

THE POWER OF *WHY*:
Breaking Out with Rotary's
Unique Value Promise

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For many years, Rotary worldwide has been mired in the rut of declining membership.

Can we get out and stay out?

We usually start by asking “How?”

But *How?* is the wrong question to ask.

It's not just one question but a series of questions,
a family of questions.

By invoking a How? Question, we define the debate about the changes we have in mind and thereby create a set of boundaries on how we approach the task. This, in turn, influences how we approach the future and determines the kind of institutions we create and inhabit.

The *How* questions:

- How do you do it?
- How long will it take?
- How much does it cost?
- How do you get those people to change?
- How do we measure it?
- How have other people done it successfully?

The alternative to asking How? is saying *Yes*.

Yes is the answer to How?

Yes expresses our willingness to claim our freedom and use it to discover the real meaning of commitment.

To commit to the course of acting on what matters, we postpone the How? questions and precede them with others that lead us to more questions that perhaps lead us to even more questions.

We should instead start with the *Why* questions:

- Why does a particular situation exist?
- Why does it present a problem or create a need or opportunity, and for whom?
- Why has no one addressed this before or solved this problem before?
- Why do you personally (or your organization) want to invest more time thinking about, and formulating questions around, this problem?

So let us experience the power of why and
convince ourselves that it can help us breakout
with Rotary's unique value promise ...

Leaders are people who, through position and social influence, get others to accomplish, or assist in accomplishing, common goals.

Rotary club members should be active or retired *leaders* who have discretionary time and resources.

For many years, Rotary leaders and seminars have encouraged clubs to target *younger* members, described Rotarians as *volunteers*, and stressed membership *diversity*.

Younger? Almost everybody is *younger* than somebody.

Rotary information must be more definitive.

Generation	Birth Years	Age Range	Entering Life Stage in Next 10-20 Years
Silent Generation	1925-1945	<i>Over 70 years</i>	<i>Late elderhood</i>
Baby Boomers	1946-1964	<i>51-69 years</i>	<i>Elderhood</i>
Generation X	1965-1984	<i>31-50 years</i>	<i>Midlife</i>
Millennials (Y)	1985-2001	<i>14-30 years</i>	<i>Young adulthood</i>

Rotary's prime target audience is in the Silent and Boomer generations simply because they have had the time and experience to achieve *leader* status, appreciate the value of effective networking, and accumulated discretionary resources.

By no means should Rotary clubs neglect X or Millennial *leaders*. These generations are realizing that effective networking, commercial activities, and civic responsibilities work together to make communities better places for them and their families to live, work, and play.

Many, however, will have financial and time constraints necessitated by family and career commitments. For those unable to take advantage of Rotary club memberships, clubs and districts should consider encouraging alternatives such as satellite clubs, Rotaract clubs, Alumni clubs, and Community Corps.

Care must be taken in using the words *volunteer* and *diversity*. Both words have many meanings that depend greatly on the context each is used, the method of delivery, and the target audience.

To refer to Rotarians as *volunteers* minimizes the importance of *who Rotarians are*.

Rotarians do volunteer to support good causes. Members of all generations, however, *leaders or not*, voluntarily support good causes without having to join any organization. It's vital that *who Rotarians are* be differentiated from general volunteers.

If not differentiated, Silent, Boomer, X, or Millennial *leaders* will have no perceived need to accept an invitation to join a Rotary club just to be branded, identified, recognized, and treated as an ordinary volunteer who supports good causes.

Rotary International is recognized as the most *diverse* organization of business, professional, and community *leaders* the world has ever known. When using the word *diversity* related to Rotary membership, it should clearly be used in reference to *all* of an area's business, professional, and community *leaders only*.

Rotary International exists for *only one purpose*.

What is that purpose?

Rotary International's mission is to advance the Object of Rotary. Rotary International depends on members to carry out this objective. Rotary International must deliver value that satisfies business, professional, and community leaders' reasons for accepting an invitation to join a Rotary club.

This can only be accomplished if Rotary International, while expanding its global presence, strives to understand and deliver, through its member clubs, on these reasons. Rotary International must encourage and assist its member clubs to create enduring relationships and personal connections among local leaders—the development of acquaintance as an opportunity for service.

That makes these local business, professional, and community *leaders* the essence of *who Rotarians are*—without whom Rotary International would not exist. Therefore, the sole purpose of Rotary International is to *create Rotarians!*

Is Rotary International a member-dependent business?

As an association of more than 34,000 member clubs, it gets virtually all its income from the clubs' dues-paying members, so the answer is a resounding *YES!*

Rotary International is a member-dependent business. It does that by creating and supporting its member clubs. The most accurate measure of its success is the number of Rotarians that renew their membership. The second most accurate measure is the number of potential Rotarians its member clubs attract.

Rotary history tells us that in its beginning, Rotary's purpose was *to create Rotarians*. That expanded into creating clubs and supporting them in creating Rotarians and fulfilling the Object of Rotary. For almost 90 years, centered on this purpose, Rotary grew.

Then Rotary's purpose gradually evolved into improving lives through educational and humanitarian programs. This evolution changed Rotary's culture from being a member-centered (*customer-centered*) organization into being beneficiary-centered. That was a major, and potentially fatal, mistake. *Beneficiaries don't pay dues or make donations.*

Organizational failure begins at the top. Rotary did not stop growing because people were not interested in joining local Rotary clubs. The number of people joining Rotary clubs proves that. It stopped growing because its leaders assumed it was in the business of supplying humanitarian services rather than in the business of creating Rotarians. They were product-oriented instead of *member-oriented*.

But Rotary is waking up to reality. The Rotary International Board of Directors has recognized that *membership is Rotary's top internal priority*. This, however, implies Rotary has an external priority. Two priorities cancel each other out. By definition, Rotary still does not have a priority, and its customers – its member clubs (*the ones who pay dues*) – are confused. Who serves who? This is why Rotary continues to teeter at the razor's edge.

Polio eradication probably is the external priority and could very well have given birth to Rotary's change of purpose and culture. Polio eradication is a worldwide humanitarian social action unlike any other ever undertaken. But it is only a service project, a product of Rotarians fulfilling the Object of Rotary. Like any service project, it must be completed.

But for Rotary, that's a goal. Rotary could continue to treat it as a priority, but that will only perpetuate confusion. This is Rotary's business brain allowing its emotional heart to lead the way.

President K R Ravindran is encouraging clubs to improve membership retention by *one percent*. He is spot on prioritizing retention rates. This alone could begin to change Rotary's culture back to creating Rotarians.

President Ravindran's visionary move communicates the importance of *creating Rotarians*, without whom Rotary has no future.

Actions now affect Rotary's future, and President Ravindran is communicating that by prioritizing membership. That, for Rotary, is visionary.

Retention rates are accurate measures of how effective Rotary International and its member clubs are at exchanging *social capital*—transparency, networks, trust, participation, proactivity, reciprocity, belonging, values—and maximizing the Rotary network's collective value.

Rotary is a brand. *A brand is a promise.*

Rotary's *unique value promise* to its members (customers) is to deliver an exceptional customer experience (i.e. fellowship, the product) that will transform Rotarians into *delighted advocates*.

Next Generation CXi Scores Reflect How Well Brands Create Three Types Of Loyalty

Introducing Forrester's Next-Generation Customer Experience Index



Retention loyalty

The likelihood that a customer will **keep existing business with the company**



Enrichment loyalty

The likelihood that a customer will **buy additional products and services from the company**



Advocacy loyalty

The likelihood that a customer will **recommend the company to others**

For Rotary International and its member clubs, retained Rotarians are greater assets than new Rotarians. They have longer lifetime values and are membership multipliers, a major advantage because, in Rotary's niche membership market, our customers (members and clubs) are our *biggest and most effective sales force.*

If Rotary International is serious about improving retention rates, it must lead the way by understanding *who Rotarians are* and participating in fair and transparent social capital exchange with clubs and Rotarians.

*“We will enhance Rotary’s public image by successfully and enthusiastically marketing **who we are**, what amazing things we are doing, and incredibly, have done locally and globally.”*

— John F. Germ
RI President-Elect 2016-17

Rotary leaders at all levels must be strong enough to step out of their comfort zones, cast aside personal biases, and recognize that the only true measure of an effective Rotary club is *its desire to create Rotarians.*

All training assemblies, seminars, conferences, and conventions must communicate this basic fundamental and reports should reflect vital membership statistics, measures, and trends—not merely net gains or losses.

Professionally marketing and delivering differentiating values to *who we are* is Rotary's chance—perhaps only chance—to steadily create Rotarians. Is this great organization of business, professional, and community leaders up to the challenge?

This is why Rotary International wants clubs and Rotarians to participate more with *Rotary Club Central*, which has reciprocal benefits, i.e. the participation improves clubs' and Rotarians' social capital and collective value.

According to Rotary's Code of Policies:

Districts exist solely to help the individual clubs advance the Object of Rotary and should not tend to diminish services provided by clubs and individual Rotarians on the local level.

The Code of Policies also encourages all districts with fewer than 75 clubs and 2,700 Rotarians to strive to reach those numbers.

The Siegel+Gale research clearly shows that people join and stay in Rotary to make friends and contacts:

- To make local impacts
- To have people recognize and value their professions
- To work with leaders

This is the *Object of Rotary* in a nutshell.

Rotary International, the international association of local Rotary clubs, will return to a steady growth rate only when all of us, from the newest member to the President of Rotary International, prioritize creating Rotarians.

Therefore, the only true measure of an *effective club* is its *ability to attract and retain members!*

To survive another century, *everything*
Rotary International does must center on
creating Rotarians.

“I think it’s quite great you set yourself a big challenge, and then you’ve got another reason for keeping fit.”

— Richard Branson
Founder of Virgin Group

“The best time to plan a tree was twenty years ago. The second best time is now.”

— old Chinese proverb

**I'M
A
PROUD
MEMBER**



www.rotary.org

Thank you