



SETTING THE STANDARD

The 2006 Leadership Training Conference

What Does the New ASME Mean to Me?

**March 4, 2006
Houston, Texas**

Today's Presenters

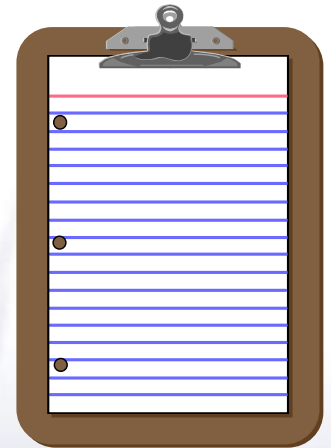
John Wesner, VP-Elect, Programs & Activities

Jill Anderson, Sec. – Treasurer, Management Division

Burt Dicht, Managing Director, Knowledge and Community

Discussion Topics

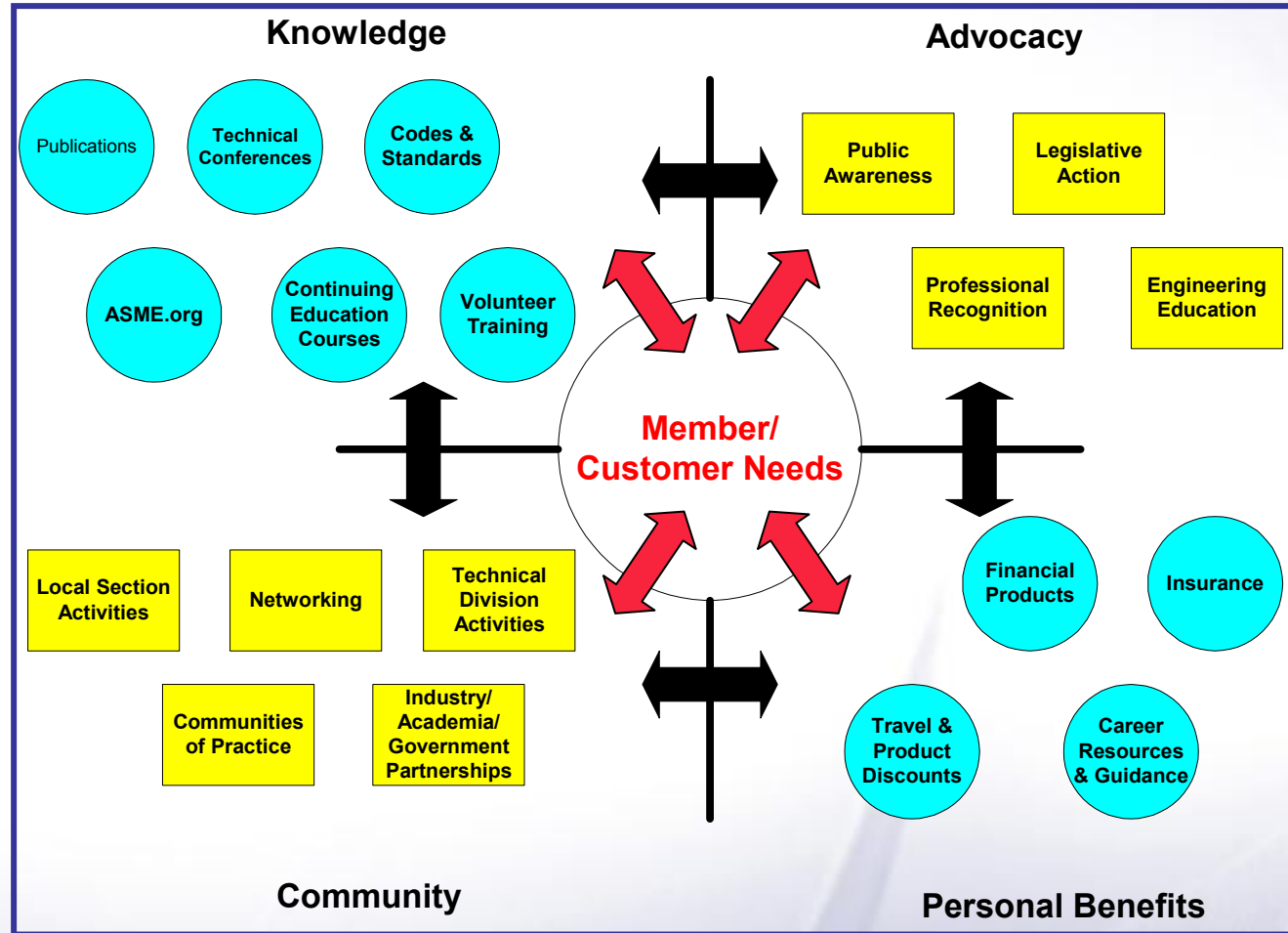
- **Member – Customer Needs**
- **Understanding the New Organization**
- **How Will the New Organization Function?**
- **What Does This Mean to You as Unit Volunteer Leaders?**
- **Operational Resources**
- **What Should You Do Now?**
- **Discussion Workshop**



Member/Customer Needs

What are ASME's members and customers looking for?

- Knowledge
- Community
- Advocacy
- Personal Benefits



Meeting Those Needs

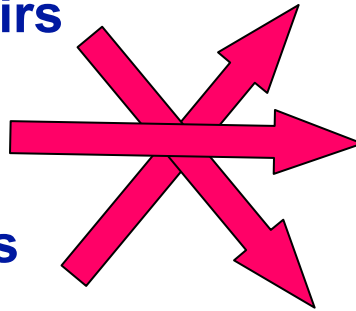
What organizational structure and operating resources must be in place?

- Access to forward-looking environmental scanning and competitive intelligence
- Market-focused approach to better support member and customer needs
- Innovation and entrepreneurship
- Stronger virtual and global communities
 - Networking and sharing knowledge w/industry, government and academia
- Freedom for member units
 - To form, operate and interact with better, technology-based capabilities

Understanding the New Organizational Structure

Five Councils

- Council on Member Affairs
- Council on Engineering
- Council on Education
- Council on Public Affairs
- Council on Codes and Standards



Five Sectors

- Knowledge and Community
- Institutes
- Centers
- Strategic Management
- Codes and Standards

Councils were dissolved and new sectors were created incorporating components of the councils

What is Different? The New Sectors

KNOWLEDGE & COMMUNITY - incorporates Technical Divisions, Sections, Student Sections and new Affinity Communities (self forming, Communities of Practice), more than 800 member units

INSTITUTES – Market oriented business units (International Gas Turbine Institute (IGTI), International Petroleum Technology Institute (IPTI), Continuing Education Institute (CEI) and incubators to develop new programs

CENTERS - Mission-focused purpose (Education, Public Awareness, Early Career Development, Diversity, Ethics, Training), supporting ASME's efforts to better educate, enhance and benefit the profession and the public at-large

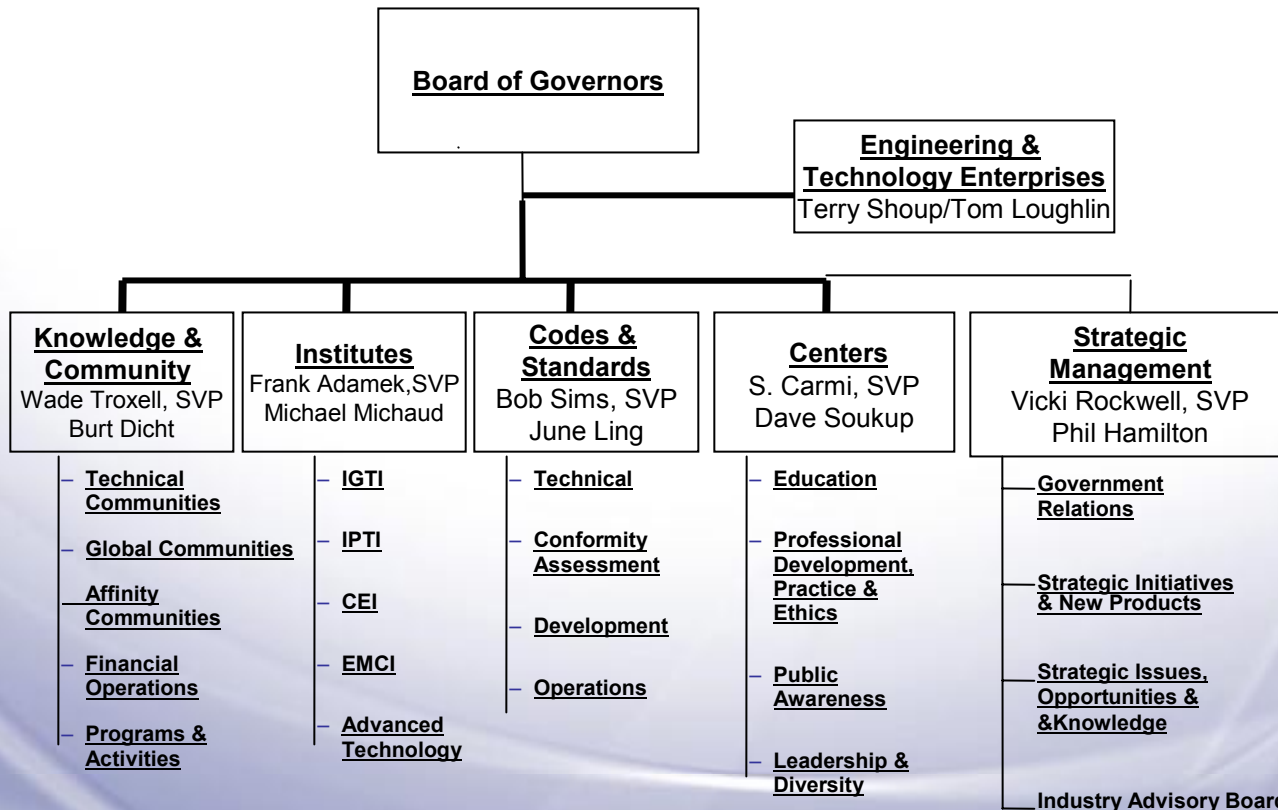
CODES AND STANDARDS - modified structure to better support efforts to be the world leader in codes, standards, and conformity assessment programs associated with mechanical engineering

STRATEGIC MANAGEMENT - provide the new structure with a uniquely forward—and externally-focused perspective

The New Sectors

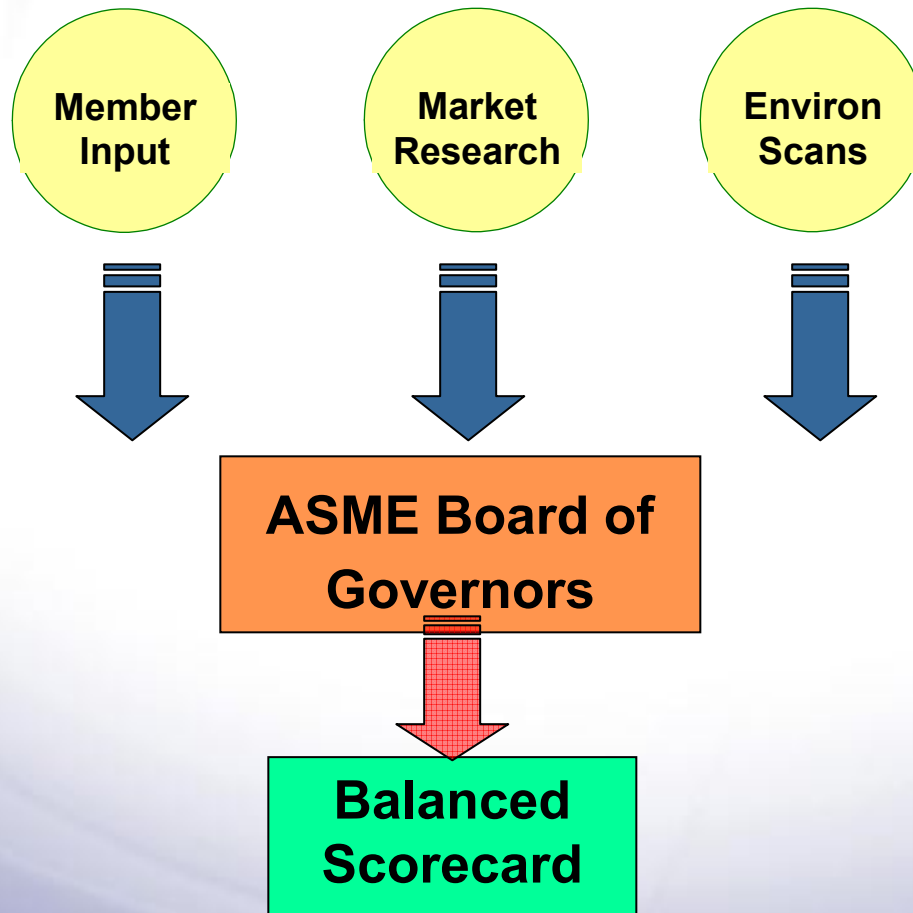
Designed to:

- Act on objectives set by the Board of Governors (BOG)
- Focus on projects with targeted outcomes
- Enable access to appropriate resources across sectors and from a consolidated services department
- Be coordinated by a volunteer-staff partnership



How Will the New Organization Function?

1. The New Strategic Focus – Identifying Key Objectives

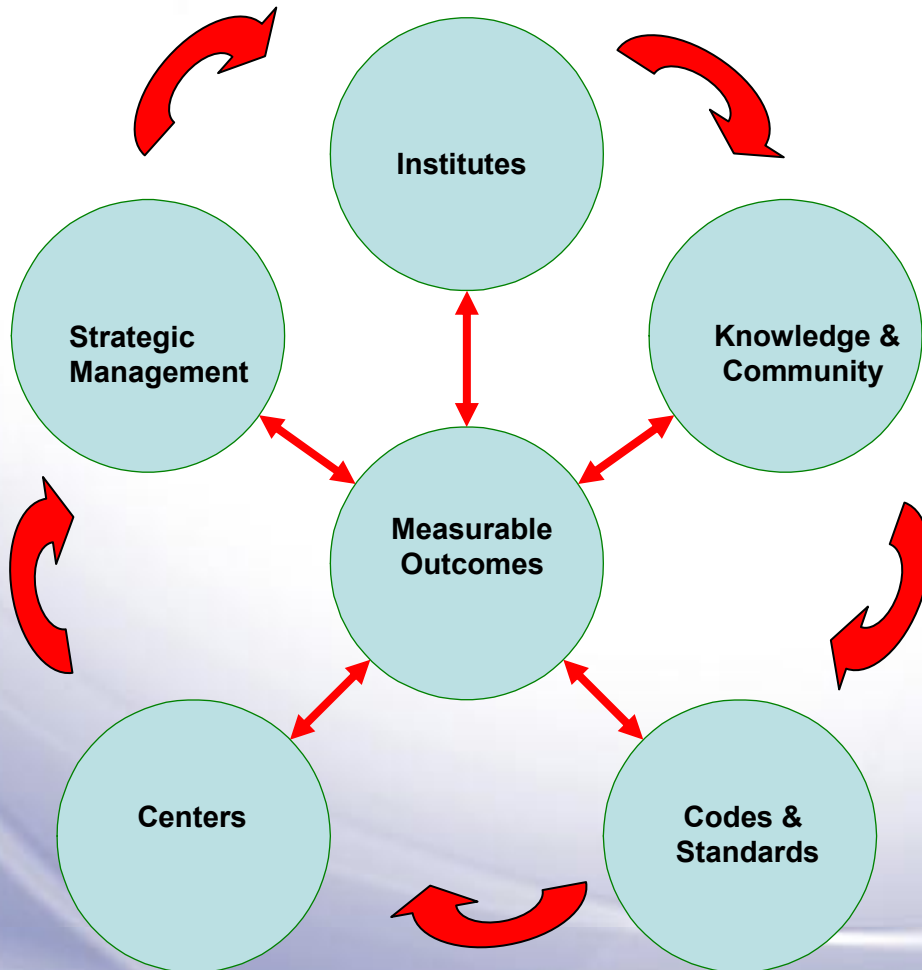


- **BOG makes knowledge based assessments and using the Balanced Scorecard sets strategic direction and determines key objectives**
- **Strategy is tied to operations**

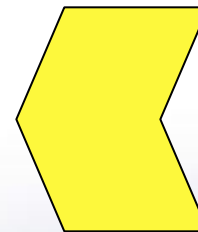
The New Foci – ASME's Strategic Objectives

- **Industry** – Strengthen our relationships with industry by bringing industry customers into the center of our product and service identification
- **Globalization** - Understanding the needs industry customers and members in growing areas outside the United States
- **Early Career Engineers** - Become indispensable to early career engineers by providing technical information, resources and career development services
- **Government** - Strengthen our relationships with governments as customers and as shapers of key policies impacting ASME
- **New Revenues** - Grow revenue through new products and global growth

2. The Sectors Implement the Strategy and Focus Operations on Achieving the Objectives

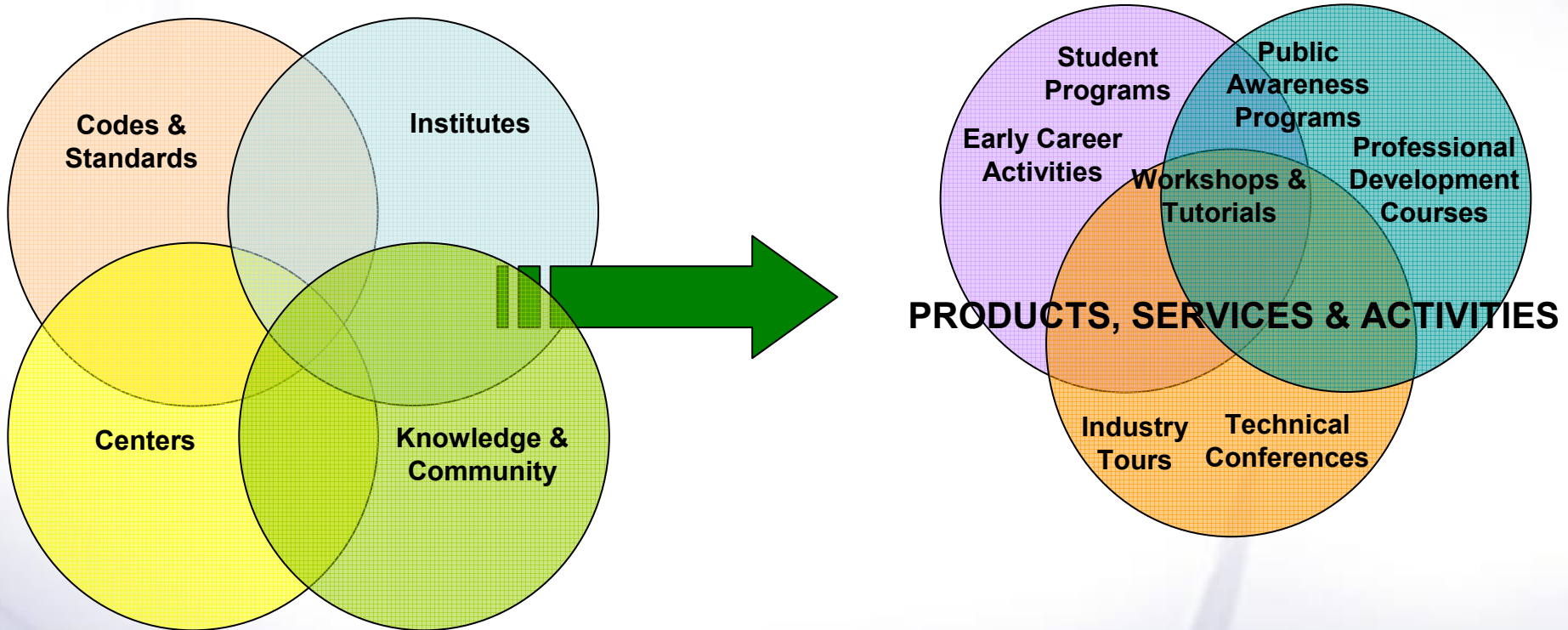


Sector objectives are determined by the sector Boards of Directors (BoDs), align with ASME strategic objectives. Working collaboratively, the sectors develop initiatives aimed at achieving the objectives



ASME's Strategic Objectives

3. Outcome: New Opportunities and Market Share



In collaborating and drawing on resources from ASME's Services Department and Strategic Management, the Sectors develop and offer a wide variety of products and programs that are aimed at providing value to our members and customers.

What Does This Mean to You as Volunteer Unit Leaders?

Unit Structure and Operations

- **Structurally, Institutes, Technical Divisions, Sections and Student Sections are largely unchanged**
- **Upper level structure and governance has changed: Regions to Districts (13 to 10), Technical Group and Regional Vice Presidents now Group and District Leaders**
- **Efforts to streamline policies and By-laws to allow more efficient operations at the unit level**
- **You as unit leaders determine your organizational structure and how best to employ your resources**
- **Enabling new units to form and operate**

Aligning Your Operations to ASME Strategic Objectives

- **Assess how your programs and activities align with ASME's and your sector's strategic objectives:**
 - **Are your programs serving your membership and your customers?**
 - **How well are you employing your volunteer support and your resources?**
 - **Try new ventures, don't be satisfied with the status quo**

A Few Examples to Guide Your Planning

The New Strategic Foci: Industry

Demonstrating what ASME can do to enhance their employees professional development and improve their bottom line. In developing programs think about:

- **Professional Development Courses**
- **Technical Conference Sessions (Industry focused and practical technical content)**
- **Codes and Standards**
- **If you work in industry help identify needs, spread the word and engage your company**
- **Use industry breakfasts to start the process and build relationships**

The New Strategic Foci: Early Career Engineers

Are you providing the types of programs and activities that engage early career engineers and provide the value they are looking for?

- **Give young engineers leadership responsibilities, leading to Executive Committee roles. (It's the best method of finding out what they're looking for)**
- **Plan early career specific programs (young engineers forums, technical sessions, training, internships, student programs, etc.)**
- **Offer career resource programs and opportunities for networking**

The New Strategic Foci: Globalization

Do international members and customers have access to your programs and products?

- **For technical conferences, can existing conferences be held internationally and can specific international conferences be developed?**
- **For divisions, are you utilizing international volunteers on your executive committees?**
- **What new products can we offer (conferences, publications, etc.)**
- **For Global Communities, need to integrate international section operations to focus on needs of their local members and customers**

Operational Resources: What Will You Need to Get the Job Done?

The Fiscal Realities

For FY06, ASME had to reduce spending by \$7.5 million to get to a balanced budget (no investment income used for operations). This has impacted support for unit operations:

- **Field Offices closed**
- **Fewer staff to support unit operations**
- **Some programs sunset or modified (No printed division newsletter, No travel funding for Distinguished Lecturers Program, No section appropriations in FY07, etc.)**
- **Full Cost Accounting Implemented – knowing the true cost of staff support to get an accurate assessment of program costs**

The Fiscal Realities – cont.

**Cost and Net Return on
Investment should be considered
for every Program and Activity**

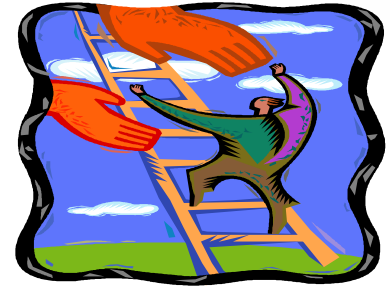
Ensuring that Unit Leaders Have the Resources They Need to Operate Effectively

- **Providing clearer direction on strategic objectives to better enable you to focus your resources**
- **A strong volunteer driven support structure**
- **Developing new methods of support that can ease volunteer and staff burdens**
 - ❖ **New Series of operational e-tools and resources planned (Unit Best Practices, Officer Coding, Financial and Honors are just a few)**
 - ❖ **Focus staff support on higher value operations**
- **Development of new business models for financial support such as entrepreneurial programs and merit rewards for achieving specific goals (A Project Team is now working on this)**
- **Leadership Training – face-to-face and new online options**

The Support Mechanisms For Unit Leaders

VOLUNTEER AND STAFF

- Sector Boards of Directors
- Technical Group Leaders and Operating Boards
- District Leaders and Operating Boards (In development)
- Volunteer Orientation and Leadership Training (VOLT) Academy
- Sector Staff Members and Unit Support
- Information Central (1-800-The ASME)



PROGRAMING

- Unit Leader Toolbox - One stop shopping for all of your needs (To Be Developed)
- Unit Best Practices – No need to reinvent the wheel, have access to the best practices of active units (Part of K & C's Programs and Activities and Financial Operations)
- Conference Planning Committee and Business Development Committee

What Should You Do Now?

- Recognize your unit's place in the new organization
- Don't break old connections
 - e.g., Divisions and Institutes
- Look for potential new synergies and collaborative programs with other units
 - Sections and Divisions (and Institutes)
 - Knowledge & Community and Centers
- Plan and develop new programs that meet objectives and provide a potential source for revenue generation (e.g., A PD course might be offered to serve a specific industry need and at the same time provide a revenue source for your unit) BE ENTREPRENEURIAL!

The Transition Year – Still a Work In Progress

- While a great deal has been accomplished in a short time, there are many challenges that must still be addressed
- Stay engaged with your sector leadership
 - Ask questions
 - Provide feedback
 - Make suggestions
 - Help with implementation
- Communicate with your executive committee volunteers
- If you see something isn't working, focus on solutions
- Explore new ways of operating

Group Activity - I

- What concerns *you* the most?
- Is that an *individual* concern or a *leadership* concern?

Group Activity - II

Let's Brainstorm:

**What is THE MOST IMPORTANT
of these?**