

## Defend your voting rights!

**Your vote counts! Please vote „AGAINST“ proposal A.**



By Thomas Skipwith, ATM-S, AL

**Proposal A is about the process of setting membership dues. The author is AGAINST this proposal of the board of directors of TMI. Here are suggestion and the most often posed questions and answers.**

## Suggestions

While the author appreciates that there are situations where dues need to be increased, there is most probably room for cost savings.

To make Toastmasters even greater, here are a few suggestions:

1. Keep the right to vote about the dues with the members.
2. Allow for electronic voting.
3. Headquarters sets up a discussion forum for all members. This allows for open discussion between Toastmasters – not just on this issue, but also on other topics.
4. The board of directors presents a detailed budget for a period of 3 years and let's the membership vote on it.
5. Toastmasters International should let an independent business consultancy analyze the current processes and suggest ways of saving costs. The membership should be involved in this process. This analysis will not come for free, however it is suspected that there are major cost savings that could be implemented year after year.
6. Move the organization to a cheaper state in the US.
7. Send statements electronically via pdf.
8. Define a maximum increase per year.

## Q&A

Question: Isn't the current system of setting dues very cumbersome? Yes and no. Yes, because there needs to be a vote. No, because it allows for the members to voice their opinion. It is similar to an election to public office: there needs to be an election which is cumbersome, but it allows for the people to vote. The people get their say. Another point to consider is that a dues increase has taken place only about once every 10 years.

Q: Why shouldn't the dues be moved from the bylaws to policy?

A: As long as the dues are in the bylaws, the board of directors has to carefully consider any raise of the dues. If the dues are moved from the bylaws to policy, then the board of directors no longer needs to get the membership's approval for any increase.

Q: Why is the organization doing this?

A: The organization is assuming that future dues' increases are inevitable. To create less resistance to a dues increase, the board of directors would like to make smaller, but more frequent increases. It is less likely that the members would object to many small increases than to another big one in a few years time.

Q: Are dues increases inevitable?

A: This question can only be answered after a thorough analysis of the organization. Potential savings could apply to marketing, printing of manuals, number of new materials etc. The author suggests that this analysis be done by an independent, external business consultancy. (McKinsey has shown that they can reduce costs by 30% in all organizations that have not gone through a business process reengineering for more than 10 years.)

Q: What happens if the proposal is not accepted by membership?

A: Things will remain as before: If the board of directors feels that a dues increase is necessary, they will ask the membership for its consent through a vote.

Q: Why should the members have a right to decide on the amount of membership dues?

A: The members are financing the organization through their dues. As long as they pay, they should have the right to decide what the dues are and therefore what the budget for Toastmasters International is.

Q: What's in it for me?

A: If proposal A is approved, you will no longer have the right to vote on future dues increases. If you vote against proposal A, you will continue to be able to decide what the budget of the organization is, and whether there need to be additional funds to develop new materials. (On a personal note: Toastmasters has so many great programs that I am convinced for 99% of all members they would last for the rest of their lives.) Having seen how little new programs there were developed with \$8 mio. (\$4 mio. over two years) it seems there is very little in proposal A for you.

Q: How will this affect members and clubs?

A: If the dues continue to increase, it will become increasingly difficult to attract and retain members. There will be less double and triple memberships, and all the inactive members will leave the clubs. This in turn will make it more difficult for the clubs to found local activities and pay for such things as room rental etc.

Q: How do we know the Board will continue to keep administrative costs low and won't raise the membership dues at every opportunity?

A: We don't know. There was a deficit for three years prior to 2005 before any action was taken. Two years later it is not clear what the \$4 million additional revenue (every year) were and are spent on. At the club level the only difference in 2 years has been one new manual. This seems very little value compared to the additional revenue produced due to the 50% dues increase in 2005.

Q: Isn't there a detailed financial statement every year?

A: Yes, there is. It has in the past always been published in the Toastmasters magazine in the June issue. While it gives a good overview, there is little detail. It is not clear how many employees there are, what departments they work in, how much they make, what kind of marketing expenses there are etc.

Q: Is there an annual budget that needs to be approved by the membership?

A: No, there is not. There has been no detailed budget been presented in the past. It is not clear what the members' money is planned to be spent on. In 2005 there was no budget presented on what the additional \$4 million were planned to be spent on.

Q: Can't we ensure that all is good if we elect qualified officers to the board of directors?

A: In an ideal world this would work perfectly. However, we are not in a perfect world. Consider the elections for 2007. There is only one candidate for the top three officers: one for President, one for Senior Vice President, one for Second Vice President. The situation has been the same in the past years, also in the 3 deficit years prior to 2005. The only powerful way for the members to take influence is the vote on the dues increases.

Q: Isn't Toastmasters the best price value on the market for public speaking?

A: It is excellent value. Nevertheless, the value has remained almost the same, in spite of a dues increase of 50% in 2005. Only one new manual has been introduced in two years.

Q: What can members do, if they are not satisfied with what the board of directors suggests?

A: Take action. Talk to your fellow members, area, division and district governors. Write to headquarters. Set up communities and discussion forums. It would be great if headquarters would allow for an international discussion forum.

Q: Are there any suggestions as to how to make sure the organization is run in the best possible way?

A: As with every big organization, after a few years the organization is not as streamlined as it could be. This is probably true for Toastmasters International, too. The author suggests that the organization lets an independent business consultancy analyze the current processes and suggests means of saving costs. Dues increases are probably not inevitable.

About the author:

Thomas Skipwith is a long time Toastmaster. He first joined the organization in 1997, when he joined the Stuttgart Toastmasters Club. In the meantime he has taken many roles, from VP PR to president, founded two TM clubs and has been area governor. Currently he is the president of the "Rhetorik Club Zürich". He has a master's degree in business administration and runs his own business out of Zurich, Switzerland. Thomas is a professional trainer for public speaking. Contact him at: [defendmemberrights@toastmasters.ch](mailto:defendmemberrights@toastmasters.ch)

You can find the latest news about this proposal via the following website:

<http://www.toastmasters.ch/all/defendmemberrights.html> including a link to the standpoint of the board of directors on [www.toastmasters.org](http://www.toastmasters.org). Check the website regularly for updates.

**Pass this article on to your fellow members and committee members. Defend your voting rights! Vote AGAINST proposal A.**