

8 Traits of an Exceptional Association CEO

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About



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Dr. David Rehr has over 25 years of experience in executive leadership, advocacy, governance, and federal policy. He is currently Professor at the Antonin Scalia Law School at George Mason University where he teaches Legislative Advocacy and Strategic Leadership, and is CEO of TransparaGov, Inc.

Prior, he served as President and CEO of the National Association of Broadcasters (NAB). Rehr and his team streamlined NAB program offerings to focus on the future. He spearheaded rebranding efforts to update inaccurate perceptions of the association and industry to reflect the widespread embrace of digital technologies.

Rehr also served as President of the National Beer Wholesalers Association (NBWA), where he catapulted NBWA into the top ten of *Fortune Magazine's* Power Rankings of the 25 most influential lobbying organizations in Washington, DC.

He has appeared on *Washington Life Magazine's* "Power 100" list, and is annually listed as a Top Association Lobbyist in *The Hill*. Rehr has appeared on ABC, NBC, CNBC, Hearst TV, Sinclair Broadcast, and FOX Business, and numerous radio stations.

Rehr is the author of a forthcoming ebook on the successful public affairs campaign on the Digital Television Transition, the largest marketing campaign in American television history. *International Performance Magazine* published two of Rehr's leadership articles, "Navigating Change: Leadership in Difficult Times," and "Leadership: The Word Becomes an Action." He holds an M.A. and Ph.D. in economics from George Mason University.

A Note from the Author

What are the essential traits needed to be a successful association CEO?

Not an easy question to answer. There is not one book, one personality, or one type of individual who can lead and run an association successfully. When you look at the biographies and the careers of successful association CEOs, no one path is evident.

Discussing the needed traits of success is important if, for no other reason, they can give us an early glimpse of the likelihood of future CEO success.

We have all seen or experienced organizations where they have picked the wrong individual as the leader.



History demonstrates wrong association CEOs can destroy the reputation of an organization, stop its momentum in obtaining its mission, or make the wrong financial decisions that bring bankruptcy or other intractable organizational problems that permanently reduce the organization's effectiveness. Value to stakeholder's falls. Moreover, wrong

associations CEOs often undermine or destroy a positive work culture or drive outstanding employees out of the organization.

How does the association ascertain the essential traits of success so it can maximize the probability of picking a CEO who is exceptional as a leader and raises the organization to new heights?

This has been a question on my mind throughout my professional career. I was fortunate to be placed in leadership roles early. I worked hard and built great teams. Like all leaders, I had much success and a few failures. Throughout the years, during my time in the association sector and in the academic sector as a leader and as a professor, I searched for the essence of what it meant to be exceptional. Now, older and wiser, and interacting with leaders from business, academia, government, the media, and the association sectors, I believe traits do exist that directly lead to association success.

This eBook is meant to challenge those who want to be exceptional leaders. It is also offered to individuals who want to strengthen their leadership abilities. I hope this eBook sparks new conversation and/or new initiatives in associations. I hope it brings teams closer, better communication among association staff on being effective (and efficient), and ultimately help associations provide greater value to their stakeholders.



Those of you who know me understand I enjoy sharing favorite sayings or phrases to energize us on behalf of our mission or cause. One of my favorites is very appropriate here: “Nothing great comes easy.” It applies directly to being an exceptional association CEO. Ultimately, we all must continue to learn leadership and continually practice being a leader.

Learning Leadership Performance

I start both my graduate course at George Washington University, Principles of Political Leadership, and my course at the Antonin Scalia Law School at George Mason University, Strategies of Washington Leadership, with the question – Are leaders born or do they learn to lead?

As you would expect, the answer is mixed, but the evidence points to leaders learn to lead. You might have an advantage if you have an engaging personality, or are taller than most, or if you have an overabundance of self-confidence. But that is not leadership.

For example, if one looks at books on the subject of leadership, you get diverse opinions and insights. If you go to Amazon to find books on the subject, there are a stunning 82,000. If you limit your Amazon search to just association leadership, that inventory is over 3,100. Reading all of them and absorbing their essential ideas may be too daunting. If you add in the thousands of articles on the subject of essential CEO traits, you are inundated with perspectives, experiences, research, and interviews of what makes a great association CEO.

It can be both challenging and confusing to cut through all the information clutter to determine those traits that elevate a person from being merely a good custodian of an association to being both a great custodian and a great leader for a vibrant and effective organization.

There are two articles and one book I would highly recommend to better understand leadership and your own unique style of leadership. All three have been on my Leadership syllabus for over five years. Every time I review them either before class or after the semester is over, I find them extremely valuable.

“Discovering Your Authentic Leadership” by Bill George, Peter Sims, Andrew N. McLean, and Diana Mayer, in the *Harvard Business Review* (February 2007) focuses on authentic leadership starting with one’s life story. Through your life story, you understand the most important capability to lead: self-awareness.

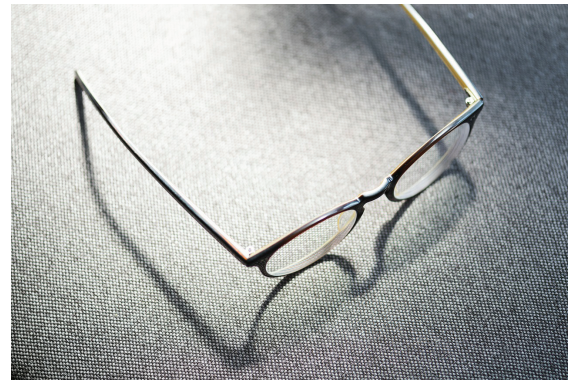
True leaders practice their values and principles, and translate them into action. The authentic leader balances extrinsic and intrinsic motivations, builds “extraordinary” support teams, empowers people to lead, and has an integrated life thereby staying grounded. Of course, the article provides greater detail and should be read by those desiring to lead.

A second must read article is, “What Makes a Leader, by Daniel Goleman, published in the *Harvard Business Review*, 1998, where he introduced the term “emotional intelligence” (EI) to describe qualities needed to be a great leader.

He believes there are five components: Self-Awareness, Self-Regulation, Motivation, Empathy, and Social Skill. “The first three components of emotional intelligence are self-management skills. The last two, empathy and social skill, concern a person’s ability to manage relationships with others.” Goleman concludes that EI can be learned and that it benefits both the individual who wants to lead and benefits the organization as well.

The last and only book I suggest for individuals who want to be exceptional leaders is the late Peter Drucker’s *The Effective Executive* (1967). It is the most valuable book on leadership and management I have ever read. More importantly, I have used the book in every class I have taught, either in part or in whole.

The reason I rely on Drucker is that he makes so much sense, makes it so simple, and makes it so memorable. I could spend



Recommended Reading for Exceptional Leaders

1. B. George, P. Sims, A.N. McLean and D. Mayer, “Discovering Your Authentic Leadership.” *Harvard Business Review* 85, no. 2 (February 2007)
2. D. Goleman, “What makes a Leader?”, *Harvard Business Review* 76, no. 6 (1998)
3. P. Drucker, *The Effective Executive*. London: William Heinemann, 1967

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*The best way to
predict your future is
to create it.*

Peter Drucker

hours on all the important, essential, leadership issues, on which he writes, but I will spare you in this eBook.

I always wondered why Drucker used the word “Executive” in lieu of “Leader” only to learn in 2017 that Drucker did not want readers to consider “Leader” to be confused with authoritarian dictators. Drucker had fled Germany from the Nazis and believed the term Executive better explained his idea of a leader.

The book is filled with excellent ideas. Each time I re-read the book, I continue to learn more. However, I am only going to list, from Drucker’s book, five practices of being an effective leader:

1. An effective executive knows where her/his time goes;
2. An effective executive focuses on outward contribution(s);
3. An effective executive focuses on strengths;
4. An effective executive concentrates on a few major areas where superior performance will produce outstanding results; and,
5. An effective executive makes effective decisions.

Drucker spent his lifetime offering current and future leaders examples, insights and suggestions on how to lead, while staying focused on superior performance.

8 Traits of an Exceptional Association Leader

I have had the opportunity to serve as the President and CEO of two prominent trade associations where I learned leadership lessons from top individuals in the beer and broadcast industries.

Complementing that experience is my current role as host of CEO Update's award winning video series, *Association Newsmakers*, where I am afforded the opportunity to interview, learn from, and discuss issues surrounding association leadership with titans in the association business. From this combined experience, I believe there are eight essential traits of exceptional association leaders.

1. A CEO Must Achieve Quantifiable and Measured Results

Achieving real results - enacting a law, altering a regulation, increasing the size of a trade show, expanding member dues revenue, or increasing association non-dues revenue - directly stems from setting and exceeding quantifiable goals.

This is relatively new to the association culture as for years it was more about building personal relationships with others in an industry sector, or looking for business partnerships, or just having an excuse to visit a trendy location. But that culture has evolved as association members increasingly demand value and results for their financial commitment.

This is particularly challenging for many Washington associations as they are filled with association staff that worry less about 'bottom line' results, and are more concerned with the latest rumors on who is coming into or leaving the President's Administration. Many come from the political sector where their only metric is whether the election is won or lost. It is not surprising then when these individuals react with skepticism if the CEO desires to 'measure results.' The staff will argue that association priorities cannot be measured.

Successful associations CEOs disagree, as I do. Exceptional associations have a CEO and an entire staff whose activities are measured on annual numeric results. Beyond just being able to demonstrate results to stakeholders, performance metrics imposes a uniform discipline in the organization. Everyone stays focused on big picture priorities in a world of uncertainty and constant interruptions.

Without performance metrics, organizations get lost in following social media, rumors, and low priority items. Performance metrics allows the entire organization to be on “offense” whatever the mission or cause. Moreover, when a goal is more qualitative, a proxy for measurement is put in place. Without measurement, associations end up operating on the defensive with few, if any, accomplishments to show stakeholders.

Measuring results keeps the entire organization focused on just what needs to be done.

Most importantly, the goals of the CEO should permeate throughout the entire organization so that the entire team focuses on attaining the same results. The trait of measuring results keep the entire organization focused on what must be done.

Many association CEOs work with their senior leaders and are very good at setting quantitative goals that include traditional financial realistic goals, while also estimating or calculating historical expenses:

- Total member dues revenue
- Non-member dues revenue
- Convention or conference revenue
- Conference or program revenues

Fewer CEOs are engaged in setting external goals on the government relations or communication areas of the association. Advocacy efforts, for example, can also have their own quantitative markers, including:

- Number of visits with an individual member of Congress
- Number of times organization has testified or was mentioned on the floor of the U.S. Senate or U.S. House of Representatives
- Number of times organization or one of its members testifies before the Congress
- Increase in the number of cosponsors on introduced bill(s)
- Number of PAC (Political Action Committee) events attended (assuming the Associations has a federally registered PAC)
- Amount of money raised and number of PAC contributors

Even the public affairs or communication group can have quantitative goals to advance

the mission of the organization:

- Number of news articles in newspapers, or digital media
- Number of interviews about association members
- Number of references to the association leadership to enhance its visibility and reputation
- Number of items, stories or references in industry publications so members see activity and influence on their investment of time and money



The important point here is that each part of the association should have objective measures by which performance can be measured.

In my eBook, *Creating the Right Association Culture*, I wrote how the CEO can emphasize the importance of performance metrics by requiring senior staff to explain to all association staff their individual goals for the upcoming year and previous year results.

Each year the Executive Vice Presidents of the National Association of Broadcasters (NAB) would present their individual annual goals to the entire team and each would know what was expected of them, ensuring senior staff both better understood and better internalized his or her goals.

Whether it is presenting individual goals to over 100 team members or just four, getting senior leadership presenting their individual goals brings ownership and keeps the organization focused on what matters.

Quantifiable and measured results keep the entire organization focused on what must be done. It gives the stakeholders a demonstration of real return on their financial investment and commitment of time. It minimizes the negative impact of personality infighting that often exists in the association culture.

2. A CEO Must Communicate the Mission and Vision of the Organization to Stakeholders with Passion and Authenticity

The CEO must be able to communicate the vision and mission of the organization with passion and authenticity. He or she must have that passion and dedication to move the organization toward achieving the mission.

Effective organizations share a common simple vision that should be easily articulated by all team members. For example, in Washington, over 63,000 trade associations are

all trying to influence the U.S. Congress. Those that succeed have leaders and staff that have internalized the organization's mission and are able to articulate to the three branches of government.

It is especially important that Members of Congress and congressional staff interact with the CEO when required.



Some CEOs make it a priority to remain visible before the U.S. Congress. That is my bias as I started out as a congressional staffer many years ago and continue to remain connected with Members and their staff, especially as new members join the U.S. Congress. In today's politicized world, the Member of Congress wants to know they can call or see (on their terms) the leader of the association.

I remember one meeting with a former member of Congress who said when I joined the meeting, "I am glad the big man is here." It was expected I would be there as the issue discussion was very important to our organization.

This does not mean the CEO should shadow the government relations team, but often having the CEO join association lobbyists makes the meeting appear more important and empowers your team to be successful. This approach is critical for success in the news media as well, especially when the organization has been the subject of the news. The viewer or listener holds the head of an organization responsible for both the good news and the bad news.

Having the CEO in front of the camera or at the microphone can diffuse bad news. Those paying attention hear the explanation from the person in charge and move on to the next story. When a junior media person is assigned to answer the media, it seems like the leadership is hiding and unwilling to take responsibility. Americans are open to give people second chances as long as they take responsibility and provide a vision on how the problem will be resolved going forward.

The CEO as the leader sets the tone for the organization. Exceptional association leaders exude the mission and vision of the enterprise. He or she must be authentic and believe in the mission or vision of the association.

3. A CEO Must Demonstrate Superior Stewardship

Unfortunately, stewardship is often forgotten in Washington. For many, the trappings of being an association CEO often means club memberships, first class airfare, limousines, extravagant accommodations and other expenditures to make the CEOs life easier or less burdensome.

But real power and influence does not come from someone seeing you get in or out of a limo at the Capitol. It comes from being effective.

Of course, I am not advocating that CEOs of organizations take an oath of poverty. Instead, expenditures on CEO trappings, in particular, are 'opportunity costs' - money that could be used for other purposes, including building your congressional reputation or industry image.

Exceptional association CEOs regularly ask themselves: Does this expenditure serve the association and its members well? Influential and powerful CEOs create a culture of exceptional stewardship.

Moreover, a culture of extravagance that exists in some organizations often goes beyond the CEO office and dangerously permeates throughout the organization. One lesson I learned from interviewing exceptional CEOs is that just spending money will not bring results. The effective CEO ensures his or her team spends money smartly and continues to move momentum forward to achieve the mission.

This is particularly important in the area of government and/or public relations. Your department goal must be highly focused or else you can expend substantial dollars to advance your advocacy agenda and not achieve much. As the leader, you must balance good stewardship with real results.

In 2017, over \$3 billion was spent on advocacy in Washington, DC, alone. But little changed. It is hard to change government, and is getting harder, which is why exceptional leaders must have both a plan for success, while overseeing government and public relations expenditures. Success is not the result of which organizations spend the most money; success results from organizations that spend the necessary money based on a smart strategy that is well executed.



4. A CEO Must Collaborate with All Stakeholders

With companies or individuals not being forced to join, an exceptional CEO will listen and work hard to collaborate with key stakeholders. Stories abound of association CEOs who are shielded from their members because staff believes he or she might hear bad news.

Worse yet, the CEO becomes 'walled off' from staff and stakeholders and the organization discourages honest and direct conversations with the leader. Ineffective CEOs believe that he or she should remain above stakeholders or individuals who are not worthy of his or her time.



The exceptional association CEO sees themselves as true 'servant leaders' who are humble and work hard to listen. Exceptional leaders do not provide the answers; they encourage legitimate, honest discussion and work to achieve the desired result.

5. A CEO Must Build an Exceptional Team

Every exceptional association CEO builds a great team. He or she works with their leadership team to determine the strengths and weaknesses of the association's staff. The assessment is made of who stays and who departs, focusing on the contributions and strengths of the individuals.

The CEO then looks externally to fill the staff holes with the best individuals possible. This takes time and continues to evolve. Then the CEO works to keep the team excited, engaged, fulfilled, and appreciated.

One tip is to provide those individuals, who want to interview for positions within the association, with examples of prior year performance measures and ensure the person understands he or she's performance will be measured.

You will find, as I have, that many will withdraw from consideration or find reasons why the person cannot join the team. That's great news as you probably do not want them on the team. You do want people who embrace being measured and like the idea of goals, achievement, and reward based upon outcomes.

Additionally, you cannot turn a blind eye on lack of performance. Excuses like "they have been here for many years," or "he has his own way of contributing" cannot be abided.

Allowing these practices discourages the team members who are working hard to meet or exceed their goals; you cannot tolerate those that don't embrace performance measurement. Your entire team watches and assesses every move you make. That is why you must take the necessary actions to have exceptional team members.

6. A CEO Should Be Able to Anticipate 'Crisis Communication' Through Proactive Initiatives

We all know the communication world has changed. No longer can associations play a 'wait and see' game when bad news occurs or when the public is drawn to the association because of a bad incident. We are now in the age where a tweet, or Facebook post, or an unfortunate comment on TV can destroy an organization's reputation.

The CEO must be constantly challenging staff to look for communication weaknesses and be thinking about what can be done to be proactive on messaging.

The exceptional leader always asks are we doing everything possible to anticipate, minimize and resolve future crises before they occur?

During my time with the beer wholesalers, we correctly anticipated and thwarted attacks on moderate consumption of beer as being dangerously unhealthy. Our proactive, science-based approach and public discussion on the health benefits of responsible and moderate beer consumption prevailed.

Today, when you type in "beer and health" into a search engine, over 184,000,000 results appear. Those at the top of the search first page reinforce the message started and amplified at the NBWA ten years ago.

Sometimes a crisis just occurs: but often anticipation can prevent or disarm its momentum.



7. A CEO Should Serve as the Face of the Industry or Sector

Public verdicts on industry issues are almost instant in today's media dominant world.

There was a time when the association or corporate CEO did not need to be media trained nor had the obligation to speak directly to America through media distribution platforms. That day is gone.

Today, the public wants to see and hear from the leader speaking on behalf of the association, industry, or company, especially if the sector is facing a broadside media attack. Certainly, the senior communications staff can often appear to fend off many challenges an association or industry faces.

But on the big issues, the top person is the one who must step into the breach and articulate the well thought-out response or position. The public expects to hear from the CEO.



One positive consequence for the CEO who serves as a public spokesperson for an association is the increased attention the leader then receives from Capitol Hill. This, in turn, strengthens the organization's advocacy efforts.

The late Jack Valenti, head of the Motion Picture Association of American (MPAA) regularly appeared on the Oscars. I had great admiration for Jack and initially thought the appearance was strictly based on ego. But it wasn't. He told me during one of our joint visits to the Senate that his real objective for appearing on the Oscars was to be seen by all the Members of Congress and congressional staff that watched the award show. Then, whenever he wanted to visit a member on Capitol Hill, he would quickly be remembered and get immediate face time.

I saw it work again and again as we lobbied together. Jack taught me and likely other association CEOs a valuable lesson on the unintended benefits of appearing in the media to increase the association's influence and power in the halls of Congress.

8. A CEO Should Continually Seek New Knowledge to Create Value for Association Stakeholders

Influential and powerful leaders constantly seek new knowledge about the industry he or she leads. This is hard for the busy leader, however, those who are exceptional are constant learners.

The leader walks the floor of the trade show to seek out new products or innovative services. The leader looks for unusual perspectives on the future of the industry.

One exceptional CEO recently described this thirst for new knowledge on Association Newsmakers as having a bit of a ‘paranoid streak’ about the future. You can tell those exceptional CEOs who take this responsibility seriously. They engage, ask questions, take notes, read critical analysis to learn and understand what adversaries are saying and seek out a wide variety of viewpoints and opinions.

Those who relegate the future to junior staff send a signal to the organization’s team that the future is not important. Exceptional leaders help set the future vision of the industry by being a life-long learner.



Developing Your Best Impact As a Leader

These eight traits are guiding principles. Of course great leadership isn’t about measuring traits against a checklist. It’s about how you use them to shape your organization’s success.

You may think of other traits that are useful to you. In my experience, these eight are the most fundamental to having exceptional impact as a leader. The value you create with them will become your unique legacy.

The role of the association CEO is too important to be just average. The traits help you ensure you can make your most powerful contribution to your organization.

Takeaways

10 Takeaways for Exceptional Association CEO Leadership

1. Assess and understand your Emotional Intelligence.
2. Regularly review and practice the five practices outlined by Management author Dr. Peter Drucker on being an effective executive.
3. Have annual performance metrics. Measure. Measure. Measure.
4. Be passionate about the mission of the organization.
5. Every three years or so, challenge all your vendors to rebid the costs of the services they provide. Safeguard that the association is obtaining the best services at the most reasonable cost.
6. Be the face of the association or industry in the media. Today's world does not allow association leaders to shirk or evade responsibility with the general public.
7. Remain a lifelong learner. Leaders cannot be closed to new ideas and/or association opportunities.
8. Look for fresh perspectives on the future of your industry. Seek potential innovations at trade shows or in other industries.
9. Pick an exceptional team. Your team will ultimately determine your success.
10. Stay focused on providing value to stakeholders.

