205	\$ 17,686	22.9%
11	Dues & Subscriptions	\$ 14,575	\$ 6,125	42.0%				\$ 14,575	\$ 6,125	42.0%
12	Postage, Delivery & Distribution	\$ 3,300	\$ 1,650	50.0%	\$ 107,000	\$ 43,760	40.9%	\$ 110,300	\$ 45,410	41.2%
13	Total Quality of Tourism Economy	\$ 615,473	\$ 275,095	44.7%	\$ 115,200	\$ 44,054	38.2%	\$ 730,673	\$ 319,149	43.7%
14	Total Quality of Visitor Experience	\$ 62,000	\$ 32,380	52.2%				\$ 62,000	\$ 32,380	52.2%
15	Total Quality of Environment Programs	\$ 312,250	\$ 59,210	19.0%				\$ 312,250	\$ 59,210	19.0%
16	Total Quality of Life Programs	\$ 148,550	\$ 82,352	55.4%				\$ 148,550	\$ 82,352	55.4%
17	Operations									
18	Storage & Handling	\$ 3,000	\$ 1,677	55.9%	\$ 3,000	\$ 1,677	55.9%	\$ 6,000	\$ 3,354	55.9%
19	Building & Grounds Maintenance	\$ 4,800	\$ 7,982	166.3%	\$ 44,980	\$ 9,702	21.6%	\$ 49,780	\$ 17,684	35.5%
20	Commercial Liability Insurance	\$ 2,400	\$ 1,054	43.9%	\$ 2,400	\$ 1,054	43.9%	\$ 4,800	\$ 2,108	43.9%
21	Computer & Technology	\$ 10,300	\$ 3,356	32.6%	\$ 7,000	\$ 1,911	27.3%	\$ 17,300	\$ 5,267	30.4%
22	Bank Charges	\$ 600	\$ 310	51.7%	\$ 600	\$ 343	57.2%	\$ 1,200	\$ 653	54.4%
23	Equipment Lease & Repair	\$ 8,250	\$ 4,594	55.7%	\$ 6,050	\$ 2,225	36.8%	\$ 14,300	\$ 6,819	47.7%
24	Professional Fees	\$ 13,380	\$ 11,439	85.5%	\$ 4,540	\$ 4,213	92.8%	\$ 17,920	\$ 15,652	87.3%
25	Property Tax, License, Permits	\$ 2,200	\$ 1,023	46.5%	\$ 3,100	\$ 1,373	44.3%	\$ 5,300	\$ 2,396	45.2%
26	Supplies	\$ 9,750	\$ 5,376	55.1%	\$ 9,000	\$ 3,122	34.7%	\$ 18,750	\$ 8,498	45.3%
27	Phone, Internet	\$ 12,600	\$ 6,071	48.2%	\$ 18,900	\$ 12,386	65.5%	\$ 31,500	\$ 18,457	58.6%
28	Utilities	\$ 5,800	\$ 2,440	42.1%	\$ 14,700	\$ 6,430	43.7%	\$ 20,500	\$ 8,870	43.3%
29	Volunteer Services & Training				\$ 24,000	\$ 4,168	17.4%	\$ 24,000	\$ 4,168	17.4%
30	Mortgage Interest	\$ 6,500	\$ 3,195	49.2%	\$ 10,600	\$ 5,132	48.4%	\$ 17,100	\$ 8,327	48.7%
31	Salaries & Benefits	\$ 501,689	\$ 222,267	44.3%	\$ 256,108	\$ 118,119	46.1%	\$ 757,797	\$ 340,386	44.9%
32	Total Operations	\$ 581,269	\$ 270,784	46.6%	\$ 404,978	\$ 171,855	42.4%	\$ 986,247	\$ 442,639	44.9%
33	Total Expense	\$1,719,542	\$ 719,821	41.9%	\$ 520,178	\$ 215,909	41.5%	\$ 2,239,720	\$ 935,730	41.8%
34	<i>Tourism funding includes FY22 funding \$1,569,542 and \$150,000 carryforward from FY21</i>									
35	<i>FY21 carryforward allocation- \$25,000 Visitor Experience, \$105,000 Environment, and \$20,000 Quality of Life</i>									

Tourism Economy

Visitor Experience
Environment
Resident Quality of Life

Operations & Admin

Total Expense



FY21 Rollover Funds Detail

TOTAL: \$150,000 FY21 FUNDS

- **(\$15,000) – Trail Keepers 2.0** – we need to reprint the sponsor signage at trail heads (approximately 35 metal signs) and produce/install “permanent” signage at Uptown Visitor Center recognizing the program/partners for first 5-year program success in support of our trails.
- **(\$20,000) – Tread Lightly**
 - Production of 4x (:15) video spots
 - Educational video for consumers to watch
 - 4-6 blog posts on responsible OHV/ATV recreating to use on our website/social channels
- **(\$15,000) – “Sedona is special” Sustainable Tourism / Recreate Responsibly** messaging to include:
 - Production of 2x (:30) TV spots – one of Mayor, City Manager, Council, Fire and Police Chiefs and one of SCC&TB, USFS, Keep Sedona Beautiful and Sedona Red Rock Trail Fund sharing expectations for visitor behavior, how to recreate on public lands, etc.
 - Annual schedule to run TV spots on Sedona Now in room TV
- **(\$75,000) – Production and editing of Sustainable Sedona and Verde Valley platform – includes but not limited to** videos for various channels (i.e. YouTube, confirmation emails from lodging partners, websites, social, etc.)
- **(\$25,000) – Sedona Verde Valley Tourism Council** – add these monies to existing program allocation to make a bigger impression. Would direct folks back to the website/landing page with one afternoon, one day and two-day itineraries.



Quality of Tourism Economy

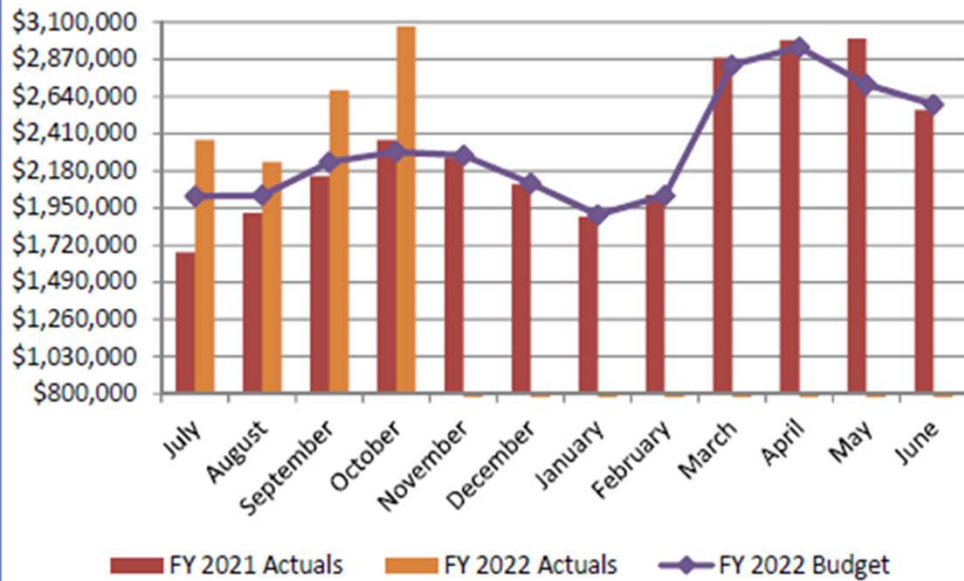
Goal Statement:

Shape the Sedona economy in ways that balance its long-term sustainability and vibrancy.

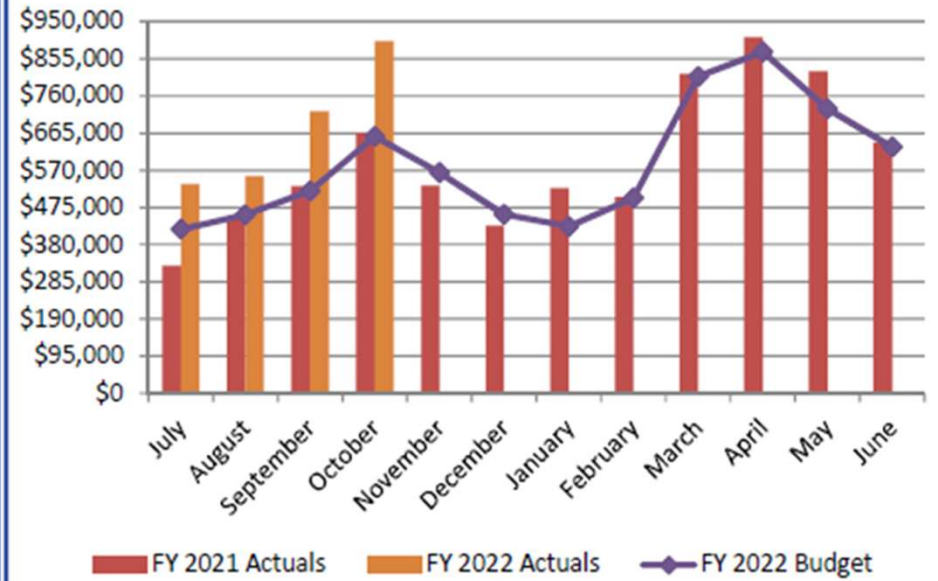
FY22 Year-to-Date City Sales & Bed Tax Revenues

The City's total FY2022 sales and bed tax revenue collections continue to outpace any prior year. October is typically the peak for the last 6 months of the calendar year, and October 2020 was higher than any previous October. Compare that to October 2021...sales and bed tax exceeded October 2020 by 30% and 35%, respectively. The spring is typically the highest revenue generating period of each year. October (typically the fall peak) averages about 18% less than the next spring. **October 2021 sales tax exceeds the previous spring peak in May 2021 by 3%, and October 2021 bed tax is slightly under the previous spring peak April 2021 by 1%.**

City Sales Tax Revenues



Bed Tax Revenues



If beauty is in
the eye of the beholder,
***so is
responsibility.***

As a leader in sustainability practices, we place a strong emphasis on preserving our unspoiled landscape. By asking you to take the **Sedona Cares Pledge**, we're expressing our deep desire to maintain our serene way of life and to protect our natural surroundings – ensuring a memorable experience for you today, and always.

***Make your promise to
respect the environment we all share.***



Take the Pledge at SedonaCares.com



visitsedona.com

SEDONA ARIZONA


BOOK SEDONA NOW

VISIT SEDONA

SEDONA CARES PLEDGE

TAKE THE PLEDGE


To assure Sedona's sustainability as a natural, spiritual wonder for generations to come, we invite you to join our culture of respectful care for our environment and way of life. Please take the Pledge.



SEDONA SECRET 7

EXPLORE NOW

To experience the Sedona trails that only the locals know, you need the right guide. The Sedona Secret 7 reveals some of our more secluded spots just waiting to be explored.



SUSTAINABLE TOURISM PLAN → TAKE THE SEDONA CARES PLEDGE

TAKE THE SEDONA CARES PLEDGE

f t e

Sedona ignites all five senses.
Six if you count your sense of responsibility.




To assure Sedona's sustainability as a natural, spiritual wonder for generations to come, we invite you to join our culture of respect for our environment and way of life. Please take the Pledge.

The Pledge affirms to the world that you are part of the Sedona community and are committed to caring for Sedona as much as we care about it.

Pledge #6

Leave No Trace and pack out trash - that includes TP and pup poop!

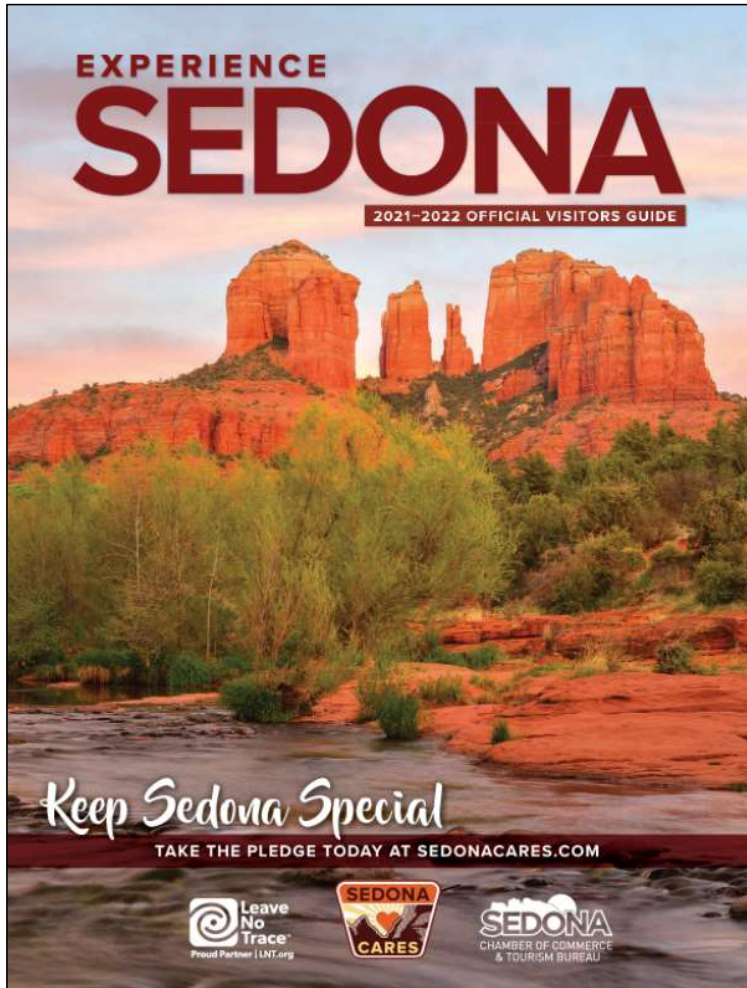


SEDONA CHAMBER OF COMMERCE & TOURISM BUREAU

ABOUT US THINGS TO DO EVENTS TRIP PLANNING BLOG

SEDONA LEAVE NO TRACE

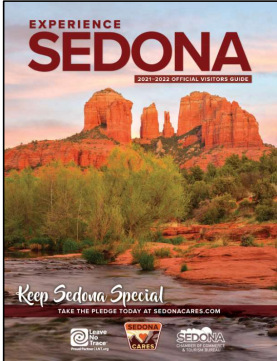
Happy National Take a Hike Day! In Sedona, we're celebrating the day by getting out on any one of our 200+ trails. Locals know the immense value of being out in nature, and try to take advantage of that opportunity daily. Locals also know how vital it is to recreate responsibly on our public lands.



**Official Visitor Guide
Mailed, Distributed, Downloaded**



**Destination Event Planners Guide
Mailed, Distributed, Downloaded**



GO GREEN AMONG THE RED ROCKS

Sedona protects its spectacular scenery—and you can help, too

BY KEN LYNCH

SUSTAINABLE TOURISM

Sedona collaborated with visitors, residents and local businesses to create the Sedona Sustainable Tourism Plan, a first of its kind in Arizona. Two years in the making, the plan aims to reduce tourism's impact on the local environment and Sedona's small-town charm by emphasizing environmental stewardship, residents' quality of life, the quality of the local economy and visitors' experiences. SEDONASUSTAINABLE.COM

SUSTAINABILITY TIP
Help spread the visitor load on the landscape and eat some local food. SEDONASECRET7.COM

Sedona's natural beauty attracts millions of people each year, and new approaches encourage residents and visitors to help preserve this special place.

WALK SEDONA HELPS REDUCE TRAFFIC

The Walk Sedona program encourages visitors to mitigate traffic by getting out of their cars and taking in the beauty of Sedona on foot. Log on to WALKSEDONA.COM for suggested routes, local restaurants, bus stops, parking, public art and more on a GPS-enabled mobile map. Also, find recycling stations, electric-vehicle charging stations and real-time traffic flow by going to GETAROUNDSEDONA.COM.

TAKING CARE OF OUR TRAILS

In 2017, the Sedona Chamber of Commerce & Tourism Bureau, in a unique public-private partnership, launched the Trail Keepers program in cooperation with the Coronado National Forest, Sedona Red Rock Trail Fund and the city of Sedona. Annually more than 50 private businesses (see page 12) each contribute \$1,000 to trail enhancements with the chamber via city support matching that \$50,000. The first 5 years generated nearly \$400,000 in support for the Red Rock Ranger District, and the program continues to expand each year.

FLY FRIENDLY AGREEMENT

Guidance Air Tours and Sedona Air Tours ceased helicopter overflights within Sedona city limits in 2020 and altered operations near resorts and sensitive historical sites—reducing noise, enhancing Sedona's environment and improving our quality of life. SEDONAAIRNOISE.COM



VOLUNTOURISM

Increasingly, travelers want to contribute to Sedona and leave it better than they found it. A community voluntourism program gives visitors the opportunity to sign up for community improvement projects, such as clean-up days, Oak Creek Canyon and trail maintenance days. VOLUNTOURISMINSEDONA.COM

We encourage you to follow Leave No Trace principles while enjoying the land. SEDONALEAVENOTRACE.COM



**PARTICIPATING
PARTNERS:**

Hilton Sedona Resort at
Bell Rock
Sky Rock Inn of Sedona
Verde Canyon Railroad

- Met with 86 travel trade industry professionals
- Met with 13 media professionals
- 142 Sedona business referrals to tour operators through follow-up process





MEET US AT IMEX

Mandalay Bay
November 9-11, 2021
Sedona Booth #D2627

SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU



- Met with 164 meeting planners over 3 days. Sedona Cares Pledge with materials & QR code incorporated in our booth.
- Media coverage – AOT had huge presence with new “Arizona Meetings” branding with sponsorship of press center:
 - Wrap around & inside press center
 - Printed postcard w/ QR code directing media to press kit, which Sedona was included
 - Arizona branded meetings content ran in IMEX daily digital edition during the show

PARTICIPATING PARTNERS:

Hilton Sedona Resort at Bell Rock, L’Auberge de Sedona, Poco Diablo Resort, The Wilde Resort, Verde Canyon Railroad

ADVENTURE ELEVATE

SEDONA

16-18 NOVEMBER 2021



- 12 Day of Adventure outings showcasing Sedona's outdoor recreation guides and outfitters to 135 participants
- Sold-out event with approximately 250 attendees
- Total of 14 media and 2 travel trade hosted VIPs



ADVENTURE TRAVEL
TRADE ASSOCIATION



Visitor Experience

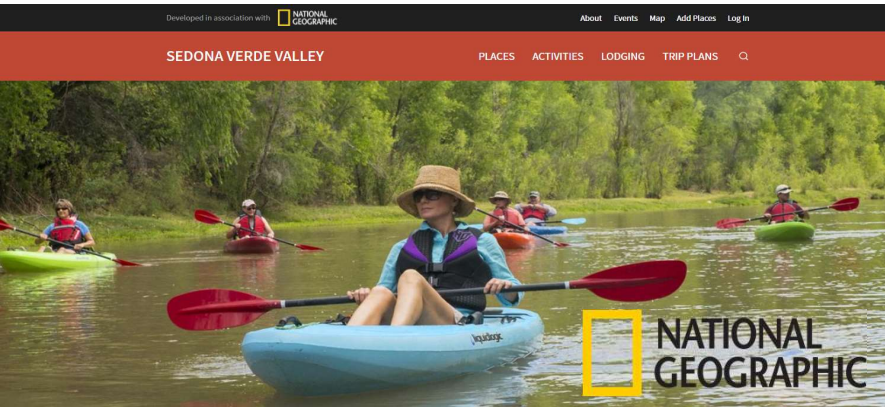
Goal Statement: Continue to provide an excellent visitor experience that highlights Sedona's sustainability values and keeps visitors coming back.





The Visitor Center in Uptown Sedona:

- **INCREASE:** Building and Grounds Maintenance = paint and flooring
- **DECREASE:** Salaries & Benefits down due to reallocation of Chamber – Tourism Bureau – Visitor Center staffing distribution. However additional part time staff expense with only 55 out of 80 volunteers willing to come back to work and need to hire a new Visitor Services Manager with current employee retiring bring the expense down YOY.



#Secret7



The Sedona Way | Visitor Disbursement

MAINTAIN Existing Programs

- National Geographic Sedona Verde Valley Partnership
- Verde Front Leadership Council – Sustainable Recreation Collaborative: Red Rock Oak Creek Canyon Recreation Assessment (Under Environment Pillar)

EXPAND Existing Programs

- Sedona Verde Valley Tourism Council (SVVTC) efforts to spread visitors (disburse) from Sedona throughout the Verde Valley region
- Secret7 Expansion – With focus on Secret7 Hikes continue to promote the trails less traveled to our visitors to take pressure off trails being loved to death



Hiking

WANDER THROUGH AN ANCIENT LANDSCAPE



Restrooms Available



Pet Friendly (Leash Required)



Red Rock Pass Required

Find directions to trailheads and trail tips on the back of this map.

For more information and GPS directions to trailheads visit SedonaSecret7Hikes.com.



Tuzigoot National Monument

Cottonwood
Clarkdale
Jerome

89A

179

Aerie Trail
Take in the view of Bear Mountain, Fay Canyon and Boynton Canyon
Distance: 5.8 miles
Difficulty: Moderate
Parking spots: 13 & 2 HCP

Chimney Rock Loop Trail
Pass by the famous 'Three Fingers' formation
Distance: 2 miles
Difficulty: Moderate
Parking spots: 20

Schuerman Mountain Trail
From the vista, great views of Cathedral Rock
Distance: 2 miles
Difficulty: Moderate
Parking spots: 5

Airport Loop Trail
Trail circles Airport Mesa offering wonderful views all around
Distance: 3.3 miles
Difficulty: Easy/Moderate
Parking spots: 9 & 1HCP

Turkey Creek Trail
Quiet, spectacular views and interesting geology
Distance: 6 miles
Difficulty: Moderate
Parking spots: 5

Jacks Canyon Trail
A long ascent with spectacular sweeping panoramic views
Distance: 12.4 miles
Difficulty: Hard
Parking spots: 20+

Woods Canyon Trail
Views of red mesas covered in lush vegetation
Distance: 10 miles
Difficulty: Moderate
Parking spots: 30+



SEDONA
CHAMBER OF COMMERCE & TOURISM BUREAU



Explore Sedona's Secret 7 in Red Rock Country

The Coconino National Forest consists of over 1.8 million acres including a pine covered plateau cut by deep canyons and bordered on the south by the spectacular Mogollon Rim, a 1,000-foot cliff extending for miles across central Arizona. Sedona is seated within this stunning geological wilderness with 400 miles of non-motorized hiking and biking trails winding past manzanita, juniper and chaparral.

Sedona's Secret 7 serves as a mantra for hikers, who are always looking for trails less traveled. Check out the following trails deemed as "hidden gems" by the locals. For GPS directions and other Secret 7 activities like picnics and biking, visit SedonaSecret7.com.

Airport Loop Trail Easy/Moderate

Hiking Distance: From the Airport Road parking area, about 3.3 miles round trip (add another 1.0 mile if hiking the Tabletop Trail). Add another 1.2 miles of hiking from the Airport Vista parking lot (use the Sedona View Trail (0.6 miles) to get to the Airport Loop Trail).

Viewing Tip: Look to the east for the "Twin Buttes and south for Cathedral Rock. Include the short Tabletop Trail for a view of Sedona's "Pyramid". On the north side of the loop enjoy spectacular views of Thunder Mountain, Chimney Rock and Coffee Pot Rock.

Driving Directions: There are two ways to access this trail. From the Visitor Center, 331 Forest Road, turn right on 89A for 1.0 miles; turn left on Airport Rd for 0.5 miles to free Airport Saddle parking or continue 0.5 miles to Airport Vista parking lot (\$3 Parking fee).

Chimney Rock Loop Trail Moderate

Hiking Distance: Start this 2.0-mile hike from the Thunder Mountain Trailhead. Turn right on the Thunder Mountain Trail. In 0.1 miles, you'll come to the intersection with the Chimney Rock Trail.

Viewing Tip: See if you can spot the "Lizard Head"; look up when you pass the intersection of the Lizard Head trail. Then, watch for Chimney Rock to change to the "Three Fingers" formation on the western side! You may also spot hot air balloons to the west on an early morning hike.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A for 3.2 miles. Turn right on Dry Creek Road for 0.5 miles to Thunder Mountain Road. Turn right for 0.6 miles to parking on the left.

Woods Canyon Trail Moderate

Hiking Distance: 10 miles round trip

Viewing Tip: Look for wildflowers in the spring. At approximately 2.3 miles stop for a snack break in the boulder wash and enjoy the spring water flowing through Dry Beaver Creek. Restrooms available during visitor center hours.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A. At the circle, take the 3rd exit to 179 for 8.4 miles. Turn left at the Ranger Station and park to the right of the first large building. Look for the trail sign near the edge of the lower parking lot.

Schuerman Mountain Trail Moderate

Hiking Distance: Schuerman Mountain Trail to Vista Trail, 0.3 miles; to the Vista (southern view), 0.3 miles; to the top of Schuerman Mountain (western view), 0.4 miles; 2.0 mile round trip.

Viewing Tip: From the Vista (southern view) great views of Cathedral Rock especially late afternoon. From the northwest, views of the Mingus Mountains and the Verde Valley.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A for 4.2 miles to Upper Red Rock Loop Road. Travel down Upper Red Rock Loop Road for 0.3 miles, turn right onto Sedona Red Rock Hls Dr. Trailhead will be on the left. Do not use Sedona Red Rock High School parking lot.

Turkey Creek Trail Moderate

Hiking Distance: 6 miles round trip. Best November through April.

Viewing Tip: Fine views of nearby Cathedral Rock and more distant views of the Secret Mountain Wilderness. The trail reaches its crest at 3.0 miles and begins a gradual descent over basaltic lava where the view over the ancient caldera opens up and the opposite rim with the lava outcrop that gave the mountain its name is visible.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A. At the circle, take the 3rd exit to 179 for 7.3 miles. At the circle, take the 1st exit onto Verde Valley School Road for 4.1 miles to the marked road on the left; take this unpaved road 0.5 miles and take the left fork 100 feet to the road's end.

Jacks Canyon Trail Hard

Hiking Distance: 12.4 miles round trip. Add 2.0 miles one way to the top of the Munds Mountain Trail.

Viewing Tip: For a more spectacular view, hike the short, steep climb to the top of the Munds Mountain trail for an incredible panoramic view of Red Rock Country including the red rocks of Sedona, parts of Oak Creek Canyon and even the San Francisco peaks to the north.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A. At the circle, take the 3rd exit to 179 for 7.3 miles. At the circle, take the 3rd exit onto Jacks Canyon Road for 0.9 miles, turn right to stay on Jacks Canyon Rd for an additional 1.1 miles, turn right into the Jacks Canyon trailhead.

Aerie Trail Moderate

Hiking Distance: Aerie Trail, 2.9 miles each way from the Aerie Trailhead parking area to the Boynton Canyon Trailhead Parking Area for 5.8 miles round trip. For a shorter hike, turn around at the intersection of the Cockscomb Trail for a 3.8-mile hike or turn right on the Cockscomb Trail for a 4.4-mile loop back to the Aerie Trailhead parking lot.

Viewing Tip: On the Aerie trail, take in the view of Bear Mountain, Fay Canyon and Boynton Canyon. From the top of Doe Mountain, enjoy panoramic views of the Secret Mountain Wilderness.

Driving Directions: From the Visitor Center, 331 Forest Road, turn right on 89A for 3.2 miles. Turn right on Dry Creek Road for 3.0 miles. At the stop sign, turn left onto Boynton Pass Road for 4.1 miles. Turn left on Aerie Road (past Doe Mtn) and follow the road to the right at the fork to the trailhead parking.

Support the businesses that support the trails!



Sedona Trail Keepers

The Sedona Chamber of Commerce & Tourism Bureau, in partnership with the City of Sedona, private industry, the Sedona Red Rock Trail Fund (SRRTF) and the US Forest Service, dedicates upwards of \$100,000 annually to trail maintenance and enhancements for the more than 200 hiking trails covering 400 miles throughout greater Sedona. While you're enjoying Sedona, remember to Support the Businesses that Support the Trails! Visit our 50 Sedona Trail Keeper businesses throughout the Greater Sedona Area. Find them at SedonaTrailKeepers.com.

To make a personal donation today and help sustain and maintain Sedona's trails visit RedRockTrailFund.org

Sedona Chamber of Commerce & Tourism Bureau Visitor Center • 331 Forest Rd, Sedona, AZ 86336 • 928.282.7722
8:30 a.m. – 5 p.m. Daily • Closed Thanksgiving and Christmas Day



Sedona ignites all five senses.

Six if you count your sense of responsibility.

To assure Sedona's sustainability as a natural, spiritual wonder for generations to come, we invite you to join our culture of respect for our environment and way of life.

The Pledge affirms to the world that you are part of the Sedona Sustainable movement, committed to caring for Sedona as much as we care about you.

Take the Sedona Cares Pledge below and share it — we are eager to spread the word.

1. The rocks are red and the silence is golden. I vow to respect the natural quiet of Sedona's open spaces and neighborhoods.
2. I will be mindful of Sedona's arid environment by minimizing my water and energy use and I will be extremely careful with fire.
3. I'll make my own memories, but not my own trails.
4. I won't risk life or limb (human or sapling) for more likes. I won't get killed for a killer photo.
5. When playing outside, I'll be ready for rapid changes in weather and random episodes of magic.
6. Leave no trace and pack out trash — that includes tp and pup pool. I will discover art in Sedona's galleries rather than making my own.
7. Carving on trees or rocks, stacking stones, or defacing the environment diminishes nature's art.
8. If I can't find a parking spot, I will not invent my own. I will go with the traffic flow, using my turn signal often and my car horn seldom.
9. I'll be caring and considerate wherever I go, because that's the Sedona way.

Take the Sedona Cares Pledge at SedonaCares.com today





Environment

Goal Statement: Lead the tourism industry in implementing sustainability principles, positioning Sedona as a national and international leader in destination stewardship.



Sustainable Tourism – Consumer/Business Education

MAINTAIN Existing Programs

- RENEW Sedona Trail Keepers (2.0) Program
- Promote Sustainability Alliance business certification and zero waste meetings and events
- Voluntourism Programs

EXPAND Existing Programs

- Leave No Trace
- Sedona Cares – Take the Pledge – Including in market Visitor Education | Signage for both

NEW Programs

Red Rock Oak Creek Canyon Recreation Assessment

~~Master Forrest Plan~~

- Recycling receptacles in highly trafficked visitor areas (i.e. at Uptown Visitor Center)
- Establish trash collection services at Dry Creek Road/install temporary toilets at Soldier's Pass

PROPOSED \$20,000 Tread Lightly campaign

- 4x (:15) TV Spots
- 4-6 blogs on recreating responsibly
- Consumer OHV/ATV educational video



- 400 miles of trails
- 50 private businesses at \$1,000 each
- Matching bed tax \$

\$370,000 DONATED to Trail Stewardship over the 5 years of the program

**TRAIL KEEPERS 2.0
50 Businesses already signed up!**



Leave No Trace – Proud Supporter Program launched 11/17 National Take a Hike Day

LEAVE NO TRACE



We know you love Sedona just as much as we do. So, we ask that you join us in preserving her natural beauty and special qualities by embracing the 7 guiding principles of Leave No Trace.

We have partnered with the [Leave No Trace Center for Outdoor Ethics](#) to help you interact with Sedona responsibly and respectfully. Whether you are a hiker, mountain biker, camper, or a seeker of serenity or adventure, you will add extra satisfaction to your Sedona journey by your informed and caring interaction with our environment – and leaving no trace!





Resident Quality of Life

Goal Statement: Protect and enhance the quality of life by mitigating impacts of tourism.



Working Together to Serve All of Sedona's Place Consumers

MAINTAIN Existing Programs

- Locals Nite Out (Sunsets August 2021)
- Local Event Support SUSTAINED at 2019 levels (\$34,000) – NEW policy/procedures for FY23
- WalkSedona.com | Roundabout & Bike Etiquette (In-room)
- Continue Verde Shuttle Marketing (Launched 5/25/21 – buses delayed)

NEW Programs

- Sedona Shuttle | SAM Marketing
- OHV Issues Mitigation within City Limits w/US Forest Service and National Forest Foundation

Private, Public, Land Management, & Nonprofit Partners

**RED ROCK OHV
CONSERVATION
CREW**

A SEDONA CHAMBER PARTNERSHIP







**RED ROCK OHV
CONSERVATION
CREW**
A SEDONA CHAMBER PARTNERSHIP



**EDUCATION
ENGINEERING
ENFORCEMENT**

SEDONA

CHAMBER OF COMMERCE
& TOURISM BUREAU



treadlightly!
.ORG



T.R.E.A.D.
PRINCIPLES



Educate Yourself



Travel Responsibly

Avoid Sensitive Areas



Respect Rights Of Others



Do Your Part

**RED ROCK OHV
CONSERVATION
CREW**



A SEDONA CHAMBER PARTNERSHIP

COCONINO National Forest



RESPONSIBLE RECREATION

RED ROCK OHV CONSERVATION CREW

Partners

"It's about the love of the outdoors and the outdoors." - Fred Mead, the first National Park Service ranger.

Accessing OHV Trails in 8 of 10

The Coconino National Forest is one of the most diverse National Forests in the West. It's home to a wide variety of recreational opportunities, including hiking, fishing, hunting, and OHV recreation. To help you access these trails, we've created this map. It shows the location of 8 of the 10 OHV trails in the Coconino National Forest. The map also shows the location of the 10 OHV trails in the Coconino National Forest. The map also shows the location of the 10 OHV trails in the Coconino National Forest.

T.R.E.A.D. PRINCIPLES

- Travel Responsibly**
- Respect Rights of Others**
- Educate Yourself**
- Avoid Sensitive Areas**
- Be Your Part**

Travel Responsibly

Follow the 10 T.R.E.A.D. Principles to help you enjoy the outdoors responsibly. The 10 T.R.E.A.D. Principles are: 1. Plan Ahead, 2. Travel on Designated Trails, 3. Observe and Enjoy, 4. Leave No Trace, 5. Respect Wildlife, 6. Be Considerate, 7. Practice Proper Camping, 8. Practice Proper Fire Use, 9. Practice Proper OHV Use, 10. Be a Good Neighbor.

For More Info

Coconino National Forest, 10000 N. Hayden Rd., Flagstaff, AZ 86001



PROTECT OUR ACCESS DO YOUR PART



TRIP TIPS

- WATER**: Stay hydrated.
- MAPS**: Bring a map.
- WEATHER**: Check the weather.
- ADVERSE**: Be prepared for adverse conditions.
- WILDLIFE**: Observe and enjoy wildlife.
- WILDFIRE**: Practice proper fire use.
- WILDSIDE**: Practice proper OHV use.
- WILDSIDE**: Be a good neighbor.

OHV Use

Use your OHV responsibly. Follow the 10 T.R.E.A.D. Principles to help you enjoy the outdoors responsibly. The 10 T.R.E.A.D. Principles are: 1. Plan Ahead, 2. Travel on Designated Trails, 3. Observe and Enjoy, 4. Leave No Trace, 5. Respect Wildlife, 6. Be Considerate, 7. Practice Proper Camping, 8. Practice Proper Fire Use, 9. Practice Proper OHV Use, 10. Be a Good Neighbor.

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OHV Use

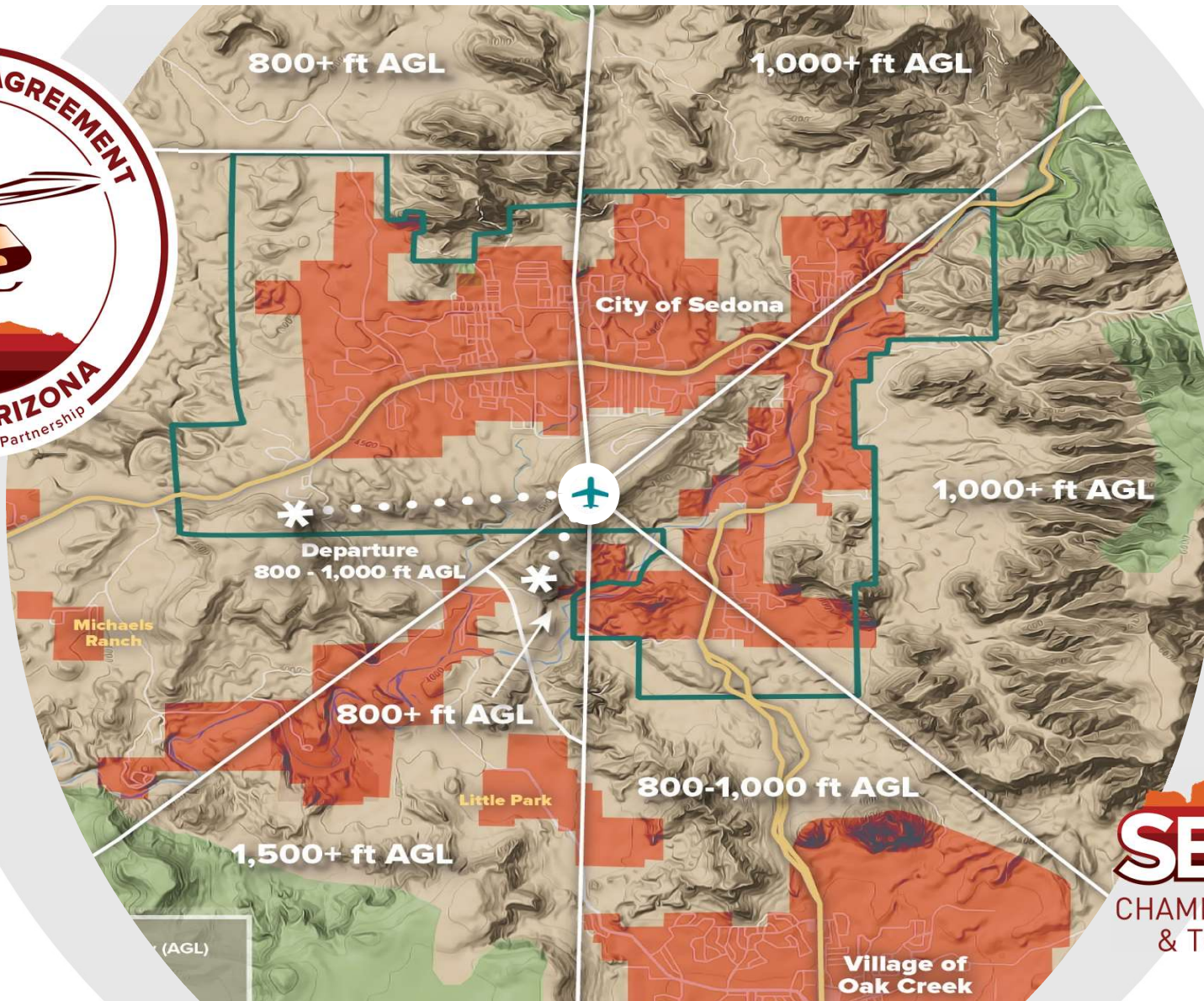
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BEING RESPONSIBLE DOESN'T MEAN BEING BORING

THE END OF THE LINE ISN'T THE END OF THE ROAD. BE RESPONSIBLE AND ENJOY THE BEAUTIFUL, HEALTHY COCONINO NATIONAL FOREST.

For more recreation tips and to join, please visit treadlightly.org





SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU



FUTURE

The Future is Here

The Future Role of Chambers: Value, Relevance & The Horizon Initiative

Association of Chamber of Commerce Executives



ASSOCIATION OF
CHAMBER OF COMMERCE
EXECUTIVES

How will chambers adapt and evolve to mega trends over the next decade?

How will they ensure that their best days are yet to come?

These are the core questions explored in ACCE's seminal report - Horizon Initiative. The Horizon Initiative report is the product of more than a year's work by an ACCE Board Task Force. It taps the chamber industry's collective wisdom and draws heavily from social science scholarship and business research. The goal is not to tell chambers what they must do or be a decade from now. Instead, the value of this report is its potential to inspire ideas. The nine influences described in the Horizon Initiative Report are:

See next slide

HORIZON INITIATIVE



Belonging and Gathering

Coming revolution in who engages with chambers and how they engage. Millennial-phobia is overblown, but membership questions abound. An audience isn't necessarily a network and every event doesn't necessarily create value.



Global Impacts

Exports will drive growth. The world will come to your door. Strong places will still matter to global companies. Small-medium companies need exposure and connections to global opportunities.



Political and Social Fragmentation

Splintering in politics and society is felt at the local level, not just in DC and statehouses. Trend is unlikely to reverse, but chambers have an opportunity in the "sane center."



Communications and Technology

Technology is unlikely to differentiate chambers, but human support will. However, supports will expect mass customization, complete connectivity and robust feedback loops.



Engaging the Public Sector

As chamber executives, our jobs require us to work with a wide variety of people to get things done. It is critical that chambers and the professionals who manage them develop a strategy for engaging the public sector.



Resource Alignment

In the search for revenue beyond the rate card, chambers must tie money to the mission. Supporters will want progress more than engagement.



Scarcity and Abundance

On the cusp of unforeseen abundance, local economies can feel short of water, energy, talent, land and leadership. Swings in supply and demand happen quicker. Chambers must be nimble problem solvers.



Population Shift

Population diversification continues on a national scale. Millennials displace boomers as the workplace majority and bring with them inclusive core values that challenge traditional perceptions of a chamber.



Catalytic Leadership

Local leadership matters more in a diverse and distracted world. Chambers may have to get comfortable catalyzing change, not just coping with it.

1) Belonging & Gathering

GET SOMETHING DONE THROUGH THE CHAMBER

COMMUNITY FOCUS



ENTERPRISE FOCUS

GET SOMETHING FROM THE CHAMBER

3) Scarcity & Abundance – Chamber as Problem Solver

CHAMBER IMPACT

A chamber that is absent from resource discussions, unaware of the issues, or resigned to letting government alone solve them, risks certain competition from organizations that choose to play in this arena. A chamber that attempts to predict all of these economically crucial opportunities will be wrong a great deal of the time. **A chamber that builds its capacity to address them as they arise will be indispensable.**

5) Engaging the Public Sector

IF NOT YOU THE CHAMBER, WHO?

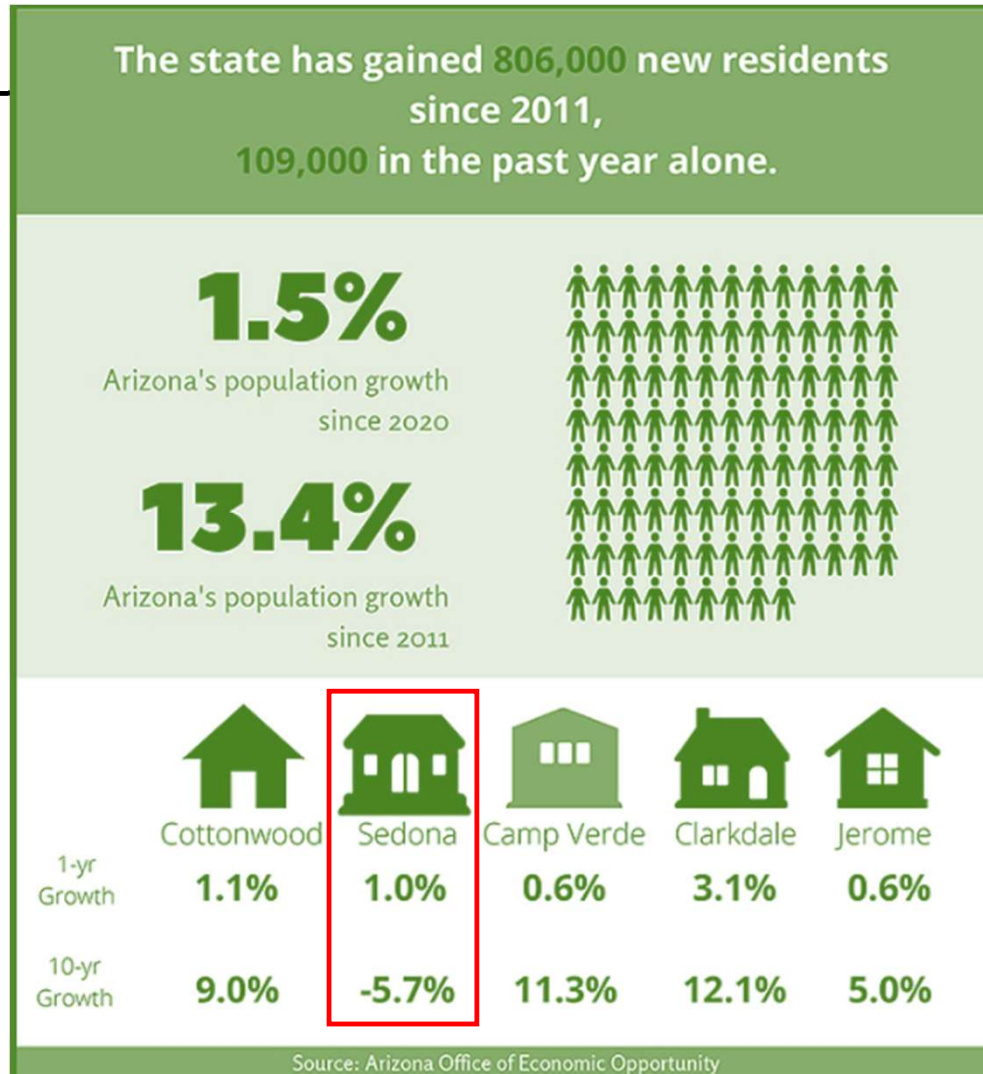
The widespread distrust of government to “get the job done,” which may intensify in the coming decade, puts chambers in a new light, one that shines on resource alignment opportunities heretofore unavailable as they tackle big economic and societal challenges.

6) Population Shift

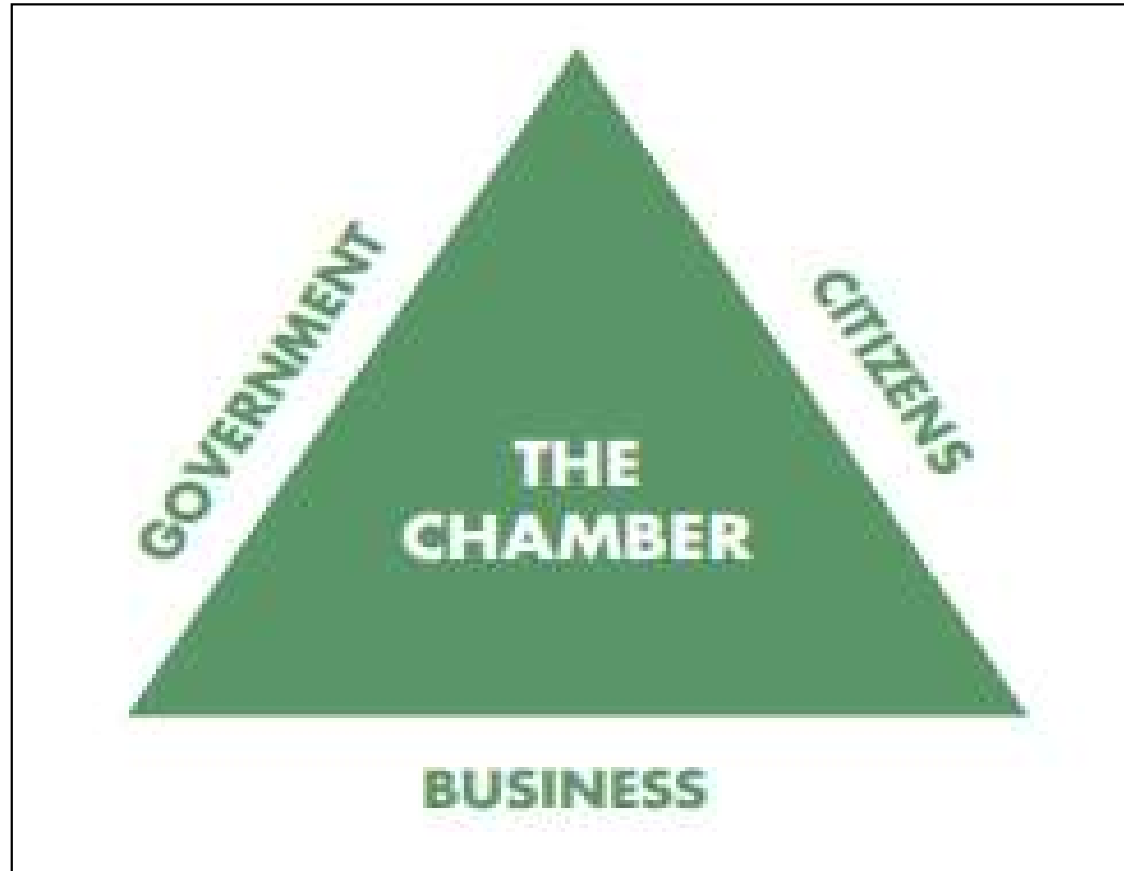
City of Sedona:

61.5 years
Average Median Age

Projected 10-year
Growth is a
Decline of 5.7%



7) Political & Social Fragmentation



9) Catalytic Leadership

HOW DOES A CHAMBER BECOME CATALYTIC?

It starts when those involved begin to define their vision in terms of what the organization will be, rather than what it will do. Then, a vision emerges of the chamber as a change agent for the community/economy. The organization sees itself as an instigator of change, rather than a resource to help people cope with change. **The propagation, rather than mere acceptance, of change will be new to many chambers and therefore to their would-be leaders.**



WESTERN ASSOCIATION
OF CHAMBER EXECUTIVES

Defining the Promise of The Chamber of Commerce In the 21st Century

A Brand Definition Project in Partnership with W.A.C.E.

BrandBirth



WHERE POLICY, PEOPLE & PLACE COME TOGETHER TO CREATE COMMUNITY

3-C CHAMBER: Catalyst for business growth, a **Convener** of leaders and influencers to get things done, and a **Champion** for a thriving community

- **PROVIDE ROI FOR OUR PARTNERS:** As the **VOICE of Business** for greater Sedona, we **ADVOCATE** for a positive business climate on local, state and federal policy, provide **EDUCATION** resources, programs and events, as well as **NETWORKING** opportunities; This includes seeking solutions to **WORKFORCE** challenges including recruitment, training, leadership development, access to affordable housing and public transit;
- **ADVANCE COMMUNITY SUSTAINABILITY:** Lead as the Official Destination Management Organization responsible for **DESTINATION STEWARDSHIP**, working in partnership with the City of Sedona under Arizona's first Sustainable Tourism Plan to maintain a balance between the vitality of our singular tourism economy and world-renown visitor experience with preservation of the environment and quality of life for our residents; This includes engaging in **REGIONAL GOVERNANCE FACILITATION** with the City of Sedona, Oak Creek Canyon, Village of Oak Creek, Yavapai and Coconino Counties, Coconino National Forest/USFS, State Agencies, our Tribes and federally elected officials to innovate to address greater Sedona's challenges.
- **LEVERAGE OPERATIONAL SUCCESS:** Strive for **ORGANIZATIONAL EXCELLENCE** to ensure long-term viability as we continue to meet the needs of our partners and the greater Sedona region.

FY22 Board of Directors

(July 1, 2021-June 30, 2022)

FY22 Officers:

- Al Comello, Chair-Elect - Comello Media Services***
- Jennifer Perry, Secretary - AZ Community Foundation***
- Mike Wise, Treasurer - AZ Prime Real Estate***
- Wendy Lippman, Secretary - Tlaquepaque Arts & Shopping Village***

Directors:

- Jesse Alexander, Sedona Center***
- Cheryl Barron, Whispering Pines B&B***
- John Davis, Cheers***
- Darla DeVille, APS***
- Dr. Beth DuPree, The Healing Consciousness Fdn***
- Gary Glenn, Gary Glen Photography***
- Julia Kaiser, Arabella***
- Stan Kantowski, The Enchantment Resort***
- KC Kinsey, Hilton Sedona Resort at Bell Rock***
- Susan Obijiski, Susan Obijiski Consulting***
- Ed Rose, Sedona Airport***



Passing the gavel: Chair, Lonnie Lillie (left) to Al Comello, FY22 Chair-Elect



FY22 Organization Chart

CHAMBER OF COMMERCE & TOURISM BUREAU

501(c)(6) nonprofit membership org

SEDONA CITY COUNCIL
Members

SCC&TB BOARD OF DIRECTORS
15 Directors

SCC MEMBERSHIP
735+ Private Businesses &
Nonprofits (130+)

Sedona Lodging Council
BOARD OF DIRECTORS

Bed Tax Funded
Contracted Services

City of Sedona STAFF

PRESIDENT & CEO
Candace Carr Strauss

FINANCE DIR
Gary Stewart

ADMIN & EVENTS COORD
Jessica Gooch

IT SERVICES (Outsourced)
Kevin Goglin

VISITOR SRVS DIRECTOR
Donna Retegan

COMMS/PR (Outsourced)
Ken Lynch

MARKETING DIR
Michelle Conway

TOURISM DEV
Sachiko Sado

SALES MGR**
Ryan Edmiston

**Prior to 2021, funded by bed tax

Chamber ONLY**
BUSINESS DEV MGR
Vacant
PARTNER ENGAGE MGR
Erin Bruce

COMMS MGR
Vacant

DIGITAL MKTG MGR
Sheryl Curtis

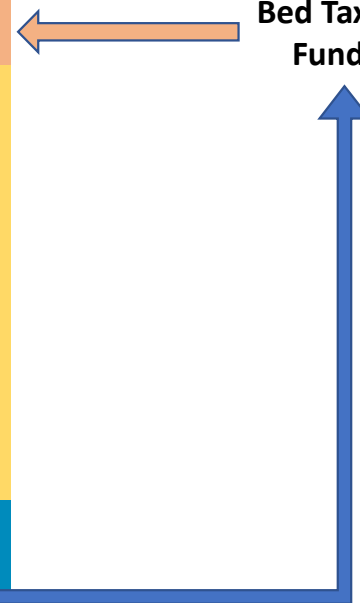
GRAPHIC DESIGNER
James Mortenson

UPTOWN VISITOR INFORMATION CENTER OPS
VISITOR SRVS MANAGER
Victoria Latunski
PART TIME VIC STAFF
(2 PPL)
VIC VOLUNTEERS
(Up to 35)

FY22 Salaries & Benefits Expense Allocation Chamber - TB - Visitor Center

VC Only		Visitor Center Part Time Employees	0 / 0 / 100	
	1	Visitor Center Director	0 / 0 / 100	
	2	Visitor Center Manager	0 / 0 / 100	
TB Only	3	Tourism Development Director	0 / 100 / 0	
Chamber - TB - VC Allocation	4	Admin Assistant, Events & Operations	50 / 50 / 0	
	5	Communications Manager	25 / 75 / 0	
	6	Digital Marketing Manager	25 / 75 / 0	
	7	Finance Director	30 / 60 / 10	
	8	Graphic Designer	15 / 75 / 10	
	9	Marketing Director	10 / 90 / 0	
	10	President/CEO	35 / 60 / 5	
Chamber Only	11	Chamber Business Development	100 / 0 / 0	
	12	Meeting/Group Sales Manager (TB function, no City funding for FY22)	100 / 0 / 0	
	13	Partner Engagement Manager	100 / 0 / 0	

**REQUESTING
FY23 RETURN to
Bed Tax (TB)
Funded**



FY22 Operations & Administration YTD

	TOURISM BUREAU			VISITOR CENTER			TOURISM BUREAU & VISITOR CENTER		
	FY22 Budget	FYTD 12/31/21	% of Budget	FY22 Budget	FYTD 12/31/21	% of Budget	FY22 Budget	FYTD 12/31/21	% of Budget
17	Operations								
18	\$ 3,000	\$ 1,677	55.9%	\$ 3,000	\$ 1,677	55.9%	\$ 6,000	\$ 3,354	55.9%
19	\$ 4,800	\$ 7,982	166.3%	\$ 44,980	\$ 9,702	21.6%	\$ 49,780	\$ 17,684	35.5%
20	\$ 2,400	\$ 1,054	43.9%	\$ 2,400	\$ 1,054	43.9%	\$ 4,800	\$ 2,108	43.9%
21	\$ 10,300	\$ 3,356	32.6%	\$ 7,000	\$ 1,911	27.3%	\$ 17,300	\$ 5,267	30.4%
22	\$ 600	\$ 310	51.7%	\$ 600	\$ 343	57.2%	\$ 1,200	\$ 653	54.4%
23	\$ 8,250	\$ 4,594	55.7%	\$ 6,050	\$ 2,225	36.8%	\$ 14,300	\$ 6,819	47.7%
24	\$ 13,380	\$ 11,439	85.5%	\$ 4,540	\$ 4,213	92.8%	\$ 17,920	\$ 15,652	87.3%
25	\$ 2,200	\$ 1,023	46.5%	\$ 3,100	\$ 1,373	44.3%	\$ 5,300	\$ 2,396	45.2%
26	\$ 9,750	\$ 5,376	55.1%	\$ 9,000	\$ 3,122	34.7%	\$ 18,750	\$ 8,498	45.3%
27	\$ 12,600	\$ 6,071	48.2%	\$ 18,900	\$ 12,386	65.5%	\$ 31,500	\$ 18,457	58.6%
28	\$ 5,800	\$ 2,440	42.1%	\$ 14,700	\$ 6,430	43.7%	\$ 20,500	\$ 8,870	43.3%
29				\$ 24,000	\$ 4,168	17.4%	\$ 24,000	\$ 4,168	17.4%
30	\$ 6,500	\$ 3,195	49.2%	\$ 10,600	\$ 5,132	48.4%	\$ 17,100	\$ 8,327	48.7%
31	\$ 501,689	\$ 222,267	44.3%	\$ 256,108	\$ 118,119	46.1%	\$ 757,797	\$ 340,386	44.9%
32	\$ 581,269	\$ 270,784	46.6%	\$ 404,978	\$ 171,855	42.4%	\$ 986,247	\$ 442,639	44.9%



FY22...The Year at a Glance

SCC&TB BOARD APPROVED FY22 Budget: \$2.72 M

**CITY of SEDONA FY22 Contracted Srvs: \$2,239,720 incl FY21 Rollover
With PAUSE in Destination Marketing - \$250K Contingency***

- **JULY:** NEW Fiscal Year begins
- **AUG:** Community Pulse presented by APS
- **SEPT** Qtrly Nonprofit Leadership Roundtable presented by Arizona Community Fdn
- **OCT:** FY22 Annual Report Breakfast (Virtual October 2021 due to COVID impact)
- **DEC:** Qtry Nonprofit Leadership Roundtable
- **JAN-APR:** 2022 AZ Legislative Session (Opens January 10)
- **FEB:** Bi-annual Community Pulse presented by APS
- **MARCH:** Inaugural International Women's Day Leadership Awards Luncheon; Qtrly Nonprofit Leadership Roundtable
- **MAY:** USTA National Travel & Tourism Week
- **JUNE:** Qtry Nonprofit Leadership Roundtable; Sedona Chamber Annual Partner Meeting & Business Awards Dinner

ON-GOING

- **MONTHLY:** Strategies for Success Educational Programs w/SBDC and partners; Networking Mixers
- **AS-NEEDED:** Ribbon-cuttings for NEW businesses

FY23 Contracted Services... For Your Consideration

- **REALIGN Sedona Sustainable Tourism Plan's Priorities with Present Day (2022/23); in particular Environmental Pillar with newly adopted City of Sedona Climate Action Plan (2021)**
 - Identify 1-3 KPIs per Pillar (4) to annualize plan
 - Hire STP Project Manager to take accountability to move plan forward
- **CONTINUE/EXPAND Current FY22 Destination Management Programs**
 - City Banner Signage and Walking Historic Trail (Tlaquepaque to Uptown) update
 - Trail Keepers 2.0 but asking additional \$50,000 from the City out of General Fund
 - Secret7, Leave No Trace, OHV/ATV Mitigation
 - SVVTC: consider support for Verde Valley Wine Trail highway signage and digital app
 - Trash (Dry Creek) and Toilet/Port-o-Potties (Soldiers Pass) Service until USFS Red Rock Pass installation and Posse Grounds Parking / Restrooms completed
 - Additional business meetings support including reinstating funding for Sales Manager position
- **EVALUATE Operations & Administration Expenses utilizing City's Salary Survey with inflation and high cost of living being driven by continually increasing housing costs**
- **MAINTAIN 'PAUSE' on destination marketing; CONSIDER consumer education on behavioral expectations (see video links on next slide)**
- **NEW: Indigenous Peoples support, History program with Sedona Schnebly Citywide Celebration Event, Other Event support/sponsorship tied to community and outdoor recreation**
- **LONG TERM: Work with City on Western Gateway Visitor Servicing on parcel in West Sedona; Unique meeting space within City Limits to assist smaller hotels**

**FORTHCOMING:
Sustainable Tourism
Consumer Education video
examples and geofencing
technology showcase**



Thank You

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		TOURISM BUREAU			VISITOR CENTER			TOURISM BUREAU & VISITOR CENTER		
		FY22 Budget	FYTD 12/31/21 Actual	% of Budget	FY22 Budget	FYTD 12/31/21 Actual	% of Budget	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
1	FY22 Funding from Bed Tax Revenue	\$ 1,719,542	\$ 784,771	45.6%	\$ 520,178	\$ 260,089	50.0%	\$ 2,239,720	\$ 1,044,860	46.7%
2	Expenses:									
3	Quality of Tourism Economy Programs									
4	Arizona Office of Tourism Programs	\$ 51,500	\$ 31,980	62.1%				\$ 51,500	\$ 31,980	62.1%
5	Marketing Support	\$ 203,220	\$ 75,132	37.0%				\$ 203,220	\$ 75,132	37.0%
6	Marketing Collateral	\$ 20,000	\$ 6,136	30.7%	\$ 8,200	\$ 294	3.6%	\$ 28,200	\$ 6,430	22.8%
7	Media & Communications	\$ 79,100	\$ 45,900	58.0%				\$ 79,100	\$ 45,900	58.0%
8	Meetings Sales (net of member participation fees)	\$ 104,948	\$ 40,218	38.3%				\$ 104,948	\$ 40,218	38.3%
9	Research	\$ 61,625	\$ 50,268	81.6%				\$ 61,625	\$ 50,268	81.6%
10	Travel Trade Industry Sales (net member fees)	\$ 77,205	\$ 17,686	22.9%				\$ 77,205	\$ 17,686	22.9%
11	Dues & Subscriptions	\$ 14,575	\$ 6,125	42.0%				\$ 14,575	\$ 6,125	42.0%
12	Postage, Delivery & Distribution	\$ 3,300	\$ 1,650	50.0%	\$ 107,000	\$ 43,760	40.9%	\$ 110,300	\$ 45,410	41.2%
13	Total Quality of Tourism Economy	\$ 615,473	\$ 275,095	44.7%	\$ 115,200	\$ 44,054	38.2%	\$ 730,673	\$ 319,149	43.7%
14	Total Quality of Visitor Experience	\$ 62,000	\$ 32,380	52.2%				\$ 62,000	\$ 32,380	52.2%
15	Total Quality of Environment Programs	\$ 312,250	\$ 59,210	19.0%				\$ 312,250	\$ 59,210	19.0%
16	Total Quality of Life Programs	\$ 148,550	\$ 82,352	55.4%				\$ 148,550	\$ 82,352	55.4%
17	Operations									
18	Storage & Handling	\$ 3,000	\$ 1,677	55.9%	\$ 3,000	\$ 1,677	55.9%	\$ 6,000	\$ 3,354	55.9%
19	Building & Grounds Maintenance	\$ 4,800	\$ 7,982	166.3%	\$ 44,980	\$ 9,702	21.6%	\$ 49,780	\$ 17,684	35.5%
20	Commercial Liability Insurance	\$ 2,400	\$ 1,054	43.9%	\$ 2,400	\$ 1,054	43.9%	\$ 4,800	\$ 2,108	43.9%
21	Computer & Technology	\$ 10,300	\$ 3,356	32.6%	\$ 7,000	\$ 1,911	27.3%	\$ 17,300	\$ 5,267	30.4%
22	Bank Charges	\$ 600	\$ 310	51.7%	\$ 600	\$ 343	57.2%	\$ 1,200	\$ 653	54.4%
23	Equipment Lease & Repair	\$ 8,250	\$ 4,594	55.7%	\$ 6,050	\$ 2,225	36.8%	\$ 14,300	\$ 6,819	47.7%
24	Professional Fees	\$ 13,380	\$ 11,439	85.5%	\$ 4,540	\$ 4,213	92.8%	\$ 17,920	\$ 15,652	87.3%
25	Property Tax, License, Permits	\$ 2,200	\$ 1,023	46.5%	\$ 3,100	\$ 1,373	44.3%	\$ 5,300	\$ 2,396	45.2%
26	Supplies	\$ 9,750	\$ 5,376	55.1%	\$ 9,000	\$ 3,122	34.7%	\$ 18,750	\$ 8,498	45.3%
27	Phone, Internet	\$ 12,600	\$ 6,071	48.2%	\$ 18,900	\$ 12,386	65.5%	\$ 31,500	\$ 18,457	58.6%
28	Utilities	\$ 5,800	\$ 2,440	42.1%	\$ 14,700	\$ 6,430	43.7%	\$ 20,500	\$ 8,870	43.3%
29	Volunteer Services & Training				\$ 24,000	\$ 4,168	17.4%	\$ 24,000	\$ 4,168	17.4%
30	Mortgage Interest	\$ 6,500	\$ 3,195	49.2%	\$ 10,600	\$ 5,132	48.4%	\$ 17,100	\$ 8,327	48.7%
31	Salaries & Benefits	\$ 501,689	\$ 222,267	44.3%	\$ 256,108	\$ 118,119	46.1%	\$ 757,797	\$ 340,386	44.9%
32	Total Operations	\$ 581,269	\$ 270,784	46.6%	\$ 404,978	\$ 171,855	42.4%	\$ 986,247	\$ 442,639	44.9%
33	Total Expense	\$ 1,719,542	\$ 719,821	41.9%	\$ 520,178	\$ 215,909	41.5%	\$ 2,239,720	\$ 935,730	41.8%
34	<i>Tourism funding includes FY22 funding \$1,569,542 and \$150,000 carryforward from FY21</i>									

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
2	Quality of Tourism Economy Programs			
3	Arizona Office of Tourism Programs			
4	Natl Parks program (not in AOT program)	11,500		
5	TripAdvisor (8 months)	20,000	20,000	
6	National Parks Integrated Program (Grand Canyon Journal)	3,000		
7	AZ Official State Visitor Guide	3,800	4,088	
8	Phoenix Visitor Guide	3,000	7,588	
9	Tucson Official Travel Guide	3,000		
10	Go-Arizona.com (not in AOT program)	3,000		
11	Pride Guide	800	304	
12	Visit USA Parks	3,400		
13	Subtotal	51,500	31,980	62.1%
14	Marketing Support			
15	Agency Creative Development (Esser)	43,520	7,820	
16	eNewsletters (Madden \$25k & Constant Contact \$15k)	40,000	6,904	
17	Trip Tuner Experience - Sedona.com	22,000	9,000	
18	Database Software & Mgmt (Simpleview)	21,200	10,600	
19	Domains & Software (domains moved to Chamber budget)	10,000	3,372	
20	Jackrabbit Booking Engine	15,000	13,700	
21	STP Website Content (Ken Lynch)	2,500	4,998	
22	Video and Photo Assets (media license \$4,800)	7,000	2,930	
23	Sedona Webcam	5,500	2,296	
24	VisitSedona.com - new content	5,000		
25	In market advertising (Sedona NOW, radio, newspapers)	30,000	13,000	
26	Red Rock Country Visitors Guide	1,500	512	
27	Subtotal	203,220	75,132	37.0%
28	Marketing Collateral			
29	Lure Brochures (Translation & Printing)	9,000		
30	Annual Report & related printed items (50%)	5,500	5,264	
31	ESG & DEP Guides	3,000	872	
32	Historic Preservation Commission Brochure	2,500		
33	Subtotal	20,000	6,136	30.7%
34	Media & Communications			
35	Events			
36	Adventure Travel Trade Association event	17,500	3,366	
37	GCOT conference (2 attendees)	2,000		
38	IPW Las Vegas, Media MarketPlace (9/18 - 9/22/21)	2,000		
39	IPW Orlando, Media MarketPlace (6/4 - 6/8/22)	4,000		
40	Tech Summit (2 attendees)	3,000		
41	AOT	3,000		
42	Social Media & Photo Usage			
43	Crowdriff	16,000	15,300	
44	Hootsuite	400	383	
45	PR Support (Ken Lynch)	19,200	9,600	
46	Meltwater (PR database)	12,000	11,251	
47	Social Media vendor support (staff vacancy)		6,000	

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
48	Subtotal	79,100	45,900	58.0%

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
49	Meetings Sales			
50	Meeting Planners & Industry Orgs			
51	Cvent (lead generation,Copy feature)	5,400		
52	HelmsBriscoe	7,000	7,000	
53	Tradeshows/Sales Missions & Events			
54	Canadian Meetings Toronto (10/19 - 10/20/21)	6,398		
55	IMEX Las Vegas (11/9 - 11/11/2021) \$46,500 cost less potential \$14,000 coop revenue	32,500	27,407	
56	Destination AZ PHX	8,700		
57	Luxury Meetings Summit PHX	2,450		
58	HelmsBriscoe Luncheon	2,400		
59	HPN Global Luncheon	1,900		
60	IPEC	7,700		
61	Stamats Meeting Media Tucson (12/5-12/9/21)		3,900	
62	FAMS & Site Visits			
63	Ongoing Meeting Planners (& their Clients) FAM	5,000		
64	HelmsBriscoe	8,000		
65	Sales Outreach			
66	PHX Networking	2,000	906	
67	Collateral, Marketing, Other	2,500		
68	ATTA Adventure Elevate	6,000		
69	Incentives	6,000		
70	Industry Fees	1,000	1,005	
71	Subtotal	104,948	40,218	38.3%
72	Research			
73	Madden Media Voyage (new visitor data tool)	31,500	31,500	
74	Think! Innovation/TSI	15,000	9,368	
75	NTG Research and Analysis	7,500	7,500	
76	Smith Travel Research	5,225		
77	BRC Visitor Surveys	2,400	1,900	
78	Subtotal	61,625	50,268	81.6%
79	Travel Trade Industry Sales			
80	Tradeshows			
81	IPW Las Vegas (9/18 -9/22/21) \$13,000 cost less potential \$9,000 coop revenue; \$17,025 registration fee charged to FY21	4,700	(4,866)	
82	NTA Travel Exchange Cleveland	3,295	2,900	
83	Go West Summit Reno	5,800	2,688	
84	Brand USA Travel (London)	14,100	8,367	
85	IPW Orlando(6/4-6/8/22) Second FY22 tradeshow \$37,300 cost less potential \$9,000 coop revenue	28,300		
86	Sales Missions & Outreach Missions			
87	LA sales mission	5,800		
88	German Speaking Europe Outreach (International)	5,200	5,025	
89	Promotional Items	2,000	830	
90	Collateral/Website enhancement	300		
91	Meetings (meals, mileage)	700	667	

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
92	Travel Trade FAM	3,500	655	
93	Industry Fees	3,510	1,420	
94	Subtotal	77,205	17,686	22.9%
95	Dues & Subscriptions			
96	US Travel Association	6,050	6,125	
97	Destinations International	4,700		
98	DMA West	1,500		
99	AZLTA	800		
100	DMAP Accreditation	750		
101	Grand Circle Association	450		
102	American Marketing Association	325		
103	Subtotal	14,575	6,125	42.0%
104	Collateral Distribution (within Sedona)	3,300	1,650	
105	Total Quality of Tourism Economy Programs	615,473	275,095	44.7%
106	Quality of Visitor Experience			
107	SVVTC Contribution (includes FY21 carryforward \$25,000)	45,000	21,405	
108	Secret 7 Dispersion (includes new concierge maps)	15,000	10,975	
109	Verde Front Regional Coordination Support	1,000		
110	Friends of Verde River Events Support	1,000		
111	Total Quality of Visitor Experience Programs	62,000	32,380	52.2%
112	Quality of Environment Programs			
113	Trail Trash Collections and Restrooms	53,000	5,878	
114	Trail Keepers 2.0	50,000		
115	Trail Keepers 2.0 Signage (FY21 carryforward)	15,000	575	
116	Leave No Trace			
117	LNT Tourism Partnership	20,000	20,000	
118	In-market Signage	5,000		
119	In-room Video Production	1,500	1,500	
120	In-room Video Air-time	4,500	1,200	
121	Digital Advertising	5,000		
122	Master Forest Plan Facilitator	25,000		
123	Sedona Cares Pledge Program			
124	In-market Signage	5,000	198	
125	In-market Digital	12,000		
126	Stickers	500		
127	Branded Trash / Recycling Container (5X)	15,000		
128	Voluntourism Programs (OC Watershed Council)	5,000		
129	Voluntourism Programs - Trails & Land (TBD)	5,000		
130	Global Sustainable Tourism Council	750		
131	Sedona is special video, Sedona NOW TV (FY21 carryforward)	15,000	2,700	
132	Sustainable Sedona & Verde Valley video (FY21 carryforward)	75,000	27,159	

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
133	Total Quality of Environment Programs	312,250	59,210	19.0%

1	SCC&TB FY22 Bed Tax Funding Detail	FY22 Budget	FYTD 12/31/21 Actual	% of Budget
134	Quality of Life Programs			
135	Sedona Shuttle Bus Launch Marketing	20,000	11,964	
136	OHVs Mitigation	15,000		
137	Tread Lightly (FY21 carryforward)	20,000	18,269	
138	Local Event Support			
139	Photography Symposium Aug 12-15, 2021	2,500		
140	Dark Sky (from Visitor Exp) Aug TBD, 2021	3,000		
141	Wolf Week Nov 9-14, 2021	1,000	1,000	
142	Sedona MB Festival Nov 12-14, 2021	7,500	7,500	
143	Tlaquepaque Tree Lighting 12/2/2021	10,000	10,000	
144	Illuminate Film Festival March TBD, 2022	5,000		
145	PhotoFest June 2022	2,500		
146	Sedona Yoga Festival TBD	2,500		
147	STR Research Key Data	15,000	8,480	
148	Verde Shuttle Marketing	25,500	15,045	
149	Roundabouts & Bike Etiquette Video	9,000	4,000	
150	Locals Nite Out (July & August)	5,050	6,094	
151	Walksedona.com Hosting & Maint (S Sontag)	5,000		
152	Total Quality of Life Programs	148,550	82,352	55.4%
153	Total Operations	581,269	270,784	46.6%
154	Total Tourism Bureau Expense	1,719,542	719,821	41.9%
155	Visitor Center Expense	520,178	215,909	41.5%
156	Total Expense	2,239,720	935,730	41.8%

How will chambers adapt and evolve to mega trends over the next decade?

How will they ensure that their best days are yet to come?

These are the core questions explored in ACCE’s seminal report - Horizon Initiative. The Horizon Initiative report is the product of more than a year’s work by an ACCE Board Task Force. It taps the chamber industry’s collective wisdom and draws heavily from social science scholarship and business research. The goal is not to tell chambers what they must do or be a decade from now. Instead, the value of this report is its potential to inspire ideas. The nine influences described in the Horizon Initiative Report are:



Belonging and Gathering

Coming revolution in who engages with chambers and how they engage. Millennial-phobia is overblown, but membership questions abound. An audience isn’t necessarily a network and every event doesn’t necessarily create value.



Population Shift

Population diversification continues on a national scale. Millennials displace boomers as the workplace majority and bring with them inclusive core values that challenge traditional perceptions of a chamber.



Communications and Technology

Technology is unlikely to differentiate chambers, but human support will. However, supports will expect mass customization, complete connectivity and robust feedback loops.



Political and Social Fragmentation

Splintering in politics and society is felt at the local level, not just in DC and statehouses. Trend is unlikely to reverse, but chambers have an opportunity in the “sane center.”



Scarcity and Abundance

On the cusp of unforeseen abundance, local economies can feel short of water, energy, talent, land and leadership. Swings in supply and demand happen quicker. Chambers must be nimble problem solvers.



Resource Alignment

In the search for revenue beyond the rate card, chambers must tie money to the mission. Supporters will want progress more than engagement.



Global Impacts

Exports will drive growth. The world will come to your door. Strong places will still matter to global companies. Small-medium companies need exposure and connections to global opportunities.



Catalytic Leadership

Local leadership matters more in a diverse and distracted world. Chambers may have to get comfortable catalyzing change, not just coping with it.



Engaging the Public Sector

As chamber executives, our jobs require us to work with a wide variety of people to get things done. It is critical that chambers and the professionals who manage them develop a strategy for engaging the public sector.



HORIZON INITIATIVE

Nine Influences Shaping the Next Decade
for Chambers of Commerce



Considering the world's dramatic and accelerating pace of change, what lies ahead for the members, boards and staffs of business-led economic and civic organizations? How will chambers adapt and evolve over the next decade, and how will they ensure that their best days are yet to come? These questions arise whenever two or more chamber leaders meet. The quest for answers or a context for predicting our future is part of every ACCE meeting, as well as a mainstay of our daily conversations with members.

In 2014 ACCE launched a group with an admittedly aspirational name, the Horizon Initiative Task Force, to tap into collective chamber wisdom and other resources to predict what your life will be like in 2025. After some false starts and refocusing, we realized that our goal was not to tell you what chambers would do or be in 2025; we sought instead to identify influences and how they might shape chambers and their regions.

No doubt there are countless factors that will influence chambers, communities and economies in the next decade, but we chose eight that the Task Force believed would have huge impacts on chambers of every stripe.

We believe the influences described here are real and that they will affect you and your community significantly whether your economy is good or bad, and whether your local politics are ugly or pretty. Government, business leaders and citizens will have to address these factors, which means chambers will too. ACCE's long-term goal is to help business-led, economic-civic entities of every size and type thrive in a world shaped by these oncoming pressures and opportunities. This crowd-sourced study is the start, not the end, of that effort.

Members of the Horizon Task Force, the ACCE Board of Directors and a score of others helped interpret information, share their own realities, articulate ideas and write this document. ACCE staff relied on trend data provided by members, but contributors made bold assumptions, many of which our readers will challenge—and that's the idea. The value of this paper lies in its potential to get you to develop your own ideas about the role of your organization in the future.

So, the Task Force—actually all chambers and our nation itself—need your reactions, your thoughts. We established a Chambers 2025 feedback website at www.acce.org/2025. Have at it!



BELONGING AND GATHERING

Marketing guru Seth Godin devoted an entire book to what he calls “tribes.” In it, he describes centuries of successful tribal models: a group of people connected to one another with a shared idea and a leader—a “great convener.” Chambers could indeed embody such a powerful concept in 10 years, but this opportunity is far from assured. A typical chamber today hardly qualifies as a tribe, but it easily could in the future.

Speaking at ACCE’s 2014 convention, Godin said that chambers offer unique opportunities to forge what he calls “multi-dimensional communications paths.” In fact, the inability of many other groups to do so in the future could dramatically *increase* the power and resource opportunities for chambers.

Sarah Sladek, author of *The End of Membership as We Know It*, puts it this way: “Economic swings, rapidly changing technology, and demographic shifts have challenged most associations (some more than others) because all these changes have redefined the meaning of membership. What members—and clients, employees, and consumers—want now is vastly different than what they wanted three years ago.” Sladek’s conclusion focuses on the “as we know it” part of her title, i.e., membership won’t end, but belonging out of tradition or habit might.

The ASAE research project *The Decision to Join* found that the option to enroll is based on a need to engage in greater-good initiatives, as well as direct benefit appeals. Chambers have the potential to excel in both, but must do so.

CIVIC RENT

Alexis de Tocqueville’s 180-year-old theories about Americans’ craving for associations still have validity today, but perhaps less so than in the past. Yes, Americans still want to belong, but they are less likely to join for joining’s sake. Baseline loyalty to an institution (described as “civic rent” in the chamber world) will continue to decline in the future.

Transactional and “civic rent” chamber membership counts have already been declining because of demographic changes affecting associations of all types. Those trends lines will be steeper by 2025.

Resuscitation blips may occur in what ASAE labeled “obligation” memberships following leadership changes, or natural/economic disasters. The overall trend line for memberships motivated by a desire to be “on board” will almost certainly be negative.

A chamber in a smaller mature market, especially a town at some distance from major metropolitan centers, might have an edge in sustaining membership based on a sense of belonging. Personal friendships and acquaintances don’t end at the door of the chamber board room, but there will be fewer and fewer automatic renewals.

NEXT GEN THINKING

There is significant hand-wringing in chamber offices regarding the potential impact the millennial generation will have on membership. “Millennials want to have a great impact on their community and their world, work with a team, get things done,” said John Zogby, founder of the Zogby Poll “But don’t expect them to show up anywhere on Tuesday night. Engage them in issues, let them choose the issue, and watch them work.” *Wait a minute. Isn’t that what members of every generation are looking for?*

More important than an understanding of specific demographic clusters is the need to structure your organization to be out front of the needs of every incoming or elevating demographic subset. Group involvement and participation is hardwired, regardless of the generational angst we feel in any given decade. We have an innate need to belong. Maslow insists in his *Hierarchy of Needs* that humans crave a sense of belonging and acceptance among their social groups, including organizations related to their work lives (tribes).

One of the criticisms of the oft-quoted *Bowling Alone*, by Harvard social scientist Robert Putnam, was that his powerful data about slumping association memberships and weaker collective activities was focused on old entities, such as the VFW and Boy Scouts. He was right that Lions Club membership declined, but failed to account for the brisk enrollments in young adult kickball leagues. Neighborhood associations have flourished, even as bowling leagues have languished. In your world, direct involvement in traditional chamber committee meetings declined during the last decade, but young professional groups blossomed.

IN INCLUSIVE FUTURE

The jury is out on whether business people 10 years from now will pay dues to affiliate via a heterogeneous, economy-centric membership entity. We may all hope so, but some forward-looking chambers have anticipated that the answer may be “not so much.” They are responding with creative, inclusive models. For instance, some chambers appear to be a collection of smaller business groups under one tent. They nurture homogeneous

micro groups that are formed around sector, community, or even cultural priorities, which then find occasions to interact as a unified chamber when it is convenient or necessary.

To paraphrase the head of a successful Hispanic chamber, “There are many churches and religions that can lead us to salvation, not just one. It’s the same for economic salvation.” Continuing to expect universal loyalty to one economic-civic “denomination” will be even more difficult in 2025.

PRACTICALLY SPEAKING

The chamber in 2025 may not identify members the way most chambers do today. They will have customers, clients, investors and partners, some of which will indeed be called “member.” ROI for the investors and satisfaction for the customers or clients will drive the success of chambers rather than the act of joining, and especially of attending. Chambers will have many, perhaps more, engaged stakeholders in issues and causes, but those individuals may or may not be members. People and organizations will indeed look to the chamber to address their niche and collective needs, whether they relate to policies, business growth, or community. Monetization of “belonging and gathering” will offer revenue sources, but not in traditional ways.

4 Long before 2025, access to affordable, highly functioning, multi-party video conferencing—even virtual reality—will change the ways people choose to meet, but may also increase the desire for high-touch human connectivity. The differentiator for chambers may be in more compelling in-person connections rather than competing on tech savvy. Direct connectivity opportunities won’t look much like those of today, but if they are facilitated and managed by chambers, they will provide real value. Meetings aimed at delivering programs or experts will matter less than finding ways to get the right five or 10 people in a room or coffee shop who can figure out what to talk about.

There is significant hand-wringing in chamber offices regarding the potential impact the millennial generation will have on membership.

BORED BOARDS

For years (if not centuries), chamber board meetings have largely consisted of a monthly get-together where the community’s leaders drink coffee, skip the pastries, check emails and plan their post-meeting parking lot ambush (the real meeting). According to Harrison Coerver, author of *Race for Relevance*, dramatic overhaul in governance will be one of the most profound changes in association life. Few people in the chamber world are ready to adopt Coerver’s recommended board size (fewer than 7

directors), but the *quality* discussion is worth having.

In the future, given time starvation and competition for attention, the kinds of people you want on your board won’t participate in death-by-report meetings focused on golfer attendance and tracking lost \$300 memberships.

Limitation of frequency and duration does not equate to diminished accomplishment if a board is managed effectively by an executive and chairman. More progressive chambers are already limiting board meetings (quarterly in Des Moines, 45 minutes long in Grapevine, Texas). Meetings at these chambers are goal-driven, with powerful communications before and after. These boards rely on focused teams, not standing committees.

According to Coerver and other association advisors, changes must also be imposed on directionless committee meetings. Chambers must find other ways to handle governance and in-person member interaction, or they will indeed lose the business leadership composed of top millennials and subsequent generations. This does not mean the death of meetings. It means the death of low-value meetings.

TEAM TALENT

Chambers will always be conveners. The skills required to run a monthly membership luncheon, however, are different than the talents required to reach out on a personal level to drag to the table five business people who should be talking to one another about mutual opportunities. It is likely that mission-focused programming, rather than how-to and orientation-style sessions, will play a bigger role in your chamber’s annual event calendar.

A greater capacity to grasp and articulate intangible value will be required of sales professionals. The strongest chambers in the country have already recognized that the team of the future must not only sell transactional memberships (\$2 in direct value for every \$1 in dues), but also nurture commitments at the high end of the rate card that are intended to support community advancement and advocacy.

SHOWING UP

Belonging and gathering are not the same thing, but throughout the history of chambers of commerce, the two have been difficult to separate. People in the news business who collect, report and create enough stories to fill their pages refer to their work as, “feeding the monster.” Regarding events, a similar mentality currently permeates many chambers.

To demonstrate value to various membership constituencies, chambers run scores or even hundreds of events each year. One large western chamber admitted to having more events than there are business days in a year, and “that doesn’t count committee meetings.” A new exec in a mid-size chamber in the Midwest underwent a startling inventory upon taking the job. He had to “eliminate a dozen events” in order to drop below 200.

Meanwhile, the most progressive chambers recognize that they

may have to follow Sting's advice: "If you love someone, set them free." At the Fox Cities Chamber in Wisconsin, staff provides minimal behind-the-scenes coaxing of self-initiated, self-led peer clusters, which resembles a "meet-up" app connection (with few in-person elements). This free-wheeling model, tied loosely to the chamber, could hold more value in the future than a series of lunch-n-learns.

The chamber in 2025 may not identify members the way most chambers do today.

In his book, *Remembership*, Kyle Sexton notes; "Eighty percent of your members don't show up for anything, yet you still tout participation as the best way to get value from membership." Too many chambers equate attendance with value. They measure success based on butts-in-seats. These equations are questionable today and likely to be even less reliable in the years to come. Why?

- **Technology.** The ways people learn and acquire information have changed, for good. When someone needs to know something, they go and get it from an infinite supply of online resources, or from their private network of trusted sources (the chamber being only one). Even today they seldom wait for any institution to get around to offering a seminar, and they certainly won't in 10 years. In addition, affordable, high-quality, two-way video and virtual meeting technology will be ubiquitous by 2025. It's not a fantasy!

Fantasy baseball grew in the 1980s to a level sometimes deemed detrimental to worker productivity. Fantasy football, built around a combination of personal connectivity (draft day parties, team rivalries) and technology (web site injury reports, tracking software) surged in participation throughout the 2000s. To expand membership investment and engagement, chambers will want to embody something resembling the next fantasy sports league, providing a constantly refreshed alignment of tech and touch, featuring lots of "teams."

- **Competition.** The chamber is neither the only nor the best provider for many of the programs it currently offers (see Hedgehog Theory in Jim Collins' *Good to Great*). The required investment to differentiate and elevate one program above those offered by a host of others will make it more important to connect in small groups rather than in banquet halls. (NOTE: one or two signature events will always work in a chamber's calendar if they are regularly refreshed.) When it comes to networking, chambers will find it increasingly difficult to string a velvet rope of exclusivity around their networks. Most connections between business people in this new era will be temporary, but that immediacy of connection will create great opportunities for chambers. Won't it be nice

not to have to market networks to the same 50 chamber activists every week?

The chamber's role as the "anchor tenant" in community leadership has faced a steady stream of competitors for decades. Such challenges come and go. The coming decade could be a period with more regional competitors, but these groups will face the same difficulties with gathering, belonging, funding and sustainability as chambers.

- **Staffing Allocation.** In the majority of chambers today, a large percentage of staff time is spent on events: meeting planning, volunteer management, speaker acquisition, scripting, registration/billing, sponsor attraction, marketing, execution and follow-up. They all require major shares of staff and management time. The sad reality, based on ACCE's Dynamic Chamber Benchmarking research, is that chamber programming barely pays for itself when staff time is included on the expense line. If, in the future, staff will be expected to focus on other elements of their value proposition, they simply won't have time to run 100 gigs.
- **Opportunity.** Nearly every study on preferences and future behaviors of millennials concludes that they will be more, not less, likely to seek in-person connections. They will, however, be less likely to derive that contact in traditional ways, i.e., membership. The secret to solving this perceived contradiction for chambers? A chamber that has the capacity to look at these elements (membership, audience, programs, connections) separately could have more success in the "gathering" arena. The Greater Philadelphia Chamber and others are already moving in this direction. Their programs are branded with the chamber name only if it helps to attract an audience. Otherwise, the name of the gig is expected to carry its own weight.

DUES

There is a growing awareness of the different motivations for chamber membership. There is also greater acknowledgment that attempts to articulate membership value have not addressed the diverse reasons for belonging. A comprehensive study by the Greater Kitchener-Waterloo Chamber in Ontario found two prime chamber membership motivations and two participation styles. (see "Quadrants" graph) One primary motivation is the desire to *get something from* the chamber; the other involves the craving to *get something done through* the chamber. Researchers then found that some members would invest to realize their motivation, while others would personally *engage*. Chambers that cling to the notion that "a member is a member," or that size is the prime differentiator among members, will miss opportunities for growth over the next 10 years.

And then there is the issue of who you will be for whom in the future? You should expect an increasing fuzziness about what constitutes an employee and an employer. The move to a "gig culture," in which workers don't have a single traditional

employer and businesses contract more work to consultants and service providers, doesn't mesh well with the business model of any chamber of commerce

For instance, if a plant manager farms out safety compliance to two consultants, will they get the member rate at a seminar? Will they get the chamber's Safety Newsletter? In addition, service providers like Uber and Airbnb will become ubiquitous for all kinds of freelance work, resulting in surrogates for employees who provide as-needed support for companies.

One chamber in a Northeastern mid-size market has determined that its small business focus should be dedicated to helping those who serve small business (accountants, marketing firms, lawyers, insurers) rather than the businesses themselves. This gives the chamber the capacity to impact more small businesses than they ever could under a fee-for-service or dues model. And, the mid-size dues and sponsorship investments from b2b firms more than make up for the relatively low dues revenue they previously received from tiny companies.

A huge new market for membership can be envisioned when chambers become boosters and facilitators of such non-traditional arrangements.

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Belonging and gathering are not the same thing, but throughout the history of chambers of commerce, the two have been difficult to separate.

THE LIMITS

Competition for cause-based contributions from major corporations will be fierce in the future. For the growing number of chambers that depend on high-end dues (chairman's circle, top tier packages, etc.) and non-dues financial support from such firms, it will be necessary to bolster the execution, delivery and perceived value of community enhancement work. Major players will be willing to pay for a seat at the table, but only if every issue brought to the table isn't tabled.

For centuries, business leaders have demonstrated that they will pay for the privilege of interacting with people they view as peers. That is unlikely to change, but the tolerance for participating directly in groups composed of non-peers may diminish.

One last point about membership investment limits. Over the next decade, large and small employers, as well as would-be investors and even governments, will have less tolerance for what Mac Holladay of the highly respected Market Street Services

firm describes as "civic insanity." Unfettered proliferation of civic entities with the words "economic development" in their name, or "business advocacy" in their mission, will not be acceptable to those who are asked to pay carrying costs. Petty competition and staff paranoia are already having a negative, though unmeasured, impact on dues.

GET SOMETHING DONE THROUGH THE CHAMBER



GET SOMETHING FROM THE CHAMBER

The corporate environment may embrace limitless competition, but not so the non-profit world. Finding members, sponsors and investors willing to support continued regional dysfunction will be problematic. Working on civic-economic development alignment in your region will be part of a chamber's long-term membership and sustainability plan.

ACTION STEPS: BELONGING AND GATHERING

No matter what your size or market, stop assuming that a member is a member is a member. Evaluate individual and business motives for chamber involvement. Evaluate your membership management software and processes to ensure you can differentiate member motivations. Adjustments in programming, services and network options for millennials must become part of a chamber's core, not an appendage. If possible, identify your value in terms that rely less upon attendance and participation. Recognize and monetize your tribal qualities. Create quasi-independent special interest subgroups and "hug" those that already exist in the community. Join ACCE's Membership Development Division to ensure you are aware of coming trends.



COMMUNICATIONS AND TECHNOLOGY

“... **T**he exponential advancement of technology has reached a critical point where not even governments can project the direction humanity is headed ... as companies design the tools to capture and implement findings from traditional constituencies, they also have an opportunity to build robust feedback loops with other stakeholders who will play an important role in shaping the business landscape in 2020. In the face of oncoming regulation and activism, companies have an incentive to bring more partners into the conversation.”

The passage above summarizes the conclusions of the U.S. Air Force “Blue Horizons” project, which seeks to project likely technology advancements across all sectors. The report succinctly stated the challenge that chamber leaders face today. As new technologies rapidly evolve, communications will be made increasingly easier, but in other ways more difficult. It will be both individualized and broader reaching at the same time.

McKinsey and Company recently released a report from its blue ribbon Committee Encouraging Corporate Philanthropy that hits even closer to home for chambers: “How well we use these new lines of communication and technology tools to capture information, seek input from others, utilize the collective response to frame decisions and then implement them to shape our economic future will determine our effectiveness in growing healthy, sustainable communities.”

HOW MUCH?

Frequently, when the subject of rapidly changing technology is raised in chamber circles, shoulders slump when we’re warned of the need for costly, staff-intensive new tools and toys that “you absolutely can’t do without.”

It would be tempting to look at the constant introduction of new technology and conclude that a chamber has no choice but to become one of the entities that rolls out new ones. Some analysts assert that associations like chambers will have to out-google Google, build enterprise products more compelling than Groupon, network better than Facebook and otherwise compete with a stream of 2.0+ solutions for their organizations and members. Contributors to this paper don’t think so.

Certainly chambers of the future will have to do a better job utilizing all technology opportunities. They may often choose to be early adopters and models of some technology innovations, as they have done since the first word processors hit the market. But the answer to “how will technology influence chambers?” is more complex and subtle than the simple answers: “MORE . . . NEW.” Because of unending innovations in communications technology, and the insatiable business appetite for better-faster, chambers must address four major factors in contemporary communications:

- **Customization:** It will become untenable to communicate in broad, generic messaging. In the 2025 information environment, such blast messaging will simply get lost in the noise. Within a few years, there will be an expectation of individualized communication of most messages so you can be seen as a viable, trusted resource. New technology and communication platforms will allow us to segment messaging in ways that are not now possible.
- **Robust feedback loops:** Soon, if not already, it won’t be enough to tell members what the chamber thinks, or invite people to a program that a handful of committee members conjure up. All organizations will need to harness new technology to share, in both directions, enlightening information and to receive real-time responses from members and communities. This is what the web 2.0 approach to social media marketing is all about, but within 10 years we’ll be at 5.0. Tech simply can’t be the only answer! Merely hoping that a message is received and understood will be an increasingly risky proposition, whether you’re advocating membership, a program, or a cause. Chambers already get this and rely heavily on *informal* feedback. More intentional two-way conversation will be both possible and necessary.
- **Shared Frame and Lexicon:** Future news dissemination will involve mass customization for specific audiences. Even so-called “viral” images, and messages will reach small percentages of the population as the noise increases and media preferences multiply. Meanwhile, chamber missions depend on creating a shared vision of a place and its future. That consensus won’t naturally occur in the splintered communications of the future. Aligning a shared vision with a disassociated, tech-centered world will only be possible through the effective use of new tools and strategies. Organizations like the FrameWorks Institute can help.

- **Speed:** The speed and capacity of microprocessors double, while price is cut in half, about every 18 months. E-commerce is still in its infancy. Future web-based transactions will be consummated with voice-signature or finger-print confirmations. Credit card readers and Apple Pay systems will seem quaint in a few years. Therefore, automation of billing and collections, and point of sale options will likely make annualized dues invoicing a hopeless anachronism long before 2025. The speed-to-market of programs, timeliness of policy decisions and nimble adaptation to changing landscapes will be critical to survival for all businesses, including yours. Chambers must also find ways to increase the pace of decision-making. Under current cumbersome governance models, chambers risk becoming marginalized in framing important business community issues, and behind the curve on every new offering they take to market.

THE POWER OF HUMANITY

Chambers must invest in technology tools and platforms to facilitate communication in the electronic information age. Chambers are small business enterprises and, as such, must try to keep up with members and the world at large. Yet at the same time, they are unlikely to differentiate or raise themselves above the competition for hearts, minds and dollars primarily through advanced technology. It may be low-tech communication methods that elevate chambers in both value and effectiveness.

Within a few years, there will be an expectation of individualized communication of most messages so you can be seen as a viable, trusted resource.

Interpersonal connectivity and human relationships, especially if enhanced and maintained through electronic channels, will have more impact than ever. Chambers are positioned for this adaptation better than most other enterprises. As others gravitate toward electronic solutions for all communications needs, the chamber culture of personal client connection will shine through more brightly than ever—if it can stay fresh.

ANALYSIS AND USEFULNESS

In its *Shaping the Future* report, McKinsey said: “In an increasingly technologically connected world, businesses have unprecedented direct lines of communication with their customers and employees. However, collecting information and putting it to use are two very different pieces of the same puzzle.”

In his books about the *Long Tail* theory of contemporary market forces, Chris Anderson explains how hard it is for any entity to have a locked-in market. With the ever-expanding menu of

web information about every subject, it is also impossible for a chamber to be the exclusive repository of knowledge on any subject. Chambers justified a “you-can-only-get-it-here” value to members and community in the past, but they barely cling to elements of exclusive knowledge today. You may not have any in 10 years.

Patrick Lencione’s new best seller, *The Advantage*, summarizes the problem this way: “In this world of ubiquitous information and nanosecond technology exchange, it’s harder than it has ever been in history to maintain a competitive advantage based on intelligence or knowledge.” That’s okay! Instead, the key role for information-centric organizations will be that of analyst. You will make sense out of it all, while appending your own preferences about what is important and true. Anderson referred to this powerful function for intermediaries (chambers) as the “filter” role.

To add value, the chamber must be a filter and an analyst to help determine the value of information.

FILTER FUNCTION

A chamber executive need only look at the site selection consultant—the commercial/industrial real estate advisor—to understand how powerful and lucrative the filter function has become. The formal appraisers of *project-place-fit* can affect the futures of regions. They are courted and nearly revered by developers and chamber leaders. And what is their job?

First, these corporate real estate consultants listen to the client and establish a relationship to ensure their complete understanding of the goals and culture. Then, they scan, filter and analyze widely available data about a city or region and its real estate inventory. Next they apply their personal connections and considerable analytical skills to the data they’re looking at, triaging as they go. After vetting processes (feedback loops), they turn their selected comparison figures into a short recommendation list, which will be placed in front of a person or committee that could bring hundreds of jobs to a community—or not.

Analytical work for chambers will also elevate in esoteric ways. Editorial decisions for your newsletter today already filter business, economic and community news flow into need-to know information for your members. Now imagine that role multiplied 10-fold. For instance, chamber PACs are already helping economic growth-focused candidates filter data about donors, employers and voters. A chamber in Arkansas is providing a customer prospecting database to its members that want to personalize electronic marketing, using a megadata partner.

That is the power and value of the analyst, the filter in today's world. In 2025, the challenges faced by business will be multiplied and complicated many times over because the task of plowing through piles of seemingly contradictory data will be even more daunting. To add value, the chamber must be a *filter and an analyst* to help determine the value of information.

ANALYSIS GOES BOTH WAYS

The ever-increasing capacity to evaluate metrics, and a growing concern for accountability in all non-profit entities, may also result in your board using 2025 methods to analyze you. Even the larger community and media might take advantage of greater transparency opportunities to evaluate your work, methods, compensation and effectiveness. It won't take much work to figure you out! Most chambers will thrive under such scrutiny because they already operate in a glass terrarium. Still, it may be wise over the next 10 years to itemize and articulate the value of things you might previously have counted among your "intangible" strengths.

ACTION STEPS: COMMUNICATIONS AND TECHNOLOGY

Information dissemination is losing its value as web sources multiply. Instead of maintaining a "push" information style, adopt an "analyze and filter" culture to rise above the. Resist the temptation to try to do more than keep up with technology. Instead, use whatever tech tools you can afford to establish and maintain personal relationships and personalized services. Two-way communication—feedback loops—will be needed and expected in the future, even if they are maintained via the video phone on your wrist. The tech-com challenge requires that you work ON the business instead of IN the business. Spend as much time examining your communications model to keep it fresh, as you do to meet monthly newsletter deadlines. Use ACCE's Awards for Communication Excellence finalists as models—they're constantly updated and archived on our website.



SCARCITY AND ABUNDANCE

In *The Coming Jobs War*, Jim Clifton of Gallup tells us, in so many words, Some gotta win, some gotta lose. Competition is global, but it is also regional. Migrations of people and investment can be exceptionally cruel. In the future, such movements will be driven in part by maximization of natural and human resources, whether abundant or scarce. Crises caused by shortages or over-supply will undoubtedly affect communities, and therefore chambers, during the next 10 years and beyond. But the reverse is also true. Intentional discoveries and accidents of place and nature will make boom towns out of sleepy hamlets.

These issues of too much, too little, and just right have been part of chamber life forever. So why does the abundance topic show up as a major influence on the next 10 years of community and civic-economic life? What is different about today and even more likely to be revolutionary by 2025?

FICKLENESS

The speed of market changes and personal preferences, the half-life of everything from pharmaceuticals, to fashion trends, to peace—it's all just fast. Technology and innovation are only part of the story. The volatility we take as more or less expected in 2015 would have seemed impossible and intolerable to us in the pre-9-11 world. The seemingly rapid transitions of today will seem pokey in 10 years.

The second reason this is a key future influence was highlighted in Peter Diamandis' book, *Abundance*. In it, he provides hefty research asserting, "Abundance for all is within our grasp...We will soon be able to meet and exceed the basic needs of every man, woman and child on the planet." Similar sentiments have been raised by futurist Jason Silva. This hopeful outlook may or not prove true, but the likelihood of greater opportunities for prosperity are very real.

In the short term, a region can do little about the resources it lost or never had. Chambers can, however, accentuate abundance—the blessings and advantages their regions have, as well as those the community created over time—rather than refining your rationale on scarcity.

IMPACT EXAMPLES

The only way to illustrate scarcity and abundance impacts on future local economies is to identify those of the present. There is growing recognition of the abundance of domestic energy

resources, but the affordability of extraction and transportation will determine whether the energy will be "potential or kinetic."

Until a few months ago, the North Dakota and Alberta economies appeared to offer a breathtaking horizon of expansion driven by maximization of local oil and gas deposits. When the economics of \$50, rather than \$110, per barrel of oil are added to the equation, chamber leaders will need to work harder to ensure hopeful futures for their employers and citizens.

The rapid changes in energy geopolitics could reenergize the oil sand and fracking markets. Of course, the flip side of that equation affects truck dealers and drive-able tourist destinations, whose cash registers ring when gasoline is abundant and cheap.

In the agriculture sector, declining farm acreage or feed supplies will almost certainly be matched by harvests of other crops made abundant by genetic or other ag-technologies. Timber in Canada has been affected by tariff barriers, not capacity problems. Cotton crops in Texas are periodically affected by rainfall declines. Wetland designations have closed off tourist destinations, but easing development constraints around Portland, Las Vegas, or Toronto might make usable space more abundant. Supply is, in many cases, fungible.

Abundance and scarcity affect non-commodities as well. Near the coasts there are oversupplies of broadband vendors, yet customers in some of the most economically promising towns in the Rocky Mountains use copper lines rather than fiber to access the Internet. Likewise, a trans-Pacific trade deal could result in too little capacity in the huge L.A.-Long Beach port, but labor unrest could threaten its viability if shippers bypass the West Coast.

For some companies, tax issues still might be the major determinant of whether they stay, expand or depart a particular city in the future. For many others, the deciding factor could be access to gigabit internet connections.

Human resources will be as critical to understand and deal with in the future as natural ones, if not more so.

ESSENTIAL TO LIFE

There are looming issues over the next decade for many North American regions regarding water – for the haves (Great Lakes), the have-nots and the “sometimes-too-muchers.” Water rights pacts have been front and center on many chamber policy agendas, and even more chambers must be ready to deal with them in the coming decade.

A growing community in central Texas might have enough water for more households or semi-arid farming, but not both. Sometimes the struggles for chambers will be simply to maintain an abundant resource. Invasive water species (whatever the next decade’s zebra mussels might be) could affect the work of a chamber in Kelowna, B.C., or another beautiful tourist town.

Once again, these influences affect the business side of chambers, not just their policy work. When a region’s water supplies drop or are threatened with further reductions, whole categories of employers (chamber membership sectors) may suffer, from landscapers, to appliance dealers, to condo developers. Conversely, unexpected discovery of a new aquifer can ignite growth in a region.

In the coming decade, chambers will increasingly be expected to play a role in tackling water abundance and scarcity issues. Many chamber members will also benefit from investments in infrastructure projects, engineering and innovations to deal with transporting, storing and creating (desalinating) fresh water.

CHAMBER IMPACT

A chamber that is absent from resource discussions, unaware of the issues, or resigned to letting government alone solve them, risks certain competition from organizations that choose to play in this arena. A chamber that attempts to predict all of these economically crucial opportunities will be wrong a great deal of the time. A chamber that builds its capacity to address them as they arise will be indispensable.

In the early 2000s, the Florida coastal chambers were flush with resources provided by real estate developers. Demand appeared to be exceeding the supply of land during this wildly speculative period. Sponsorships, foundation support and hefty dues checks fortified chamber budgets during that real estate boom. Few of these chambers were prepared to realign their revenue sources when capital and real estate investment firms became scarce at the end of the decade. Eventually, by tapping into mini-booms in health care, logistics and short-stay tourism, most of these chambers found their way, but not without a lot of pain.

If revenues pour in from international companies suddenly enamored with your region’s low-cost labor pool, will new taxes for the county and dues money for your chamber adequately cover the additional work required to address growth-related challenges?

The Fayetteville-Cumberland County Chamber in N.C. might want to diversify its economy as a future hedge against over-reliance of its businesses on military (Fort Bragg) payrolls and investment. At the same time, they can and do maximize the abundance of federal dollars with military affairs activities.

PEOPLE: ANOTHER ABUNDANT RESOURCE

In representing their jurisdictions, chambers must take the lead in differentiating the benefits that their communities can offer to potential talent recruits and their families. Human resources will be as critical to understand and deal with in the future as natural ones, if not more so.

Many chambers now are involved to varying degrees in education-related programs or policies because the skills gap demands that the business community be part of the solution, not just a demanding customer. But the education and talent issue goes beyond supplying workers for businesses. That’s why chambers in many Canadian communities know that without increasing their supply of medical professionals, economic growth will be hindered.

The only way to illustrate scarcity and abundance impacts on future local economies is to identify those of the present.

There will be millions of unfilled jobs by 2025 if the skills gap remains unaddressed, according to the Center on Education and Workforce at Georgetown University and other sources. It is estimated that 20 percent of the new jobs created over the next 10 years will be in categories that don’t exist today. Even today, 52 percent of employers say they are not filling positions because applicants are unqualified. Almost every chamber leader can cite businesses that complain about a lack of workforce talent.

“We need welders. If we had a supply of welders I could fill 25 jobs today,” says one chamber leader. Pick another town and replace “welders” with software engineers, accountants, geriatric nurses, or any number of skilled job categories.

When a community can’t align meaningful job opportunities with skills, outmigration will continue. By fostering education attainment initiatives, chambers can address skills-jobs disconnects and tap the abundance of employment opportunities. They must also create an environment in which talent can migrate freely within, and be attracted to, their regions.

MORE PEOPLE? MORE MEMBERS?

As with natural resource concerns, the availability of necessary human resources is not just a theoretical or policy concern. It relates to the operation and size of the chamber itself. Your chamber will serve a different set of businesses as the economy evolves. If these employers can't find enough employees and customers, they won't be able to stay or pay you. Your membership and mission will be affected.

Even if you're not in growth mode, most of your established employers will stay in business over the next 10 years, but they may rely more heavily on distance and contract workers. "Keep in mind that young people today are in the midst of the gig economy, as much as the jobs economy," according to author and pollster John Zogby. "They know very little in life or work is permanent."

This fluidity provides opportunities and challenges for chambers, which have been built on companies with more-or-less stable employee rolls. This is yet another reason that a dues formula based solely on "body count" will be problematic. Assuming that the future non-traditional employer will enroll its senior staff in chamber activities is a stretch.

ACTION STEPS: SCARCITY AND ABUNDANCE

Whether graced with good fortune, challenged with shortages, or hobbled by disasters, chambers must have the capacity to deal with whatever comes next. To be "kick-ass-problem-solvers," look beyond the next election cycle or strategic plan to envision what your chamber must become. Will you need to be faster to act on policy or new programs? Then build a culture that enables speed. Will you need to be wired to more community assets? Then be intentional about the chamber's key relationships. Will you need to be more political, or less so? Then make plans now to gradually morph your staff, board and committees. Will your community have fewer people or more? Fewer degreed people or more? Ask researchers at the university what this means to the town's future. ACCE's Education Attainment and Economic Development Divisions help chamber specialists learn from each other as they face abundance and scarcity challenges.



GLOBAL IMPACTS

Pandemics, terror threats, fluctuating markets, EU employee pensions, border closings, Asian competition, global commodity price wars, shooting wars—the daunting problems of the past decade prove that we live in an inextricably linked global society. So too do positive international stories, like the outpouring of aid for Haiti and the Gulf Coast after natural disasters. Communication technology has expanded the capacity for international ties, and labor forces are increasingly borderless. It's a brave, new, small world.

The volatility of the global stage will increase over the next 10 years. But the world is composed of regions, cities, communities and neighborhoods, each with a meaningful role to play on the new international stage. As representatives of those places, chambers will evolve rapidly to address the opportunities and uncertainty of the ever-shrinking world.

Both business expansion and chamber growth can be driven by the nearly limitless opportunities occurring around the world. Future markets and investment are difficult to envision today, but they will come, as they did following World War II, the crumbling of the Berlin Wall, and the onset of digital connectivity. Our concerns about today's economy should not blind us to the promise of tomorrow's, and that promise lies, increasingly, overseas.

Global influences on the American economy may produce the most dramatic impacts on chambers. Corporate structures and supply chains will be disrupted over the next 10 years. Payrolls of big companies that your chamber depends on will shrink (or grow) in this climate of global "creative destruction." Waves of off-shoring and repatriation of companies will continue. Traditionally domestic organizations like hospitals and utilities will go global, while distribution of food could get more local. Put simply, we don't know how, but we can count on global impacts becoming more intense in the coming decade. This is not just a chamber issue, of course. Everybody attempting to buy, sell, make and serve will be affected.

SCARY GOOD

A U.S. Department of Commerce study, which included only jobs related to export (not those coming from direct foreign investment and other international sources) tells a compelling

story. The report says that export supported job increases "... accounted for 40 percent of total job growth in the U.S. during this period." (1993-2008). A chamber's memberships, programming and sponsorships can grow as the world comes to our doors and our companies connect more to new global markets.

NOT JUST THE STATE DEPARTMENT'S ISSUE

As the familiar green slogan reminds us: "Think Globally. Act Locally." Individual places won't matter less because of globalization, they'll matter more. In a global competition for talent, investment and customers, every region large or small will have to be the strongest, best positioned version of itself possible. Acting locally is critical because international influences will be probing for opportunities and challenging every sector of your economy.

In advising her chamber and association clients, consultant Cathy Hight wrote in a recent article: "Businesses large and small want to have a positive local presence and access to the global marketplace. They need a competent and adaptive workforce locally and need to market effectively on a global platform."

As the perception of the U.S. as a safe haven for investment increases, your communities can expect more, not fewer such deals. For your members, international market opportunities will expand as middle classes grow outside the U.S.

Some global markets now open to your members will close in the future due to regulatory barriers (i.e., genetically modified food), competitive pressures in other parts of the world, or security concerns. Your interstate toll road could be sold to overseas investors (as happened awkwardly in Indiana). Chinese labor cost increases could induce local manufacturers to reshore business lines formerly produced overseas. Changes in visa rules affecting engineers from other countries could have an impact on your largest member.

None of us can know how this will all go down, but we can be certain that the world is becoming so interconnected that it will be impossible to count the frequency of international influences at the local level. The world is not all one big market yet, but for millennials, dubbed "First Globals" by Zogby, it might as well be.

NAVIGATING INTERNATIONAL WATERS

There are four timeless avenues to consider in plotting a future-focused international strategy:

- Export support for local companies
- Proactive attraction of foreign direct investment
- Facilitation of international networks
- Instruction/awareness about global trends, dangers and opportunities likely to affect local companies.

Enhancing or launching programs, policies and products related to these four avenues will pay off for chambers over the next 10 years and beyond.

Until recently, it was sufficient for most chambers to take a minimal role in international issues or activities, i.e., stamping certificates of origin, hosting a tour to Tuscany, or forging a “sister city” relationship. Frankly, in the U.S., few companies have demanded much more of their chambers when it comes to international programs. But on other continents, those are the primary missions of chambers.

14 How do chambers, facing minimal member demand today, direct a portion of their limited resources to international strategies? As with other elements of this paper, the answers will vary depending on circumstances, membership composition, geography and volunteer leadership appetite.

For instance, border towns along the Canadian or Mexican borders have more to do in the international sphere, but they seldom reach beyond their closest neighbors. At first glance, chambers in port cities appear to be linked to the world. Some, such as Mobile, Houston, Los Angeles and Tacoma, have certainly become so. But in many shipping centers, chambers are focused on the health of the port as a major employer, not as a springboard to international opportunities for the regional economy. Looking toward a future of increasing international activity, the Charleston Metro Chamber (S.C.) recently created a multi-year strategic plan to guide its international work with the port and with other employers in an ever more accessible world marketplace.

THE GLOBAL STAGE

Chambers in big convention towns such as Chicago and Orlando have begun to exploit international shows to showcase not only the world’s newest autos and tech toys, but also their community assets. And Winnipeg and Des Moines, which previously hadn’t hosted big conferences, created their own sector-specific global expos, with great impact.

Of course, economic development-centered chambers seek, or at least respond to, interest from foreign investors and prospective employers. In recent years, the trend in economic development has shifted toward “grow your own” strategies, rather than

“elephant hunting.” Developers still seek such trophies, but such game-changing wins are rare. Helping a struggling local firm or a real estate developer find an international investment partner requires a different set of skills, which some economic development directors are now trying to learn, hire or rent.

Chamber economic development ventures on the global stage often have history or logic behind them. Both the Metro Hartford Alliance and Naples Chamber have re-emphasized their regions’ long-time connectivity to German firms in hopes of attracting others that might partner with local companies. The Greater Des Moines Partnership has maximized personal relationships in Brazil, originally established by agricultural and biofuel firms.

NOT JUST FOR BIG GUYS

A few chambers have been working aggressively in international circles for a decade or more, and they’re not all large. The Northern Kentucky, Brockton, Mass., Lake Charles, La., and Round Rock, Texas chambers, to name a few, recognized recently that their economic future may depend on relationships and meaningful programs being developed today. Most of these chambers viewed partnerships with port authorities, freight forwarders, government agencies, consultants and corporations already in the game as the best way to achieve their goals.

There is good news regarding the ways you might deal with this influence on your chamber’s life and work. First, it’s not really a money thing; it’s a mission and purpose thing. Done creatively and well, international programming can attract new resources. Demand may be modest now, but many other chamber offerings are routinely subsidized when numbers are low, if they are mission related. Providing international support for companies and the community is on mission!

Secondly, it won’t require diplomatic credentials or a masters in international logistics, even with the added complexities sure to arise in the coming years. Rather than starting from scratch or hiring consultants, chambers can build international intelligence through their members that already trade or invest internationally. That knowledge will enable chambers to help other members play overseas, while also helping domestic-only companies realize international opportunities and trends.

STEP OUT

Another chamber transition can involve helping members increase global confidence and ambition. Canadian chambers have this built into their DNA. Most use relationships and alliances with friends and financiers in far flung places to help members overcome the fear of crossing a border or an ocean for a deal. In the U.S., chambers have organized international tours for members and “civilians” for a decade, but few take the extra step to translate trips into lasting business relationships. If they are touring 10 years from now, they will blend business goals into every trip.

You might think that your members already know more than you ever could about global markets. Not so. Chambers can, at the least, raise questions regarding international economic trends and then point companies to places where the answers might be found, such as the U.S. Council for International Business or port authorities.

ENVIRONMENT

Even though 80 percent or more of the scientific community is convinced of the existence and effects of global warming, polls show that a growing number of U.S. citizens are skeptical. Currently 23 percent of Americans do not believe global warming is happening. That's up 7 percentage points since spring 2013. But 63 percent of Americans believe global warming is occurring, a number that has been unchanged since spring 2013. Most contributors to this paper believe global warming will likely influence chambers of the future.

Chambers and communities across North America must address the effects of temperature and precipitation fluctuations, whether they are the result of climate change or not. These realities already impact agriculture, coastlines, insurance rates, delicate ecosystems, energy demands, access to tourism destinations, public policy decisions, infrastructure investments, and the countless species that share the planet with us.

Whether any given emission is a pollutant may be debatable, but pollution from human activity is not. There will be another 250 million of us occupying the planet by 2025 (3.5 million more in U.S. and Canada), and our numbers and our activities have consequences. In one way or another, we all influence our environment, but the exponential growth of middle class consumers in developing nations (certainly a good thing) will intensify the impact.

Chambers must acknowledge that some of the global impacts we will address on behalf of our members and communities will be environmental. Large opportunities for investors, employers and talented workers will also appear as the result of man's efforts to tackle environmental conditions and issues.

Most contributors to this paper believe global warming will likely influence chambers of the future.

The best choices may not always be evident or easy. Matters of conscience may arise, as will concerns over the business viability of your members or your organization. Starting a discussion at the board level about global warming, alternatives to neighborhood mosquito spraying, or off-shore drilling will not be easy, but having them early, when they can be theoretical rather than involving a specific piece of legislation, is wise.

NOT LEAST

The final global factor having an influence on chambers over the next 10 years relates to what the world thinks of us . . . of you. National image matters to those in other countries, but so do regional and city reputations. What you think of Rio might not be the same as your perception of Brazil. The same is true when it comes to international business views of your part of the U.S. or Canada. In the future, this global impression, made up of a hundred different measurable and unconscious evaluations, will influence your community and members.

As demonstrated in *The Magicians of Main Street*, Chris Mead's history of chambers in the U.S., trade was in fact the initial *raison d'être* for chambers in early America. We may go back to the future on international affairs work.

ACTION STEPS: GLOBAL IMPACTS

In 10 years, you'll be expected to provide help for your members and community in dealing with international affairs and global trade/investment. Whether you have capacity to deal with this now, you can take the same immediate action steps. Get closer to the companies in your region that have overseas connections or owners. Put together a resource page (or a booklet if you already have a page) of resources a company in your community could tap. Read more international news such as Reuters and BBC. Tap the free resources at U.S. Council on International Business, a treasure trove of information and services for chambers and companies. Work with ACCE to make a personal connection or two with chamber leaders in other countries.



POPULATION SHIFT

The inevitability of demographic change in North America, related to race/ethnicity and to generational transition, will significantly affect chambers of commerce in the next decade and beyond. Few have addressed these changes already underway, much less those they will face in the coming decade.

RACE, CULTURE AND CHAMBERS

The growth of non-white, Hispanic and multi-racial populations in America, along with the aging of the white population, will result in rapid increases in diversity in the marketplace, polling place and neighborhood. And thank goodness! Immigration and birth rates among minorities have kept the US growing (unlike many other highly developed economies), but these changes present both complications and opportunities for institutions like chambers, which have been struggling to increase inclusiveness for decades.

To put the data into perspective, in 2012, for the first time, the number of deaths among white Americans exceeded the number of births. While it might take until 2043 before non-Hispanic whites are not the majority in the U.S., most of the country's fastest growing markets will be majority non-white within the next 10 years, if they aren't already.

This is not just an inner-city phenomenon. According to recent research from Brookings Institution, virtually all of the black population growth in the Atlanta and Dallas regions has been in suburbs. Immigration is, of course, a factor contributing to these trends, but not in ways you might think. More than 26 percent of the population of affluent Fairfax County in Northern Virginia is foreign-born, with 38 percent of the population speaking a language other than English at home.

Traditional geographic assumptions about race are being challenged as never before. Younger college educated blacks are moving to the South in record numbers, as opportunities and inclusiveness continue to expand. The overall population of the U. S. grew by less than one percent last year. This means that any significant growth in one region is occurring only through attraction of people of childbearing age from other regions.

Racial diversification is still highest in a handful of melting pot states, but is increasing gradually in most parts of the country and more quickly in Sunbelt states. In 1990, Las Vegas was 75 percent non-Hispanic white. Twenty years later, that number is 48 percent white. Racial, and especially cultural lines are also blurring. Fifteen percent of all marriages are multi-racial, and the fastest growing census category self-identifies as multi-racial.

SO WHAT?

What do all of these interesting numbers have to do with chamber life and work? Even in some of today's most diverse communities and regions, where minority populations are significant, traditional chambers are remarkably white, and old. Building a future-focused chamber without an inclusion strategy would be, at best, unwise.

Chamber leaderships might develop a false impression that their organizations can thrive without diverse representation in their memberships, boards or staffs. After all, although minorities and women total two-thirds of the population and 57 percent of the workforce, they account for only three percent of senior management positions in Fortune 1,000 firms, according to the 2014 Glass Ceiling Report from the Leadership Conference on Civil and Human Rights.

For a generation, chambers have expressed concern about the potential for serious problems as a result of the non-representative nature—gender, race, culture, lifestyle—of their memberships, staffs and boards. That worry has generated only limited action to address a chronic disconnect, which leads some skeptics to conclude that the situation has never been a true priority. Since minority business ownership and senior management representation are still extremely limited in our economy, chambers may believe that diversity and inclusion won't matter to their organizational and community futures. They would be wrong.

Building a future-focused chamber without an inclusion strategy would be, at best, unwise.

IF YOU'VE SEEN ONE CHAMBER ...

Every community and chamber is different. In a metropolitan region like Orlando, the chamber is already living in the future when it comes to diversity of population. For a mid-western city like Omaha, where the population remains 80+ percent white, the demographic challenges may relate more to generational transition than cultural division.

Likewise, the composition of the business community (potential chamber members) shows vast statistical differences between the numbers in large states and small. Overall, the rate of minority

business ownership in the U.S. is roughly 15 percent (up from 11 percent in just five years), but the “spread” within states ranges from near zero to 21 percent in California.

If a chamber doesn’t address the inevitability of racial-cultural change over the next 10 years, its membership, audience, clout and future funding streams will be at risk. ACCE’s Diversity and Inclusion Division attempts to focus chamber attention on these issues in three areas: workplace (equity of opportunity within companies), marketplace (increased markets for minority enterprises and recognition of the buying power of minority populations), and workforce (increasing minority representation on company and chamber staffs).

There are obvious business and moral reasons for chambers to address these issues, but also more subtle motivations. Talented, skilled young adults, who have long been expected to choose place first and job second, are increasingly settling in diverse communities. An inclusive community is also attractive for international talent seeking positions in the U.S. Likewise, site selectors report that larger employers consider diversity and equity initiatives when selecting locations for new or expanded facilities.

This is part of the reason that the St. Louis Chamber has had such aggressive programming and outreach aimed at greater inclusion of young and minority businesses. Long before the tragic situations in nearby Ferguson, the chamber had established itself as a proven champion of equity initiatives and cross-cultural dialogue. This sustained and proactive approach enabled them to play a meaningful role in 2014 that would not have been possible or credible if they had started their drive to engage across racial lines after the crisis was at hand.

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DOWN TO BUSINESS

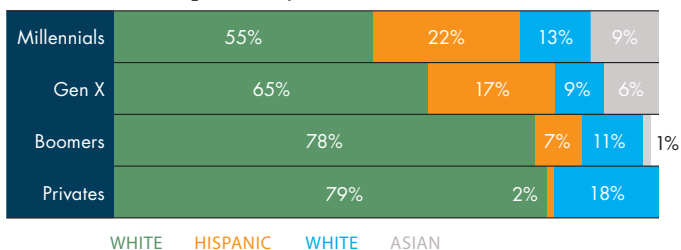
Every perennial chamber priority, from education to transportation, to business climate, to place-making is affected by demographic changes. For years, larger urban chambers have reported difficulties lobbying on behalf of the business community because city councils and officials question whether the chamber actually represents the true character of the business community. Fighting anti-business sentiment is more difficult when them vs. us perceptions are reinforced by the composition of chamber boards, memberships and staffs. Lack of perceived inclusion and equality of opportunity also feeds the political fragmentation identified elsewhere in this paper. Chambers will also play a role in ensuring that population demographic shifts are accepted in the region. Chambers need to model evolving pro-social behavior through the types of programs they offer and their own hiring.

In the absence of programming that seems valuable, small minority-owned businesses will seek to develop such support systems independent of the chamber. This could affect attendance, but just as importantly it can reduce the richness of networking at events. In addition, the conclusions formed by committees or planning councils of the chamber may simply be wrong without greater representation of the entire community.

GENERATIONAL TRANSITIONS

The other major demographic trend facing the country and chambers relates to generational change. Generation and race/culture issues are tightly intertwined. Zogby research shows that while 68 percent of all current voters are white, just 55 percent of millennials (1979-94) identified in that category. Consider: those born 1926-45, a cohort Zogby calls the “Privates,” are 79 percent white; Boomers (1946-64) are 78 percent white; and Gen X (1964-78) are 65 percent white. This is a racial/ethnic sea change from previous decades.

Voters’ Racial Composition by Heneration



Source: *First Globals* by John Zogby and Joan Snyder Kuhl

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Millennials will make up most of the workforce by 2025. Baby Boomers will have left, or soon will leave, positions of responsibility (except perhaps in incumbency bastions like Congress). Chambers have recognized for at least a decade the need to appeal to younger professionals, as they built YP networks, emerging leaders’ programs, and linkages to higher education. This is all good, but it’s not enough. To ensure the sustained viability and strength of the chamber, the organization itself must change its stripes rather than merely attaching appendages for the young. How?

Other than a token representative from your YP group, are any of your board seats occupied by a young person? Do your board meetings inspire anybody, much less young people? How many of the programs you design that you think should appeal to younger audiences were created with the input and ownership of young members? Do you encourage, rather than discourage, staff to engage in business-hour connections to social media? Do you have any young people in decision-making positions on your team? Are the policy issues you advocate of interest to younger business people, and if yes, have you articulated the issue in their terms? Gen Y people are not enamored with political parties or traditional politics, but they are interested in issues of fairness and quality of life. Is your chamber? Many millennials are so-called “communitarians,” but some are also social libertarians. Perhaps they must find another group to represent their interests, even if they are business owners.

Millennials who choose to join chambers today might not mind paying dues, but they're not patient sitting at the kids' table hoping to someday be viewed as having paid the other kind of dues. And they won't have to. They are already large and will soon be powerful. Zogby International says: "At 70 million strong, [millennials in the U.S.] are larger than most developing and 'emerging nations' and warrant the same amount of attention from investors, policymakers, and managers as do nations like Turkey and Egypt, which each have the same population numbers."

NOTE FOR GRAY HAIRE EXECs

- Three suggestions for current chamber leaders about dealing with younger generations:
- Treat young professional members as the intellectual and emotional equal of your peers, not as your kids.
- Communicate with them through media they use and like.
- Open up your definition of "membership."

MILLENNIAL CONFORMITY? NOT A GOAL

The good news in dealing with generational change is that it is important, but not necessarily urgent. In fact, most chambers seem to be holding their breath knowing that eventually Millennials will move into the family/community phases of their lives, when careers are less fluid and geographic decisions more-or-less made. It is probably true that they, like generations before them, will then give more attention to improving the places they choose to call home. The reality, however, is that this generation is more globally connected than any before. Their networks are more likely to be in the cloud than the neighborhood. When they're older and established, they may still resist joining a club, and the chamber may be viewed as one. The issues they choose to support when they are in positions of authority and responsibility may not resemble those of their grandparents just because they've become parents.

So, if they are opting out of politics and/or joining things, uninitiated as civic leaders, uninspired by the programs and positions of any local organization, blocked out of local decision-making and pandered to rather than embraced as peers, will they make good chamber members in the future? There are actually lessons from the past that might apply.

By 1974, anti-war and anti-establishment sentiments had driven wedges between the generations. Old guard community fathers didn't trust long-hairs, returning vets, or growing minority populations in the cities—and the feelings were mutual. Young people were better educated than their Greatest Generation parents. Anti-business sentiment was rampant. Yet the chamber

movement thrived during the '70s and '80s by becoming less exclusive and hierarchical in governance. Chambers became more creative in programming and service-focus for members. They became aware of the need to address the changes occurring in communities, the economy and the country. The chambers of 2025 and beyond can thrive too, if they adapt to generational realities.

EDUCATIONAL DIVIDE

One additional demographic concern is becoming a growing influence on the future of communities and the future work of chambers. This is the growing educational attainment divide. Half of the children who enter ninth grade urban public schools will not come out of high school ready for career or college. The numbers in distant rural areas and first-ring suburbs can be nearly as frightening. College degree attainment has remained stubbornly flat, even as education leaps are being made in developing nations around the world, and as job requirements call for more knowledge and new skills. Meanwhile, the skills gap continues to plague employers and potential employees as tens of millions of jobs go unfilled.

The societal burdens of a minimally educated underclass will affect hundreds of communities across the nation—the towns and cities in which chambers of commerce will strive to build prosperity.

ACTION STEPS: POPULATION SHIFT

There are dozens of options that could help chambers deal with an increasingly diverse workforce, workplace and marketplace. The most effective ways to start, or accelerate the transition of your chamber are actually those that are closest to home and within your control, such as staffing decisions, board nominations, programming design and "letting go." Without conscious efforts to address these four areas, it will be difficult to change the culture of your organization. Feelings follow action. ACCE's Diversity and Inclusion Council provides an open, safe, supportive platform for chambers that are serious about addressing race, gender and cultural diversity challenges. Tackling generation change requires chambers to make millennial preferences as much a part of the organization's life and work as programming aimed at Boomers and GenXers. As long as "young" programming is a sideline, the perception and brand of the chamber will remain "old." Is it necessary to turn the reins of civic leadership over to activist millennials for the next 10 years of chamber life? No, but it is necessary to understand that they will have the reins in 10 years.



POLITICAL AND SOCIAL FRAGMENTATION

A phenomenon related to, but separate from, increasingly heterogeneous population is a growing division over ideas. Political and social polarization can be overwhelming and sometimes indecipherable. For many who work to bring the people of a community together, this trend has been among the most frustrating developments in their professional lives. History tells us that politics and society often have been fractured in the past—but that’s of little comfort to those dealing with divisions today.

Researchers forecast even more radicalization of politics and segmentation of society over the next 10 years, making consensus and broadly supported initiatives more difficult to achieve. Interestingly, many ACCE leaders either don’t think that’s the case, or believe that the splintering of the country’s politics and preferences just might matter less at the regional level in the future.

Furthermore, fragmentation may someday reach the point at which traditional party allegiance may be less important than self-affiliation with wings of parties and issue-specific causes. If the lines of division fluctuate from issue to issue, and from year to year, today’s adversaries have to consider the possibility that they might be working together tomorrow.

Still, dealing with local issues like bridge improvements on a main access road into town can cause the instant creation of opposition groups focused narrowly on “the bridge.” Some oppose it if it isn’t pretty while others will support it only if the city can cede (or keep) control of the adjacent river bank. A third group could be hell bent on securing a kayak launch as part of the bid specifications. Each of these small factions must have a voice, and once they use it in a hearing, or on TV or a webcast, they become even more enamored of their positions and more vehemently opposed to compromise. Such “issue du jour” segments of the population, many with genuine heartfelt sentiments and compelling statistics, will likely become more prominent and numerous over the next 10 years due to the availability of media/web exposure.

INTENSIFYING SEPARATION

Meanwhile, over the next decade, the trend for people to move to places where their neighbors have similar political views is expected to intensify. This “self-gerrymandering,” which was documented in 2014 by Pew Research Center and others, reinforces already deep-seated social and political views. The

real and virtual walls bordering suburban or gentrified city neighborhoods may be crumbling, but people choose to live on their own sides anyway. Or, they move to places where there is only one side. These migrations may not affect the national election map dramatically, but they can certainly reduce the number of “purple” jurisdictions in the future.

Washington Post columnist Ruth Marcus recently resurrected a ‘90s phrase—“talk to the hand”—to describe the resulting discourse, or lack thereof: “Nothing you can say will make me listen to you. Do not even bother to try.”

NOWHERE TO HIDE

Each of the divisive factors mentioned here, and many others, affect more than the policy and politics side of chamber existence. Economic development projects can be influenced by how welcoming and “together” a community appears to corporate real estate decision makers. Talent acquisition is hindered when would-be resident engineers or doctors trained overseas dismiss your town as torn or dysfunctional. When business leaders don’t interact or even understand each other outside the chamber board room, it is difficult to secure consensus and set priorities for the chamber when the board is in session.

Yet for two centuries, chambers’ work has depended on bringing people together around common causes like growth, jobs, kids, advocacy, infrastructure, and celebration. Lack of tolerance and civility hurts not only the chamber’s mission, but its viability as a non-profit business. If a handful of members quit the chamber over a position about a bridge, it hurts, but if entire sectors of your business community pledge undying enmity, it could cripple you. When members with left-leaning tendencies can’t stand to be in the room with a chamber member who supports Hobby Lobby’s position on health insurance coverage of contraception, it hurts your organization. Or when a right-leaning member avoids chamber events because he or she might have to interact with a marijuana shop owner, the role of convener is darned hard. When your communications staff has to sanitize every story to avoid antagonizing anybody, a key part of your mission is impacted.

But even given a climate of distrust, conflict and fragmentation, chambers must do their jobs. Somehow, against all odds, most of them pull it off. A few chamber leaders are actually optimistic that a more conducive climate in which to do the work may emerge in the years ahead. In spite of the seemingly limitless segmentation of the political and social fabric, there is real hope in many chamber board rooms that the pendulum will

eventually swing toward a more workable governing model and tolerant society. Why? *Fit, practice and necessity.*

FIT

Dave Adkisson, CCE, CEO of the Kentucky Chamber, is one of the most respected and outspoken leaders in the chamber world. He believes that the current fragmented political and social landscape actually creates enormous potential for chambers of commerce to shine and grow in the coming decade.

Chambers have the potential to employ their considerable consensus-building experience and position of trust to provide workable alternatives to fringe dogma and out-of-hand dismissal of compromise. The chamber acts as the convener of those who can find solutions, resources and political will. Articulating shared values, rather than divisive talking points, will be needed more than ever in the coming decade. Chambers can play this role. It has become increasingly difficult for others to convene meaningful gatherings focused on problem solving, crisis resolution or celebration of success. Chambers can do that and must persevere in that convener role even when it may seem unappreciated. Why chambers?

- 20 First, the diverse composition of chamber memberships and extensive partner relationships make the convener role inevitable, whether you choose it or not. Second, the two-part purpose of a chamber (success for all employers today and prosperity of the community tomorrow) makes its goals appear less self-serving than most special interests. Third, the range and diversity of voices within the chamber, from CEOs, to non-profits, to mom-and-pop business owners, creates a preview of the larger community's debate.

MAKING IT WORK

In the rising body of knowledge around “collective impact” theory, chambers can envision what the future might look like for advancing meaningful public policy change. If a public policy “sane middle” arises, it will likely spring from business leaders and other influential individuals, rather than from government officials, excepting the most courageous, of course. Local chambers have nurtured avenues for understanding and negotiation on major priorities for generations. That role will be more important over the next 10 years. But chambers cannot abdicate this responsibility just because the current climate seems so combative and unproductive.

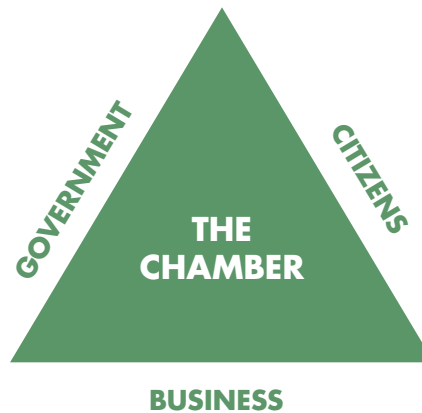
Importantly, the positions your organization takes today will affect the perceptions of it tomorrow. What is the larger context of a hell-no position you might take in response to a criminal justice, regulatory or tax issue floated by a county executive? Will your potential to be a convener, or your appeal to next-gen members, be affected? This is not to say don't act; it is to say

that chambers must consider the frame in which their position is portrayed.

Because of the with-me-or-against-me mentality in much of our politics, this job will be difficult, but chambers are in many cases the only organizations that can step forward. Chambers occupy that place in the middle of the business-citizen-government triangle.

In many communities, local and metro chambers are the only entities that can connect the three sides of the business-citizen-government triangle because they are the only organizations with prosperous future as their primary goal. Due to increased competition among locales, that position in the center of the triangle will be absolutely critical.

The truth is, business leaders, conscientious politicians and influential citizens don't want to wait for the community college to fail (financially or educationally) before someone fixes it. They don't want to wait for the Defense Department to run out of money for off-base military housing. They are agitated about government inefficiency and wrong-headed spending. With a few no-growth exceptions, they share a desire for growth of their towns, regions, states, provinces and nations. Because they are suited to the task—they fit the role—chambers will be a critical part of progress that occurs at any level of government over the next decade.



PRACTICE AND NECESSITY

While political discourse will remain strained for the foreseeable future, policy decisions will soon become unavoidable. Through handling a string of predictable, now-inevitable, fiscal and policy crises over the next 10 years, Americans and their representatives will find ways to cobble together solutions, working together again. It seems farfetched, but we will. Too many critical issues facing our country will take us to the brink, and force us to find ways to compromise, even if those grand and small bargains are based on self-interest, rather than national interests. Urgency and actual (rather than potential) public service-related disasters will bring policy makers at all levels to the table for negotiation and action. It still won't be pretty, but complete gridlock on must-do issues won't continue indefinitely.

Chamber leaders are not naïve. They know that long-time adversaries won't suddenly join hands and sing each other's praises. Legislative leaders and administrations of differing parties at all levels won't like working together, but they will learn how. We already see this playing out at the local level. When the pipes actually break, bickering county legislative leaders eventually sit down and create a plan to fund the sewer repairs. At the federal level, strategists are finally recognizing as

the new Congress is seated that there is a political price to pay when they fail to govern. This price will become more evident as the dangers caused by gridlock accumulate.

The changes and crises coming toward us in the coming decade may divide us further, but the opposite is also possible. A top-five city in an overwhelmingly red state might elect an openly gay mayor (oh wait, that already happened). Members of union households in a northern state might actually vote to limit public pension programs (been there, done that). A city that declared bankruptcy will find its way to solvency without scores of people dying in the streets (done half a dozen times since 2002). It is within the battle for solutions and the desperate craving for leadership that chambers will find opportunity. They will embody “sane middle” pragmatism and reason over dogma. They will help cut through the noise of extremist politics as they have for hundreds of years. Chambers will take the high road, and build coalitions to support the right things for their communities, regions and members. Pulling our society, body politic and corporate civic leaders together will be our own generational challenge and it will occupy much of our chamber life and work for the next 10 years.

ACTION STEPS: POLITICAL AND SOCIAL FRAGMENTATION

Don't take the bait. The potential exists for every conversation about every issue to devolve back to entrenched positions, partisan accusation and separation. The chamber simply can't go there. The “sane middle” is not a popular place, but it is your place. Don't agree when people say there's no point in meeting or talking. As disasters appear (and they will) for governments in the coming years, approach each from the position that a solution—a compromise solution—will be found. This is not going to be easy, but we'll have plenty of practice. Promote only real data and evidence; be known as the group that eschews propaganda. Don't add to the urban-rural, right-left, old-young, black-white, rich-poor noise. Become partisan pro-economy, rather than partisan anything else. ACCE's relationships with the Pew Charitable Trust and other trusted research houses helps us help you make the case for reasoned solutions to divisive issues. The rich discussions that occur during monthly conference calls of ACCE's Government Relations Division provide best practice action steps and the support of a true peer network for those dealing with policy/political challenges.



RESOURCE ALIGNMENT

A philosophical shift is occurring as we work to keep our chambers strong and profitable. Is our core purpose—our reason for being—to sell services and seats, or to change our world? The answer can be both, but if it is, we must fund both.

Clearly, resource alignment is about more than acquisition of working capital. It involves processes, styles, asking rights, prospect pools and most importantly motivations and needs. The reason this section is labeled “alignment” relates to the stated missions of chambers. No chamber mission statement declares that their ultimate purpose is to help 20 sales reps gather business cards at a mixer. Chamber missions relate to economic opportunity, quality of life, and other higher purposes. Resource alignment implies that revenue should be raised largely for those mission goals.

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For simplicity’s sake, it might be convenient to define the topic around the “what” and the “why.” The “what” is, in a nutshell, asking for money at levels that exceed the numbers shown on the membership ratecard. In this paper, we assume that the “why” relates to the general good of the organization and/or the community, and not to the direct benefit of the investor. The reader can decide whether the highest membership categories, or sponsorships of community events count as fundraising in your organization.

TRANSACTION VS. PLACE-MAKING

Chambers sell things to clients, much like other businesses, whether it’s a seat at a sales seminar, an ad on a website, or a credit card processing service. Meaningful transactions between a customer and the chamber will morph as traditional chamber network services are replicated online (e.g. LinkedIn for national, Alignable.com for local). Many chambers and similar organizations are shifting an increasing part of their focus from business transactions toward improving the community or region as a whole and finding investors to address the cause. That transition will accelerate over the coming decade. Cause-based fundraising won’t replace traditional fee-for-service and “access pass” investments, but requests for funds to support community, regional and broader organizational priorities will become a larger percentage of chamber budgets.

Such a change in emphasis will require the skills and temperament for the art of asking for money without the contributor (member) expecting an immediate business benefit. There is real ROI potential for businesses that fund chambers’ place-making goals. Businesses and other investors will certainly

benefit if the work is successful, but they seldom see immediate returns. To attract and maintain their investments, you must, as chambers always have, help them envision a desired future and directly connect their investment and their business goals to that visionary plan.

To succeed in soliciting contributions to support non-transactional chamber activity, the cause and plan will need an emotional and practical appeal in a future that has other proposals worthy of support. Fortunately, as chambers look toward the time when the millennial generation assumes a greater role in companies and communities, they can be hopeful about potential donors. One benefit to working on a community and regional cause 10 years from now is that Millennials are more likely to join a cause than a club. By tapping into a revived civic spirit, driven by the ascendance of this next leadership generation, chambers may remain in good stead for membership and investment.

CARE AND FEEDING

There is another misalignment of resources that requires adjustment in most chamber budgets and work plans. In social service circles, it would be described as casework. Chamber staff professionals spend an inordinate amount of time dealing, one at a time, with the challenges and problems of individual companies. This intensive, customized support doesn’t qualify as fee-for-service, advocacy, or place-making. It is largely unmeasured and non-monetized. Unscientific research and anecdotal evidence indicates that it is completely undervalued.

In the coming era of mass customization (see Influence #2), we can expect the demand for personalized support work to grow. Members and non-members within the community already expect, and in some cases demand, such effort on their behalf. Most often the mere idea of paying for this kind of work would be considered laughable, especially in smaller towns where neighborliness and favors among friends routinely extend into business dealings.

One benefit to working on a community and regional cause 10 years from now is that Millennials are more likely to join a cause than a club.

The business models of chambers in the next 10 years will be misaligned if they can't find a way to limit demand for casework or increase compensation for it.

IF NOT YOU, WHO?

The widespread distrust of government to “get the job done,” which may actually intensify in the coming decade, puts chambers in a new light, one that shines on resource alignment opportunities heretofore unavailable as they tackle big economic and societal challenges.

In recent discussions among chamber leaders, it was interesting to note that small community chambers were more reluctant than large organizations to give up on traditional products, services and networking events in their current portfolio. They expressed fear of backlash and attrition if they appeared to be a “good ol’ boys club” serving only the near-philanthropic goals of the largest companies. Meanwhile, the regional and metro chamber CEOs at the table found they were still offering a litany of member services without cutting back on their efforts to revamp their political landscape, build new infrastructure, or promote to a global audience. This do-it-all approach is definitely taxing their fiscal and human resources.

Chambers face tough choices between staying focused on their mission and making money. Hard decisions will need to be made with realistic acknowledgment about which other organizations or businesses can provide high-quality services cheaper and faster. But all chambers should cling to the role of the resident expert, with deep local knowledge. This knowledge is what will advance community needs and causes and chamber balance sheets.

Chambers face tough choices between staying focused on their mission and making money.

Within 10 years, fundraising for meaningful business, economic and community priorities will be the norm in most chambers, even if such funding does not produce the majority of revenue. Economic development and education attainment initiatives are today’s “shiny objects” attracting investors. They will remain hot for the foreseeable future, though infrastructure decline, income disparity, and a dearth of entrepreneurs are rapidly emerging as business problems that can’t wait for government solutions. Steve Millard, CCE, of Cleveland’s Council of Small Enterprises notes that major investments are definitely driven by excitement, which is in turn driven by big exciting causes: “When you can generate \$25 million in a couple of months to host the RNC in 2016, you see just how much the excitement and perception of the cause drives investment. A parallel effort to raise a few million for an entrepreneurial investment fund (with arguably more lasting economic benefit) struggled to score with the same audience.”

Of course, all priorities are both cyclical and reflective of individual community needs. The issue isn’t as much what your fundraising will address in 2025 as it is the need to engage in some at all.

GIFTS TO THE GIVERS

Since all chambers strive to find the sweet spot for funding programs that relate to mission, while also keeping the chamber sustainable, how do they identify and prioritize the prime interests of investors? Or do chambers just do what needs doing based on their ability to attract interested financial partners? Chambers must develop or hire the skills and experience to evaluate the right price for the right service, which will be applied to the right cause. There is consensus among chambers currently engaged in fundraising that they must, over the next 10 years, increase the hiring of experienced business people who understand for-profit enterprise. Such talent will be critical in appealing to larger companies for funding.

Raising money is, at its very core, about creating volunteer leaders with a passion for the cause, who can then be counted on to generate the large investments from their own companies and their peers. The good news is that the emerging breed of leader is more transformational than transactional. The bad news is that most chambers must rebalance their missions to ensure that transformational energy is captured. And so these philosophical and practical discussions will dominate chamber staff meetings and board strategy sessions for the next 10 years.

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ACTION STEPS: RESOURCE ALIGNMENT

Transaction-driven revenue will always be part of chamber revenue. Companies will pay for services and network access provided by a trusted source. Alignment of resources, however, revolves around finding ways to secure more funding targeted to support the stated mission and vision of the chamber. What does your mission statement say? A significant portion of your sales and fundraising efforts should emphasize achievement of that mission. This means asking for contributions and investment above the rate card. Chambers must get better at asking and earning investment. The first step in securing or growing such funding is the effective articulation, with professional help if possible, of your capacity, passion and effectiveness to achieve the stated mission. Next, define your chamber’s plan for moving forward on the causes most closely aligned with the mission. If you can’t articulate the abilities and plans well, you don’t have “asking rights” to grow your mission-based resources. ACCE’s Communications and Membership Development Divisions can help members find others who share their need to align resources. The HERO information library includes hundreds of examples of well-crafted fundraising appeals, as well as consultant options.



CATALYTIC LEADERSHIP

Every month or two, we read the latest book on leadership or organization success and quote it in the office or at cocktail parties. You might hold forth about the basic tenets that have gone viral from some of them – Covey, Welch, Gladwell, Collins. There is something unique in each book, some new method of analysis or a fresh look at leadership. Mostly, however, these books are reminders that leadership is not something that just happens.

This is not a theoretical consideration for chambers and communities. Leadership, both volunteer and executive, is arguably the biggest factor in determining the future of chambers and, by extension, the success of communities.

In *The Coming Jobs War*, Jim Clifton says: “If you were to ask me, ‘From all the data you have studied so far, where will the next economic breakthrough come from?’ my answer would be: From the combination... of the forces within cities, great universities, and powerful local leaders. Those three compose the most reliable, controllable solution. Their combined effect is the most predictable solution to America’s biggest current problem, which is winning the global war for good jobs.” The last of these three—powerful local leaders—should get double weighting because it will be the catalyst.

Unfortunately, according to Michael Porter and Jan Rifkin’s recent research, there may be an attitudinal problem that chambers have to address to bring business leaders to the table. They summarize corporate sentiments this way: “I can’t just worry about America, I run a global company, we’re not an American company anymore.” According to Porter, the notion in business that “this is our country and we own its challenges has diminished.”

GROW YOUR OWN

Fortunately, Rifkin and Porter see the beginnings of a resurrection of business leaders’ focus on the importance of place and collective purpose. They call it the “business commons.” This is a shared recognition that “. . . a skilled workforce, an educated populace, vibrant local suppliers, basic rule of law” matter to companies as well as to communities. “The good news is, we see a large number of business leaders who recognize the importance of reinvesting [in business commons] at this point.”

“Every city has strong, caring leaders working on numerous committees and initiatives to fuel their local economic growth,” says Clifton. “The feat these leaders have to pull off is doubling their entrepreneurial energy by aligning all their local forces.” That’s where you come in.

Issues related to finding leaders and demonstrating leadership face chamber execs constantly. Time poverty is an issue, but it always has been. Abdication of corporate social responsibility is still an ugly trend in some places. Risk tolerance, distraction, family responsibilities, management transience and volunteer fatigue all affect the ability of a chamber to lead. The struggle for willing and able volunteer leadership is likely to intensify over the next 10 years, even as the need grows. This will make catalytic chamber professional leadership all the more important.

UNCOMMONLY WELL

“The secret of success is doing common tasks uncommonly well,” said John D. Rockefeller. Chamber work may not be common, but it isn’t hard to learn the basics. It’s like chess: easy to learn and hard to master. Community leaders have always had staggering levels of focus, commitment to excellence, fiery passion, persistence that rivals Sisyphus, and humble understanding that only the power of a team can yield success. Those qualities, nurtured through professional and volunteer leadership development, will be the secret of success for chambers in 2025, just as it was in 1925.

Successful chambers of the future, whether their main focus is economic development, advocacy, individual business support, promotion, place making, or information dissemination, will all require at least a handful of leaders who exhibit these traits. In perhaps the most dramatic way since the elevation of the Greatest Generation into leadership positions, civic entrepreneurs 10 years from now will crave results because they are comfortable with change and uncomfortable with the status quo.

PREPARE AND PLAN...THEN ACT

While broad-based networks and collaboration will grow in importance, chamber leaders will have less luxury in the future to spend months seeding, fertilizing and watering unanimous decisions about the objectives their organizations and communities must pursue. Robert Grow of Envision Utah notes that in the ever more diverse communities of the future, leaders and leading organizations may have to move forward even when they can only muster “grudging consent, rather than consensus.” Too often in the recent past, chamber leadership seemed willing to wait indefinitely for permission to act. When it comes to chamber and community, leadership is not a feeling or a philosophy. It’s an action.

The ultimate historical example was described at an ACCE Board meeting in Philadelphia in late 2014 when Chairman

Tom Baldrige shared the epiphany he had as he walked through Independence Hall. He was struck by the approach and commitment from a small group of self-appointed leaders who met in secrecy 240 years ago to decide the fate of a new nation. They accomplished this monumental world-changer through conflict resolution and negotiation spanning just four months.

Today, a good many chambers, not to mention national associations and governments, can't move on a modest policy change or event decision without a task force formed by a standing committee, which had been named by a board, with support documents from consultants that have been examined during a retreat and vetted by a higher power. How can chambers be leaders for our community in 2025 if they cannot change the ways their organizations run today?

CATALYTIC LEADERS

How does a chamber and its leadership become catalytic? It starts when those involved begin to define their vision in terms of what the organization will be, rather than what it will do. Then, a vision emerges of the chamber as a change agent for the community/economy. The organization sees itself as an instigator of change, rather than a resource to help people cope with change. The propagation, rather than mere acceptance, of change will be new to many chambers and therefore to their would-be leaders.

ACCE's Horizon Task Force Chairman David Brown, president and CEO of the Greater Omaha Chamber, said, "Imagine the impact if most of the 7,000 chambers of commerce covering this continent decided that their mission was initiating and sustaining positive change. What an amazing sight that would be!"

Civic entrepreneurs 10 years from now will crave results because they are comfortable with change and uncomfortable with the status quo.

This doesn't mean that the goals of a membership organization—serving member and investor needs—are not important. The enterprise and business advancement aspects of chamber work will require agents for change at least as much as the policy and community development sides of the shop. The business side of the chamber will require leaders who cause change to happen in communications, marketing, program development, event design and direct member support, rather than merely coping with emerging realities.

INTENTIONAL AND CONTEMPORARY

Old systems for strategizing will be too slow to deal with the pace of a wired and volatile world. And the professionals, starting with the CEO, must craft and drive new methods for staying ahead of

trends. This leader must be comfortable with the demonstrations of community and business leadership, irrespective of age or experience.

'Servant leader' is an effective, often powerful, management style. 'Leading servant,' however, is an inadequate self-image. Over the next 10 years, a larger portion of senior staff members in a chamber will learn to comfortably wear the mantle of catalytic leader and then act the part. Or, they may have to clear the way, or provide necessary support for, people who can.

This could be harsh and sudden in some cases. The patience quotient of chamber boards has been shrinking since the onset of the recession (with high rates of CEO turnover). Over the next 10 years, the expectations of communities and company leaders will be greater and the potential for casualties in executive leadership may grow. Likewise, board imposed limitations on executives who seek to be catalytic leaders could drive some of the very best chamber CEOs out of the industry in search of positions in which their change instigator role is valued.

Since leaders are made not born, it will be necessary for chamber executives and staff teams to learn an array of new skills, while increasing their knowledge of community and policy issues. These skills include the ability to collaborate with organizations of all sizes and agendas, even some that might appear to be at odds with the goals of most chambers. Thinking and planning strategically will be necessary in future decades when the 'imperative of the immediate' is more pressing than ever.

WHATCHA GOT?

The menu of individual qualities and traits of good leadership can be drawn from any of a hundred wonderful leadership books. Communication, negotiation, ownership, humility—they all will be on full display in a highly functioning chamber in 2025. The more important difference between now and a decade from now is likely to be the mindset as much as the skill set. Again, over the next 10 years, true leaders must accept and embrace the role of catalytic change agent.

Staffs will have to be both better and better led in the future. Every year, the drive for talent within chamber teams is growing, but so is the clamor by staffs for clarity and support from top leaders. Boards will need leadership support and guidance from staffs if expected to travel paths they've never walked before. Members are likely to follow the chamber's leadership only by choice, rather than through feelings of obligation or responsibility.

NETWORKED

The imperative for what Ted Abernathy calls "networked leadership" will trump traditional hierarchies or pinnacles of authority. The source of strength for both chamber executives and officers in the past may have sprung as much from organizational position (agent of corporate CEOs), as from personal leadership capacity. Both are important, but the more inclusive governance models of today and tomorrow require wider support built on

collaboration and trust outside the organization itself. You can't build that support as an agent alone.

The benefits of intentional and complete orientation of each successive class of chamber directors (beyond governance 101) include more likely success on subsequent networked leadership challenges. Eventually, graduates' from highly-functioning chamber boards begin to appear in other critical leadership boards around the region.

More than one chamber has made it an unspoken goal to nominate like-minded, economy-focused people in non-profit and quasi-public board positions elsewhere around the community. Others will need to follow that lead in the coming years in order to create the network of leaders required to advance critical initiatives.

Related to the "networked" leadership imperative is the power of aligned leadership. Alignment is, in many ways, the holy grail of community advancement. When elected officials, bureaucrats, corporate power players, chamber staffs, economic developers, media, non-profits, pastors, minority spokespeople and other "influentials" begin singing from the same hymnal across a region, truly remarkable things can happen. This aligned model has been evident in Oklahoma City as it emerged from declining urban center to dynamic big-league region over a prolonged period. Aligned leadership can be a beautiful thing!

THE FEW. THE PROUD.

The abdication of corporate responsibility for local-civic success, which has been evident in some regions of the country for a decade, may actually reverse course over the next 10 years. Michal Porter notes: "One of the optimistic findings of this [business common] project is the enormous readiness of many in the business community to roll up their sleeves and do things in their communities and companies to make America more competitive."

Realistically, a chamber needs only a few activist leaders. A handful of fully energized and well-guided private sector leaders will be sufficient because the "fragmentation factor" will create a shortage of effective leaders in most institutions. Put simply, your opponents and competitors won't have many true leaders either.

And anthropologist Margaret Mead's famous quote will be as true in 2025 as it was a hundred years earlier: "Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has."

OUT THERE

Clearly, the kind of leadership described here assumes that the chamber exec not only may be permitted to spend time and energy on non-traditional community issues, but that he or she is inspired, expected and required to do so. By 2025, only people who were hired for, or learn to take responsibility for, catalytic, prosperity-focused change are likely to occupy CEO positions in large and mid-size chambers.

In 2025, potential members and investors will have an infinite supply of information, networking opportunities and service providers to choose from outside the chamber. At the same time, when it comes to entities dedicated 100 percent to helping their companies and communities succeed, the choices are extremely limited. Chambers have competition on networking, events, business communications and recognition programs. When it comes to business and community advocacy, place making, and business problem solving, however, they are in a unique position to be of value to these investors, especially when they take on a catalytic leadership mindset. Imagine the impact on this continent if most of the 7,000+ chambers of commerce decided that their mission was initiating and sustaining positive change – and then figured out how to make it happen.

ACTION STEPS: LEADERSHIP

In the end, the quality and drive of professional and volunteer leadership will determine the success of the chamber, and by extension, the community. This can't be overstated in light of the other seven influences described in this paper. Hiring, attracting, nurturing, growing and motivating leaders is more critical to your chamber's success than any program or policy position. If you have to choose between paying attention to board development and running the spring expo, choose wisely. Over the next 10 years, there will be a new quality required for professional chamber leaders. "Catalytic" leadership requires that a chamber exec crave and create change, rather than simply helping members and the community cope with change. Each year, ACCE's convention provides a leadership track and powerful speakers focused on building both volunteer and professional leaders.



ENGAGING THE PUBLIC SECTOR

As chamber executives, our jobs require us to work with a wide variety of people to get things done. To be an effective change agent for our chamber, we must be able to look beyond our members and the business community to other partners. Often our success hinges on our ability to facilitate a local ordinance change or shape/rewrite state legislation, and we need to work with our city council or state representatives to make that happen. Success is often dependent on our ability to effectively engage the public sector.

It is critical that chambers and the professionals who manage them develop a strategy for engaging the public sector. Many believe this kind of work should be left to the government relations professionals in the chamber world. Others rely on lobbying or on PACs to create the environment for businesses to be successful. However, there is no substitute for chamber professionals being directly involved in cultivating relationships and developing and implementing strategies.

Being successful in this space requires chamber professionals to focus on the relational aspects of our interactions with elected officials and others in the public sector. This shouldn't be left solely to our government relations colleagues; success requires the entire team's involvement, and every chamber executive should actively cultivate these relationships and engage in this space. Is there evidence that the current systems inhibit our capacity to prosper? A resounding yes.

BE A CHANGE AGENT

High-performing chambers of commerce are change agents. Our primary mission is to create an environment where our members can grow and prosper, where our citizens become part of the fabric of our community and people want to move to raise their families. Partnerships are critical to the goals and objectives of our organizations, and the public sector is one of our most significant partners.

Understanding how we can be more effective in engaging the public sector is key to both our careers and the effectiveness of the organizations we represent.

Each opportunity to engage the public sector, including elected and appointed government officials, is unique. We need to adopt the right mindset to be successful in this work. We cannot view the public sector as our enemy at worst and an inconvenient obstacle at best. We need to shift our thinking to see the public sector as a key partner and collaborator. We can accomplish

far more together than we can separately. If we keep a few considerations in mind, we have a greater chance of creating effective partnerships with the public sector.

PRACTICE EMPATHY

It is difficult to build a partnership when we start from a position of, "I'm right and you're wrong." When we engage the public sector, we need to do so from a place of empathy. There are several ways to build our capacity for empathy:

- **Try on the other person's shoes.** It is easy to view the world and our circumstances through the lenses of our experiences and current situation. To effectively partner with others, we need to step back and try to see the world or situation through their lenses. What perspectives do they have that are influencing their point of view?
- **Step out of your comfort zone.** It is human nature to seek out like-minded people and gravitate towards spaces and places that are comfortable and secure. If we truly want to be able to see the world from another's perspective, though, we must step out of that circle of normalcy. We must be willing to be uncomfortable for long enough to absorb what it is like to be in a different situation. This helps us build a new framework for understanding others' thoughts and perceptions.
- **Don't assume, have a conversation.** Assuming we know how someone feels or why they feel that way or worse, asking someone else how the person in question feels or why they feel that way can lead to problems. Instead, have face-to-face conversations which can establish relationships that may benefit you and your organization in the future. Even those who are on the opposite side of an issue will appreciate you taking the time to hear them out.

FOCUS ON PEOPLE

Whether personal or professional, people are at the core of every relationship. When we prioritize people and our relationships with them, it makes it much easier to work together productively. When we don't focus on people, we may make decisions that erode trust and make it more difficult to achieve our end goals. Here are some helpful approaches to focus on people:

- **Seek to understand and then to be understood.** Active listening is a key tool for engaging the public sector. If you focus first on understanding, rather than convincing, the person you are working with will gain an appreciation of

you and your approach. The fact that you are focusing on understanding them and their issue(s) will be a refreshing change.

- **Stick to the issues and your message points.** When you stick to debating issues and your key Reasons for supporting or opposing those issues, it is easier to maintain a good relationship with someone on the opposite side of that issue. When you can debate issues in a respectful way, it keeps the door open for working with your opponents on other projects where your interests may be aligned.
- **Use the headline test.** In building relationships and working with others, it is inevitable that someone will ask for your candid feedback about another person, elected official or action. Before answering, consider whether you would be comfortable if you read your words on the front page of the local paper the next morning or saw it trending on social media. Even when talking to someone you think you can trust to keep things in confidence, it is a small world, and these comments often filter back. This is particularly true when you are asked about your opinion of a specific person. As a rule, avoid negative feedback.

DEVELOP A STRATEGY

Of course, even the best working relationships with the public sector aren't meaningful if they are not accompanied by a solid strategy for achieving your objective. While you work on other aspects of engaging the public sector, it is also important to craft a winning strategy. These tactics may help you develop and navigate that strategy:

- **Establish credibility.** Overtime, your approach to working with the public sector should enable you to establish credibility with key people and the media on public policy issues. The use of data and research, a thoughtful and empathetic approach, and the ability to articulate an argument succinctly and effectively are all part of establishing credibility. Be intentional about this.
- **Know the process and anticipate the next move.** Effectively engaging the public sector requires us to think through multiple moves before acting. This requires knowing the process and the people involved in your current issue. If it is a legislative matter, for example, know what committees are involved and the key members or staff people. It also requires that we keep our eye on the goal so that we don't get bogged down in process or personalities.
- **Build important relationships.** Don't wait until you have an issue to promote or something that you want to oppose before you build relationships with key elected and appointed officials. Municipal, state and federal elected officials, key government cabinet members, department heads, and commissioners should all be on the list. Also consider senior staffers of these elected officials, as they may be the driving force behind certain legislation or issues.

REMEMBER YOUR AUDIENCE

At the end of the day, it is important to remember that the public sector often has constraints that we do not face. For example, elected officials run for office; we don't. They have challenges that are often hard for us to understand or relate to. Respecting their position and working to allow them to save face is important. While we may not always agree on issues, we need to be able to work together to advance the community, create jobs and enhance the quality of life.

The voice of the business community is increasingly important in solving many of the public policy issues facing our country, our states and our regions. Government cannot solve these complex issues alone, and the business community has stepped up on many occasions to be part of the solution. Chamber executives need to increasingly embrace this role as a leading voice on public policy matters and strategically engage with the public sector for the benefit our members and our entire community.

ACTION STEPS: ENGAGING THE PUBLIC SECTOR

Start by identifying your organizational priorities, governance structures and rules of engagement before you do anything else. Establish and re-establish your public policy agenda and priorities on an annual basis. Then, start thinking about how to build relationships with both natural allies and those who may think differently than you do. Identify influencers who are likely to support you or who can do the most damage to your goals and reach out to them. Gather research on all sides of the issue, and make sure that you don't let your own position blind you to the relevant points others may make. Support your position with data wherever possible. Engage your members in this work and build coalitions beyond your membership wherever possible.

Defining the Promise of The Chamber of Commerce In the 21st Century

A Brand Definition Project in Partnership with W.A.C.E.

BrandBirth



The Job of the Brand

- ✓ Charting an aspirational path for all Chambers to follow.
- ✓ Each Chamber must choose the right tools to navigate the path on their own.
- ✓ “What you do” and “how you do it” become separate conversations.

How We Learned

✓ Quantitative Study

- 200+ Members & Non-Members
(from our own membership and purchased lists)

✓ Qualitative One-On-One Interviews

- 25 In-depth, 30-60 minute Interviews with W.A.C.E. leadership, local Chamber executives, Chamber members

✓ Secondary Research Review

- Review of existing W.A.C.E. and ACCE studies to establish baseline

Quantitative Research Sample

Respondent Demographics

	NON-MEMBER	MEMBER	TOTAL
Male/Female	51%/49%	54%/46%	53%/47%
Age			
18 to 24 years	5%	3%	4%
25 to 34 years	25%	15%	19%
35 to 44 years	28%	21%	24%
45 to 54 years	18%	23%	21%
55 to 64 years	15%	26%	22%
65 years and older	9%	11%	10%
Education			
High School	6%	5%	5%
Some College	20%	15%	17%
Prof/Trade School	9%	5%	6%
College Grad	41%	46%	44%
Post Grad or higher	24%	29%	27%

Today's Agenda

- » The Chamber Purpose, Mission and Vision
- » The Chamber Pillars and Values
- » The Chamber Value Proposition
- » The Chamber Personality
- » The Brand Promise
- » Where We Go From Here



Purpose, Mission and Vision

- ✓ The Chamber Brand Purpose:
 - why we exist

- ✓ The Chamber Mission:
 - how we'll deliver on our Purpose

- ✓ The Chamber Vision:
 - how the world looks when we win

The Chamber Brand Purpose

The Chamber of Commerce exists to be

The *Catalyst* for business growth,

The *Convener* for leaders and influencers,

And the *Champion* for stronger communities.

The Chamber Brand Mission

We achieve our Purpose by...

Working together to solve the challenges
that business leaders encounter,

Inspiring and connecting community leaders in support
of business-friendly initiatives,

And seeking out and raising up the
next generation of local leadership.

The Chamber Brand Vision

We envision a world where...

The Chamber is universally recognized
for our unique and invaluable role in

Helping businesses prosper

And helping our communities thrive.



The Chamber Brand Vision

Helping businesses prosper

And helping our communities thrive.



Brand Pillars and Brand Values

- ✓ *Brand Pillars* are the unwavering foundational ideas on which the brand is built.
- ✓ *Brand Values* are the beliefs that guide our day-to-day decision-making and ensure that the brand “stays the course.”
- ✓ Together, the Chamber’s brand pillars and brand values define our belief system and our moral basis as a brand and a company.

The Chamber Brand Pillars

Depth of Knowledge

Unimpeachable Trust

Universal Respect:

Advocate for Business:

Pillar of the Community:

The Chamber Brand Values

- We serve as a trusted Convener and Connector for the business realm and the community at large.
- We operate with a Results-Driven Focus.
- We are a proven Hub of Information within the business community.
- We are a proud Defender of Business Values.
- We strive to foster a Culture of Collaboration in our community.

The Chamber Value Proposition

We are a catalyst for growth within the local business community, but that growth shows in larger ways: not as a creator of jobs but as a partner in growing the businesses and business leaders who create the jobs that strengthen our communities.

The Chamber Brand Personality

If the Chamber of Commerce was a person, what would he stand for? What would you admire about him? Why would you want to be around him?

The Chamber...

- ✓ *Is an Idealist Wrapped in a Pragmatist*
- ✓ *Believes in Bigger Things*
- ✓ *Champions the American Way of Life*
- ✓ *Is a Problem-Solver*
- ✓ *Is a Connector*



The Chamber Brand Promise

The Chamber Brand Promise reflects our fervently-held belief that the health of the business community and the health of larger community in which it lives are inextricable. And our work – providing the tools that business need to succeed – is central to the success of the community as a whole.



The Chamber Brand Promise

The Chamber of Commerce.

The Business of A Thriving Community

Where Do You Go From Here?

- ✓ The BRAND we've presented is your ASPIRATIONAL PATH - not a prescribed fixed set of tools.
- ✓ Your challenge is to determine
 - ✓ HOW to tell this story in a relevant way, given everything that is unique about your Chamber and your Local Community.
 - ✓ WHERE to tell this story & how to best share it
 - ✓ With whom to share this story.
- ✓ W.A.C.E. will make all of this available on their website ([www. WACEonline.com](http://www.WACEonline.com))

BrandBirth

Let Us Know If You Need Help.

Jeff Morris

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Thank you.

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