

REPORT OF WORKING GROUP INTO HOW DO WE ORGANISE AET/ETC FOR THE FUTURE

At the Council meeting on the 3rd June 2016 in Berlin a working group, led by Peter Snelson and consisting of Oliver Charlesworth, Graham Ellis and Michael Bach, was given a brief to 'Review the organisation of AET and the roles of Board and Council with emphasis on ETC' The Working Group also agreed to enlist the assistance of Broos Baanders and Eric Kroes.

This Report provides the results of that review plus the views of the meeting of Council and Board members at Barcelona on the 6th October and additional correspondence from members of Council since that date. It also takes into account the findings from the AET Council Briefing Document; Review of the AET Governance Structure, presented to the Council at its meeting in London on the 29 November 2013.

THE STRUCTURE OF AET

Background and Representative Bodies

Before looking at ways in which to carry out the brief from Council it is important to remind members that, when set up in 1997, AET had one main aim, to organise ETC. However it was acknowledged at that time that AET ought to diversify.

AET is an association set up in Dutch Law and this law requires the association to have two bodies:

- A General Assembly of members, which is the highest authority in the association;
- A Board of the association which represents the association in its relations with third parties, and is responsible for the day-to-day management as well as the strategy; it is appointed or elected by the General Assembly of members.

However, within the Statutes of AET there is a third body, the Council of Members. In most Dutch associations, the General Assembly of members convenes several times per year, to approve the proposals of the Board. However it was decided at the foundation of AET, with its membership spread over Europe and beyond, a General Assembly of members could, practically, only be held once a year, during the annual ETC.

Therefore, a smaller body, The Council of Members, was created that could meet more often, to represent the General Assembly of members. It is elected by all members and part of the tasks of the General Assembly of members are delegated to it.

AET also has two other important 'groups';

- The Programme Committees
- The National Ambassadors

While these groups are neither, necessary in Law, nor specified within the statutes they are vital to the success of AET and in particular ETC.

Roles and Responsibilities

Within the legal framework under which AET was formed, there are three tasks which are the responsibility of the **General Assembly of members** and which define the framework in which the Board can function:

- appoint or elect the members of the Board;
- approve the Business Plan and Budget of the Association, which defines the actions of the Board and the means available to carry out those actions, prior to the relevant financial year;

- approve the Annual Report and Accounts of the Association, after the financial year has ended; this approval discharges the Board from its financial and legal responsibilities.

However, given the introduction of the Council of Members (the elected representative body of the General Assembly), this has changed and the key role of the General Assembly is now to;

- approve the Annual Report and Accounts of the Association, after the financial year has ended; this approval discharges the Board from its financial and legal responsibilities.

While the above 'statutory' task is the only official requirement of the General Assembly, the holding of the meeting allows members to raise issues and question of both the Council and the Board on their work.

With regard to the **Council of Members**, according to the Statutes of AET, the 'job description' of the Council is set out as follows:

"The following decisions, amongst others, shall be subject to the approval of the Council:

- laying down or amendment of Rules and Regulations,
- change of the amount of the membership fee for the various categories of members,
- appointment and removal of Members of the Board,
- approval of the Business Plan and Budget."

However the core responsibility of the Council is to agree to, through the Business Plan and Budget, and monitor, through its two annual meetings, the activities of the Board.

What is a critical point in relation to this review, is that it is clearly set out in the statutes that the Council of Members does not perform any tasks of the Board.

In accordance with the statutes the roles of the **Board** are;

- to manage the day-to-day affairs of the Association
- deal with third parties and enter binding contracts on behalf of the Association
- act as the legal directors of the organisation.

It is important to stress that only the Board can legally deal with third parties and enter binding contracts on behalf of the Association (provided they are part of the Business Plan and Budget for the relevant period, as approved by the Council). Also that the Board members are, in effect, the legal directors of the organisation.

The **Programme Committees** are made up of members who are appointed by the Board who have the responsibility for formulating a 'call for papers', reviewing abstracts and assembling the accepted papers for ETC into a coherent conference programme for the stream covering their field. The committees work under the guidance of the Conference Management Team set up by the Board.

The network of **Ambassadors**, who are appointed by the Board, have a responsibility to disseminate information about the Association and to promote its aims in a specific country or region.

CURRENT SITUATION

In AET's 18 years of existence the roles of the 3 statutory bodies have evolved and it is apparent that the respective roles of these bodies has become confused. It is felt that this was helped by a number of factors:

- The original idea was that the Chair of the Board would also Chair the Council. However this was thought to be an extra burden, and therefore the post of Chair of the Council, chosen from among the Council members was put in place. Also the Council Chair also chairs the General Assembly. It seems that this has made the Council appear to be more than just a body to which some tasks of the General Assembly were delegated;

- Also Council members started to perform parts of the tasks of the Board; this was done officially as assistance to Board members, but often regarded it as part of their Council task. This culminated by the development of the Vision, which is essentially a task of the Board but was undertaken by the Council.

It is felt that this has created the confusing situation as to the responsibilities of both bodies, in that part of the tasks of the Board are performed by the Board, but other parts are performed by the Council.

The underlying cause of this development is felt to be due to the work load of the Board members, and that the members of the Council wanted to be more involved in the development of the Association and the delivery of the Vision 2020. Actually, the Board is free to invite any AET member to help in the performance of its tasks, as long as the Board stays accountable for the actions. When setting up the working groups they were defined in this way, in theory, their members acted outside their mandate as elected Council members and under the direction of a Board member, who was responsible. Only in this way could the Council hold the Board accountable for the results. However it is clear that most working group members felt it was part of their Council task to help govern the Association.

As noted above, AET has three bodies: the General Assembly (the highest authority), the Council (with tasks delegated by the General Assembly) and the Board (the executive).

Given the legal situation the Association has been formed, which requires a General Assembly of members and a Board, any variations in the structure of AET can only concern the Council, which is not mandatory, and the composition of the Board.

What this means is that any proposal that, in effect, reduces the number of bodies to 2; the General Assembly and some combination of the Board and Council into a single body cannot be undertaken without the need for more than one General Assembly meeting per year. Clearly this would not work for the reasons the Council was set up in the first place.

OPTIONS FOR THE FUTURE

It is important to understand why Council has asked for this review. The primary reason as discussed at the meeting in June was, following the review of the Vision 2020, to see what alternatives for the structure of AET would help it to concentrate on ETC and the fundamentals of maintaining and increasing membership and products for members.

However it is also clear that any reorganisation needs to review how the organisation works and who is responsible for what. It has become clear that Council not only feels it has more responsibility than set out in the statutes, but actually wants more. The aim of the working groups set up in recent years has made progress in achieving this. However, as stated above, the miss-understanding of the statutes by both Council and Board members has led the position whereby Council members have worked in these groups feeling that they have responsibility for the outcome, which is, as is now clear, not correct. Therefore, at the outset of the work by this group, it aimed to enhance this involvement and make use of the great resource AET has within its members and especially within Council. It is clear that we needed to mobilise resources within our organisation and not leave everything to the Board. Therefore making the work of Board and Council more efficient and inclusive for all members of both bodies.

There is one other reason for this exercise that has been discussed, and while it is not necessarily a prime objective it is one that must be given some thought. That is one of efficiency in the operation and reducing the cost of running AET. As all Council and Board members are aware AET does not pay for itself through its membership fees, for a number of years the accounts of AET have been supported by transferring the surplus from ETC to AET, without which AET would probably have no financial reserves. Hence there have been a number of initiatives to increase membership that have taken place over a number of years. Unfortunately these have had limited success and membership, while now stable, continues to under provide for the cost of administering AET.

Now that a detailed review of the legal status of AET as an Association, has been undertaken, it is clear that there is a very limited amount of flexibility in the legal status and it is not possible to put forward many options to achieve these primary objectives.

Before outlining the Options for the Future in this report it is relevant to recall the recommendations of the AET Council Briefing Document; Review of the AET Governance Structure. This report recommended;

1. A formal change to the Association's governance is not required at this time;
2. We need to continue to clarify the respective roles of the Board and the Council to enable the Council to become more engaged;
3. The setting-up of specific support groups should be pursued, which allows Council members to support individual Board members with specific tasks. This can be based on article 13 sub 3 in the Statutes, according to which the Board can delegate parts of its tasks to committees functioning under its responsibility. The support groups (consisting of one Board member + several Council members and possibly other association members) could be such committees.
4. To free up capacity by the Council (and the Board), the number of formal plenary meetings by the Council could be reduced back to two a year. This should be considered carefully in conjunction with the Association's annual timetable (attached to this paper) to ensure that the Council can continue to fulfil its statutory role;
5. A clear action list for the delivery of the Vision should be developed to guide the setting up of sub-groups as required;
6. The Council members should collectively continue to play their statutory role of holding the Board responsible for its actions, including those of the support groups; and
7. If a need emerges to further increase the Association's capacity with paid staff (and this can be supported by the Association's funding), this should be via contracted rather than employed staff. One possibility would be the extension of one or more of the existing service delivery contracts to provide additional services and take on more responsibility.

A number of these recommendations were implemented. This report has reviewed all of the above and incorporated the majority into its conclusions and final recommendations.

Below are the only feasible options for change to the way AET/ETC is managed, given the legal status of the organisation.

OPTION 1 Retain the Existing System

With the current system the Council seems to have had no real appreciation of what its job is. As stated above the Council has a 'Job Description'. It is there to; lay down or amend Rules and Regulations, change of the amount of the membership fee for the various categories of members, appointment and removal of Members of the Board and approve the Business Plan and Budget. The approval of the Business Plan and Budget, in effect is giving the Board permission to carry out its role.

Therefore, if this option is adopted there would, in effect, be no change to what is set out in the statutes, and there would need to be a realisation by Council Members that their remit is very limited and it is the responsibility of the Board to do the work. This option, as stipulated in the statutes, does clearly give Council the responsibility to discuss and approve the Business plan and Budget thus shaping AET and ETC over the next year. However once these are approved it is the sole responsibility of the Board to deliver, and the responsibility of the Council after this time is to monitor and regulate the work of the Board. However the only official way in which this is done is during the second annual meeting of Council in November.

Maintaining what we have today is the simplest approach to 'how we organise AET/ETC for the future'. If the aim is purely to deliver ETC as the prime function of AET then staying with the current structure is sufficient. However, if it is also necessary to improve the inclusiveness and active involvement of members of Council, and to make the operation of AET more efficient, it is obvious that this will not work.

If this option was adopted, then it would be essential for all Council and Board members to be reminded, on a regular basis, at least annually, what the relative roles of GA, Council and Board are as specified within the statutes.

OPTION 2 Retain Existing System with Defined Roles

Clearly, within the legal set up of AET it is not possible to change the basic structure. However, looking at the concept of the Working Groups it is possible to formalise a better relationship between Board and Council and a far more inclusive role for Council Members. In this option the number of Council Members would remain as it is today.

In this Option it is proposed that Council members who are willing to commit time and effort for the whole of their term of office, are appointed to four permanent Working Groups;

- Membership Marketing and Recruitment,
- ETC,
- Website
- The Long Term Vision

These appointments would be made based on the combination of willingness to take part and applicable experience to undertake the work. These groups would be put in place to support the Board, and the Council members would work directly with the relevant Board member, as they have with the working groups that have been set up in the past. However it must be recognised by both Board and Council members of these groups that it is the Board member who takes responsibility for the actions of these groups and has the final say on what these groups do. This is the only way they can work within the legal set up of AET.

It is proposed that each group consists of no more than 6 Council Members and the respective Board member. If the members of these groups work together then at Council meetings it would not be necessary for all members from each group to attend to report their work. This could be just the Board Member or delegated Council members from the group. However this obviously would not exclude other members of the groups attending Council meetings and it would be made clear to all members of Council that they are still part of Council and would be encouraged to attend whenever possible. Council members must remember that their statutory duties are to monitor and discuss the work of the board, to be a 'sparring partner' to the Board, to ensure the association is going in the right direction and the Board is doing its job.

This option only refers to four Permanent Working Groups, this is because it is felt that these are the most critical areas that AET must concentrate on for the future. However there is no reason why others groups cannot be set up whenever it is felt they are required, as long as they are done under the same structure with a Board member in control.

Whilst this number of active members of Council still leaves some, not taking an active part in the working groups, it is clear that not all members would be able to commit to the time and effort and would prefer to take a more general part in the proceedings of the Council especially during discussions at meetings. It is also recommended that the Chair of Council does not take part in any of the working groups to ensure the independence of the Council and its role in monitoring the work of the Board.

It is proposed that if this option was adopted a more robust Council election process is put in place with a clear understanding that new members, whilst not forced, would be encouraged, to take part in one of the permanent working groups.

As with option 1, if the aim is purely to deliver ETC as the prime function of AET then this would be sufficient. Unlike option 1 this would not only allow, but encourage, members of Council to be more active by assisting the Board in the workings of the Association. However this option would not necessarily make the operation of AET more efficient.

With the formulation of structured working groups it is felt that this option would encourage members of AET to get involved in Council by specific reasons for putting their names forward for election.

While this option has provided for a more structured involvement of members of Council it will still be essential for all Council and Board members to be reminded, on a regular basis, at least annually, what the relative roles of GA, Council and Board are as specified within the statutes.

OPTION 3 Reduce Council with External Support

In this option it is proposed to reduce the size of the council to a small group of 6 or 8 dedicated persons, including the chair.

The role of the Council remains, and is limited to, exactly as set out in the statutes; lay down or amend Rules and Regulations, change of the amount of the membership fee for the various categories of members, appointment and removal of Members of the Board and approve the Business Plan and Budget. As with Option 1 this option, as stipulated in the statutes, does clearly give Council the responsibility to discuss and approve the Business plan and Budget thus shaping AET and ETC over the next year. However once these are approved it is the sole responsibility of the Board to deliver.

The Board remains as it is in terms of number of members and sets up four permanent Working Groups;

- Membership Marketing and Recruitment,
- ETC,
- Website
- The Long Term Vision

As with option 2 it is clear that the Board will need support in these working groups. However, within the legal set up of AET there is no necessity that the people supporting the Board are drawn solely from elected members of the Council. The Board can invite any member of AET to take part, however elected Council members could take up such a role in parallel, as with the current Council members who are also member of a Programme Committee.

This process should ensure the members of the support groups are fully committed to carrying out the role of Board support teams.

This option takes away the necessity for the Council to provide support to the Board and all reporting back to Council on the progress being made by the groups would be made by the board.

As with Options 1 and 2, if the aim is purely to deliver ETC as the prime function of AET then this would be sufficient. However, as far as the role of the Council and its members, apart from those who are invited to join the working groups, would remain as it is within the statutes. This is the main reason for reducing the number of Council members who would be the core representation of the General Assembly in ensuring the Board undertook its functions. Also as with Options 1 and 2 this option would not necessarily make the operation of AET more efficient.

As with option 1, if this option was adopted, then it would be essential for all Council and Board members to be reminded, on a regular basis, at least annually, what the relative roles of GA, Council and Board are as specified within the statutes

Subsidiary Option

As stated above one of the reasons for this exercise that has been discussed, and while it is not necessarily a prime objective it is one that must be given some thought, is the efficiency in the operation and reducing the cost of running AET/ETC.

AET has a single product; ETC. ETC is recognised and admired throughout the industry as a prime and unique conference in the way it is formulated. However, as Council and Board members are aware, the name of AET is not as well recognised. Despite initiatives to promote AET and broaden its appeal in recent years it is still known for just ETC.

Therefore what is suggested in this subsidiary option, that can be applied to all 3 options set out above, is that the name AET is dropped and ETC becomes the brand of the association.

Keeping the Association (a legal entity which can do business) means the need to have a structure for it which is separate from the organisation of the conference. For the association to have the conference as its only purpose does not require a change of name. A proposal in the Business Plan and an approval of that in the Council would be sufficient. After that, it should be accepted by the General Assembly, at the latest in the Annual Report.

To change the name of the Association just involves a change of the Statutes.

It is felt that this option could reduce the administrative cost of AET/ETC and would bring the financial efficiency needed to ensure the future of the Association and ETC.

General Assembly

It is apparent from recent years that the attendance at the General Assembly has diminished with regard to normal members, those not either Council or Board members. This needs to be addressed as this tends to show a lack of interest, knowledge, of what the GA is for and its importance in the legal structure of the organisation.

Programme Committees and Ambassadors

It is important, in looking to the future of AET/ETC to not forget the important role played by these two, non official, groups.

It is vital to remember that one of the most important aspects of ETC is the work done by the Programme Committees in developing the programme and also the expertise they bring to sessions within their streams that they chair. Over recent years the enthusiasm of some of the Programme Committees has reduced and while some PC's are flourishing others are struggling to survive. Also the number of PC members who are attending ETC has reduced to a point where, at ETC 16, less than 50% (????) of the sessions were chaired by relevant PC members. Therefore it is vital that the PC's are kept alive and encouraged to flourish.

Up until a few years ago the group of Ambassadors flourished, however it seems that recently there has been no activity, or leadership of this group, from the Board. This is a function that needs to be revitalised and a direction set for Ambassadors through the Board .

RECOMMENDATIONS OF THE WORKING GROUP

It is the recommendation of this working group that the primary Option 2, combined with the Subsidiary Option are taken forward.

With regard to the General Assembly, and all members, it is recommended that a document is produced and sent to all members setting out the clear roles and responsibilities of all statutory and none statutory bodies in AET/ETC and that the GA is programmed so as not to interfere with the proceedings of ETC.

Regarding the Programme Committees it is recommended that the ETC Working Group, with the aid of Sally Scarlett who has been, in effect, managing these groups for many years, concentrates on a complete review of the current situation and ensures an annual review is undertaken.

Regarding the Ambassadors it is recommended that the Board needs to revitalise this group and set a direction for them for the future.

Regarding the meetings of Council, while they have been reduced back to two per year the timing needs to also be reorganised, with a meeting in March to review the Boards Business Plan and Budget in advance of the following year and one in November to review ETC and the work of the Board over the first half of the year..

The above recommendation also requires the Board to go back to producing a Business Plan and Budget in March of each year, in compliance with the statutes of the association.

Finally a redrafting of the Vision 2020 (possibly as the Vision 2026) in line with the recommendations of the Review of the AET 2020 Vision presented to Council on the 3rd June 2016. This to then form the 'Business Plan' to provide the Board with its aims and targets over the next 10 years.

The adoption of these recommendations would bring the following benefits to the Association;

- Ensure concentration of efforts into ETC, but still allowing for 'other' initiatives to be taken forward if and when they were felt advantageous and practical.
- Give Council members more inclusive participation in the running of the Association and the decisions required to take it into the future.
- Maintain the Statutory role of Council while broadening its understanding of what is required for the Board to produce.
- To provide the Board with structured support from dedicated teams within four working groups;
 - Membership Marketing and Recruitment,
 - ETC,
 - Website
 - The Long Term Vision
- Streamline the organisation and allow for efficiencies in the working of its contractors
- Disseminate information to all members about the structure and relevant roles of all elements of AET/ETC
- Ensure the future representation and enthusiasm of the Programme Committees
- Ensure the future representation and enthusiasm of the Ambassadors
- Realign Council meetings with the aims of the statutes
- A revised, realistic, Vision (Business Plan) for the future

It is therefore recommended that the above restructuring is started with immediate effect, with a completion of the process prior to ETC17. This would allow the promotion of membership of the working groups as part of Council elections at that time. It will also give the Board the opportunity to inform GA at ETC17 of the changes and why they have been employed.

Finally, it is the feeling of this working group that the current legal system, while it has served AET well since its instigation in 1997 extremely well, may not now be the most appropriate in today's climate and could, potentially, be holding the Association back in terms of being truly fit for to the 21st Century. It is therefore recommended that the work of this working group is continued to investigate what alternatives are available that may be more applicable to today's climate.

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