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## **AMHA FUTURE GROWTH INITIATIVES**

### **Purpose**

This report presents the findings and recommendations for AMHA's Future Growth Initiatives.

The recommendations are based on meetings and interviews with AMHA members, Grand National attendees, members of the AMHA board and staff, plus a review of current organization structure, processes, publishing and marketing materials, as well as Bell & Partners' experience with successful association and corporate engagements, both within and outside of the equine industry.

### **Preface**

Over the past months, Bell & Partners has met/spoken with members of the AMHA, AMHA and AMHI Boards of Directors and members of the headquarters staff.

We want to express our appreciation for the generosity of time and candor we received from each individual we approached.

During this effort, we have gained valuable insights into:

- Your Breed
  - Its versatility and personality.
- Your Association
  - What you do, how well you do it and what you want to do.
- Your market
  - The variety of interests you serve, and the opportunity to do more.
- Your audience
  - The individuals you reach, and those you want to reach.
- Your Unique Position amongst equine breeds.
  - What differentiates the Morgan Horse.
- Your Breed Presentation
  - How the AMHA presents itself to its multiple constituencies.
- Your Board
  - Their objectives and management processes.
- Your Staff
  - Their culture and structure.
- Your Communications and Marketing approaches

### **Scope of Opportunity**

The scope of opportunity facing the AMHA is broad  
This report identifies those opportunities as follows

- Defining the AMHA's Mission
- Recommended Strategic Marketing Goals.
- Breed Character Position Statement
- AMHA Core Messages
- "Voice" of the Morgan Horse and the AMHA
- Creative Platform
- Issues and Recommendations
  - Supporting AMHA Directors
  - Allocating Resources
  - Identity
  - Institute/Museum
  - Distribution/Leverage
  - Member Benefits and Needs
  - Marketing Communications Strategy
  - Youth
  - Publications
  - Media
  - Ethics
  - Staff

### **AMHA's Mission**

Critical to the AMHA's future is a clearly defined mission statement.

We recommend the following as a mission statement:

The American Morgan Horse Association serves as a registry for recording and preserving the breed while maintaining and perpetuating the integrity of the Morgan Horse. In order to perpetuate the breed, the AMHA provides beneficial services for its members which in turn enhances and encourages Morgan Horse ownership and generates membership growth via the marketing, promotion and publicity of the Morgan Horse.

### **Strategic Marketing Goals**

We suggest the following Strategic Marketing Goal

The AMHA shall develop a roster of XXX,XXX members by the year 2000.

The goal is based on retaining 70% of each year's membership, plus increasing enrollment by an additional XX,XXX per year starting in 1997.

### **Breed Character Position Statement**

#### **Objective**

To institute a consistent image for the Morgan Horse while eliminating the dual image of the Classic versus the New Morgan Horse.

#### **Purpose**

*The AMHA requires a singular graphic and editorial image that reinforces the breed character of the Morgan Horse. The breed character statement should be common to all AMHA goals and interests. The visual identity has to be instantly recognized by members, and the general equine community.*

*The breed character position statement describes the Morgan Horse and is to be used in all communications and programs which describe the breed and its attractiveness.*

### **Breed Character Statement**

The Morgan Horse' aristocratic appearance, people oriented personality, intelligence and versatility has earned intense loyalty from its owners, trainers and breeders, be they interested in pleasure or professional use.

The Morgan Horse wins the hearts and minds of both men and women because of its temperament, personality, and affinity to people.

The Morgan Horse is affordable under both English and Western Saddle. It performs driving alone or in a team. The Morgan Horse is at home tacked and braided for the show ring in California, Oklahoma or New England. It is comfortable on a quiet pleasure ride anywhere that the open sky and trail beckons. The Morgan Horse consistently performs in formal rider disciplines or while driven in the corral or arena. Morgan Horses become one with riders of all ages and walks of life, in any enjoyable, active equine pastime.

Morgans are gentle, loyal and handsome ... ideal horses for families and young people.

## **AMHA Core Messages**

*Core Messages define the points which the association has determined are key to establishing its breed/market image with its various audiences. They are used singly or in combination and are to be repeated until they become integral to the association 's public persona.*

### **The Morgan Horse is a People Horse**

Morgans enjoy being around people. They are intelligent, exceedingly loving, loyal and caring. With their ears forward and understanding eyes, the Morgan Horse becomes your friend..

### **The Morgan is Versatile**

While other equines claim versatility of breed, only the Morgan Horse can truly claim versatility of horse ... and demonstrate it time after time. A single horse can be driven or ridden, in the ring or on a trail, in competition or for pleasure.

### **Morgans are Affordable**

The Morgan is the most elegant of affordable horses, indeed, an aristocrat of the horse world. For a modest investment, anyone can enjoy the pleasures and sophisticated fun of being a member of a unique fraternity — Morgan Horse owners.

### **Owning a Morgan Horse is a Lifestyle**

Participating in Morgan Horse activities is a lifestyle ... both for pleasure riders and for professionals. Being involved with the Morgan in showing, pleasure riding, breeding and training opens opportunities to make friends around the globe.

## **The Morgan Horse's Diversity is its Strength**

Morgan Horses are sophisticated. They share behavior characteristics, but are not all cut from the same mold. All Morgans have common ancestors sharing common traits of uncommon intelligence, love of people, obedience and loyalty.

## **“Voice” of the Morgan Horse and the AMHA**

*The “voice” of all communications and interactions frames both the Association's and the breed's image in the minds of the various publics with which it associates*

*The voice platform positions the AMHA for members, employees, prospective members and the general public.*

AMHA's voice should be ...

### **Helpful and friendly. . . a bit playful but professional.**

The association is one comprised of people coming together because of their common love of the Morgan Horse, and their desire to participate in pleasurable social and sporting activities. They come from a variety of walks of life, from much geography and span a wide range of ages.

To be attractive and friendly to this diverse audience, the Association has to be thought of as eager to please and serve, positive, enthusiastic and above all, remembering that Morgan Horses are the central reason for people associating with one another.

The voice also should engender a feeling of cooperation and teamwork.

## **Creative Platform**

*The creative platform provides a basis for developing creative materials, from advertisements to promotional materials to member communications.*

Morgan Horses have a back-to-nature quality with a storied history that carries almost mythical qualities that are integral to American history.

Owning a Morgan provides recreation with involvement, learning and competition at aft. skill levels.

## **Issues and Recommendations**

### **Subject:**

### **Supporting AMHA Directors**

#### **Issues**

- AMHA Directors serve because of their love of the Morgan Horse.
- Most AMHA Directors have little training or experience in running an organization (i.e. planning, strategy, tactics, delegation, measurements, etc.)

## **Recommendations**

- 1) Create a Directors Handbook based on the recommendations of this report.
- 2) Offer Directors external resources to enable them to better fulfill their obligations to the Association and members.

## **Subject:**

### **Allocating AMHA Resources**

#### **Issue**

- Promoting to a national audience with the limitations of a \$70,000 budget

#### **Options**

- Reallocate existing resources to promotion.
- Initiate a sponsorship program that will generate revenues to support the promotion of both the Morgan and the sponsor.
- Build a revenue war chest based on both sponsors and other potential opportunities while waiting to go to the equine marketplace with a new program.

#### **Recommendation**

1) Because of the risk of starting a new initiative (sponsorship) with limited resources, in conjunction with a well expressed need for action, it is recommended that the AMHA reallocate existing resources and focus on leveraging its membership, state organizations, show and breeder capabilities by forming partnerships to become the AMHA Communication/Promotion distribution channels.

## **Subject:**

### **Identity**

#### **Issues**

- The AMHA lacks consistency of message and image.
- The Morgan Horse has the dual image of the classic Morgan and the new Morgan.

#### **Recommendations**

A singular **focused** image building initiative is critical to the establishment of a Morgan Horse marketing communications strategy.

The value of the breed image is considerable, but as with other assets, it must be managed and be given dedicated resources.

- 1) Develop a consistent image that permeates all programs identified with the AMHA and the Morgan Horse. The elements should consist of...

- A Logotype
- Typographical Standards
- Design Guidelines and Lock ups (predetermined juxtaposition of subsidiary programs, events, etc.)

2) Apply the Image to...

- All AMHA Communications, etc.
- AMHI
- Morgan Horse Affiliated Museums
- State Clubs
- Competitive Activities

3) Predicate the new image on the **Breed Character Statement**, the **Core Messages**, and the **Creative Platform**.

**Subject:**

**Institute/Museum**

**Issues**

- The legal imperatives driving the separation of the AMHI and Museum from the AMHA has resulted in a compromise of their common objectives:

- The perpetuation and promotion of the Morgan Horse.

- The Morgan fraternity is too small to experience a division of loyalty and interest.

**Recommendations**

1) From a strategic and governance perspective, the AMHI and museums should be aligned with the AMHA.

- Staffing capabilities should be integrated to meet both economic and strategic objectives.

2) The identity and consistency of Image should follow a “One Sight, One Sound” strategy.

**Subject:**

**Distribution/Leverage**

**Issue**

- With limited resources it is imperative that the AMHA focus on its existing membership as the primary channel of distribution for the dissemination of its marketing efforts.

## **Recommendations**

- 1) Establish and support local AMHA organizations, clubs etc.
- 2) Develop AMHA promotional tools that can be gratuitously offered to the organization
  - Incentivize Morgan organizations to use AMHA materials in exchange for tools, “how to” materials’ and Association support of local activities.
- 3) Use AMHA resources for mailings and control (postage paid by organizations).
- 4) Create a staff and volunteer infrastructure as a resource for the organizations to:
  - Sell
  - Market/Promote

## **Subject:**

### **Member Benefits and Needs**

#### **Issues**

- The membership has indicated that there is a general lack of available information and education on either the Association or the breed.
- The perception amongst members that the AMHA does not provide needed services for its members.
  - Members want to be included in the decisions as to what their needs are.
- Members indicate the need for balance between their multiple objectives.
- The members look to the AMHA for **Leadership** in perpetuating the quality of the breed.
- The members look to the AMHA to assist in raising membership and meeting the demands of inventory and breeders.
  - The need for “Market Driven” networking to aid in the marketing and sale of the Morgan Horse.
- The perceived lack of focus on “backing” the horses is subordinated to the AMHA’s politics.
- The perceived lack of a coherent well defined Membership Communications Strategy.
- The existence of the “Conflict/Friction” between the classic Morgan and the new Morgan are divisive and hinder the implementation of a singular AMHA Marketing and Membership strategy.
- Members (especially new ones) are put off by the “establishment”
- There is a need to generate the involvement of the pleasure owners.

## **Recommendations**

1) The development of a “Customer (Member) Driven” initiative to identify and focus on meeting Member needs as the foundation for...

- Achieving the AMHA’s strategic goals,
- Developing an initiative to leverage the members as a distribution channel.

2) Focus on making the “Customer” feel special as a part of an organization which is unique in providing equine satisfaction and gratification not available anywhere else.

3) Set-up a process for Member participation via **questionnaires** on needs and wants.

- Solicit limited follow up telephone interviews with discreet categories of members to plumb their depth of interest and ascertain their specific needs

— Questions to include...

- Level of equine experience,
- Current level of interest as shown by attendance at events, or plans to purchase a horse, genesis of information about AMHA, demographic, economic, psychographic information

4) Use the recommended Core Messages as the foundation for member communications.

5) Use Communications and AMHA Publication to highlight the unique nature of the Morgan breed — especially the versatility of activities Morgan ownership makes possible.

6) Set-up a formal process to collect and disseminate show information

7) Involve members to energize the Association and increase membership levels, which in turn equates to perceived value.

8) The Morgan Breed carries a great deal of pride and excitement. That excitement and pride needs to be communicated to the members repeatedly.

— Develop an initiative that incentivizes Morgan Association members to band together and compete as a team for the attention and resources of the equine community.

9) Establish a staff marketing function as a repository of breed information and activities.

10) Acknowledge different levels of involvement and sophistication. Address each, but do not build walls... no separate logos, publications or organizations.

— Confront the “Conflict/Friction” Issue head-on with the position that it is genetically impossible to go back. Let’s get on with it!

11) Optimize the passion of Morgan Horse owners by setting the goals that transform their passion into energized activities in support of the breed.

12) Generate involvement of lower end AMHA members.

13) Consider bundling membership services e.g. subscriptions with membership or registration.

14) Promote (see below) the breed by developing programs that help members market and sell their horses.

## **Issues and Recommendations**

### **Marketing Communications Strategy**

#### **Audiences**

Key AMHA audiences were defined, and each was reviewed in light of possible communications opportunities. The overall goal is to communicate the AMHA's strengths and Core Messages in an organized, highly focused way, with long term image building in mind.

The target audiences were identified as:

- Current members
- Nonmembers
  - New owners
  - Owners of other breeds
- Shows
  - Professional participants (trainers, breeders)
  - Amateurs
- Pleasure/recreational
  - Owners
  - Potential owners
  - Riding school students

#### **Strategic Messages**

- Current members
  - Magnitude and benefits of AMHA services. Encourage them to be more active and take advantage of services.
  - Encourage recruitment of new members through sponsorship and involvement in local Morgan related activities. These activities need to be supported and guided by the staff.
- Nonmembers
  - Demonstrate and explain the benefits of membership and the attraction of involvement with Morgan Horses. Make involvement attractive and membership easy to attract new members, either from people not involved with horses or from other breeds.
- New Owners
  - Take advantage of self selection through the registry process and follow it with a strong retention program.
  - Encourage membership by emphasizing the recreational, social and hobby aspects of Morgan involvement.

- Show participants

— Communicate advantages of Morgans in shows and competition, both in relation to other breeds and as a result of Morgan versatility.

- Pleasure/Recreational Audiences

— Owners

- Expand participation into organized, but not highly competitive events such as trail rides and local shows. Educate owners about the benefits of becoming more involved in AMHA activities.

— Potential Owners ....

- Increase awareness of the Morgan Horse as an affordable purebred with multiple attractive qualities.

## Marketing Communications Strategy

### Objective

• *To increase demand for Morgan horses, thus reducing the inventory of horses generated by newly cropped foals and horses no longer competing.*

— *Fundamental to strategic marketing communications planning is the acknowledgment that the plan is a long term project which builds in layers of under- over time.*

### Issues

- Need to increase share of declining market.
- Need to bring new blood into the Morgan World.

— The AMHA's existing communications talks to members (preaching to the choir), as opposed to extending the reach of, and preserving the Morgan breed.

— There is a need to "Fill from the bottom of an inverted funnel"

- There are no organized marketing communications initiatives to promote the Morgan Horse
- The finite resources of the AMHA mandates limiting activities to the existing Equine universe, as opposed to addressing the larger recreation universe
- Morgan presence in the General Equine community is weak.

### Strategies

1) Focus on increasing value for **retention** of AMHA current and future members.

- Retaining existing "customers" is more efficient than recruiting new ones.

- Communicate inside the Morgan Horse community.

2) Target current equine “users”.

- Communicate outside of the Morgan Horse community.

— Easier to convert existing equine market than to bring new users into category.

— Fill the “funnel” from the bottom, i.e. generate youth and pleasure rider interest in the Morgan.

3) Use existing membership as the “distribution arm” of the AMHA by meeting the, professional and recreational needs.

- Recruit and involve the AMHA’s members in the implementation of the recommendations will allow the Association to control both the efficiency and quality of the marketing and promotion activities.

- Working with local Morgan Associations has the added benefit of getting individuals involved in the work of the AMHA, which in turn can lead to a greater vesting in the AMHA’s direction while providing valuable feedback on the association’s work.

4) Balance promotional activities between show and non-show constituencies.

## **Recommendations**

We believe that implementation of the following recommendations can make a positive contribution to the renewed: growth and effectiveness of the Association.

### **1) Focus on retention of existing members.**

- Integrate member Information and Education into the objectives of the marketing communications initiatives.

### **2) Target current non-Morgan Horse equine “users”.**

- Promote/Communicate outside of the Morgan Horse community.

### **3) Leverage Membership for Distribution**

- Fundamental to the marketing communications strategy is the deployment of AMHA’s dedicated, energized members and local associations.

- Create a common look for all AMHA materials

- Become a resource facilitator and coordinator for local organizations.

— Provide tools and materials in exchange for support.

- Develop a national marketing program by coordinating local promotions, advertising, etc. to get consistency of message while leveraging the AMHA’s resources

- **Partner** with local Clubs and Associations.

- Organize for field support of Clubs, Horse Shows, Horse Fairs, Clinics, Seminars.

— Be more visible in each market (see “how-to” below)

- Develop a **Process** for local distributing tools and methodology for the implementation of “how-to” initiatives such as supporting and promoting local events

#### **4) Redesign Literature**

•Based on the new design standards, reformat and design membership materials to reflect a sophisticated, energized, involved attitude.

- Make promotion of the Morgan Horse the primary objective.

- Make promotion of the AMHA the secondary objective.

• Include space for local imprints to incentivize breeders, promoters, etc. to use the literature.

- Focus on “Why the Morgan Horse.” not on “Why the AMHA.”.

- Promote the availability of the imprinted materials through AMHA Publications.

#### **5) Start a Public Relations/Press Release Program**

• Develop a series of Morgan Horse (not AMHA) press kit with a “**how-to**” component for local dissemination.

— Distribute press kits.

- Develop a **process** for distributing on going press releases

- Promote all local and national Events including Open Shows with a Morgan presence.

- Generate general Morgan Horse press releases.

• Set-up a schedule of on-going local organizations press releases (with graphics) designed to keep the Morgan in public eye.

— Provide local media - newspaper, TV, radio with usable, localized information on Morgan activities.

— Provide assistance in getting local] press and broadcast involved.

— Create specific Youth, FFA, 4-H, messages.

**6) Create distribution channels through members and associations for the dissemination of literature.**

#### **7) Start an Events Promotion Function to support local activities**

- Create a State Fairs and major special events program.

**8) Capitalize on free distribution at tack and feed stores with a Morgan presence.**

**9) Formalize a process to identify non-Morgan Equine market channels, events and opportunities.**

- Create modified version of literature to meet the needs of these markets.

**10) Provide written speeches with slides to for potential youth and special interest groups.**

**11) Create an AMHA speakers bureau.**

**12) Incorporate the promotion of national and local events in AMHA publications.**

**13) Develop comprehensive “how-to” field packages to support local organizations, breeders, show sponsors, etc.**

- “How-to” implement local publicity programs.
- “How-to” set up clinics.
- “How-to” develop/design **regional promotions**
- “How-to” participate in local equine events.
- “How-to” for managing a horse show.
- “How-to” for breeders to promote the Morgan Horse
- “How-to” develop a public lesson program.
- “How-to” set-up and promote non-rated on-farm horse shows, 4-H events, “B” Shows,

etc.

- “How-to” set-up and promote Open houses
- “How-to” set-up and promote School visits and programs
- “How-to” invite potential horse owners to auctions or other shows.
- “How-to” create an **Open Programs Initiative**
- “How-to” develop a Morgan Sport Horse program for open markets
- “How-to” put on AMHA clinics, seminars, Horse Fairs in conjunction **with major**

**events.**

**14) Set-up a co-op fund to promote the Morgan Horse with funding from breeders**

- Use Bingo cards in encourage participation.

**15) Design and produce portable Show Booths.**

- Build **booths** for free usage at local events.

— Define the booth content and objectives to sell the Morgan Horse breed and membership

**16) Produce a Video on Morgans for use in clubs, at shows, fairs, schools and distribute with National Booth.**

**17) Use Non-Morgan Horse publications to promote the Morgan Horse**

- Include “who to contact to buy a Morgan Horse. List farms in area and provide breeders with Sales leads.

**18) Identify Trade Associations, Niche associations (such as the American Riding Instructors Association) for promotional channel development.**

**19) Create a best practices repository with member input and access.**

**Subject:**

**Youth**

**Issues**

- The Youth market is the critical entry level for the long term viability of the Morgan.
- Need to be proactive in getting youth involved.

**Recommendations**

1) Develop a Youth Network Marketing Plan.

- Solicit member input from those with special youth interest.

2) Use Publications and Publicity to encourage local Youth Participation in Morgan Horse activities

3) Solicit Sponsorship (Equine Suppliers, i.e. Veterinarian Supplies, Tack, Trailer, etc.) for Youth Activities.

4) Provide members with knowledge of regional youth activities.

**Subject:**

**Publications**

**Issues**

- *The Morgan Horse* is AMHA’s primary marketing communications vehicle.

- *The Morgan Horse*’s growth opportunity is in meeting the editorial needs of the pleasure, youth and backyard community without ignoring the Morgan professional ( *The Morgan Connection* appears to be catering to this market).

**Recommendations**

1) Reposition AMHA publications as marketing tools.

2) Combine editorial staff of all publications for efficiency and common message.

- 3) Focus on attracting non-member advertising
- 4) Bundle advertising and sponsorship as a marketing tool to increase revenues.
- 5) Offer new members complimentary issue(s) of *The Morgan Horse*.
- 6) Bundle subscriptions with membership or offer free issues and bill for subscription unless cancellation occurs (proactive).
- 7) Distribute *The Morgan Horse* and *Network* outside of Morgan Horse channels to reach those who want to buy Morgans as opposed to those who want to sell
- 8) Incorporate the free **promotion** of national and local events in AMHA publications, as opposed to merely listing
- 9) Barter *The Morgan Horse* advertising for open equine publication (i.e. *Equus*, *Western Horseman*) advertising.
  - Establish internal compensation process if necessary

**Subject:**

**Media**

**Issues**

- Current AMHA media are primarily internal publications and the Grand National.
- Incremental media are limited by AMHA's finite resources.
- Considering all levels of horse shows, fairs, seminars and clinics as media, there is a need to optimize both attendance and the follow-up publicity value of the shows for the Morgan.
- A growing number of AMHA members are "on-line".

**Recommendations**

- 1) Couple media considerations with strategic decisions on identity, breed image and mission, forces a strategic review of specific communications activities linked to specific audiences.
- 2) Invest in a sophisticated Home Page.
- 3) For frequency and reach, multiple media at different times through different channels can be used.

**Subject:**

**Ethics**

**Issues**

- The ethical issues of conflicts of interest between trainers and judges were vociferously raised during interviews.

- Conflicts of interest has caused withdrawal of monied interests from Morgan circles.

- There are a pool of trainers not currently judging because of integrity issues. Several have expressed interest in reentering the judging if the situation was changed.

### **Recommendations**

- 1) Set-up **ethics** committee with objective criteria, and enforce them to eliminate conflicts of interest.

- 2) Make judging independent of training.

- 3) Eliminate the practice of “commissions on both sides” of a Morgan horse transaction to enhance the credibility of both then breed and the AMHA.

### **Subject:**

#### **Staff**

#### **Methodology**

Each of the four major departments of the AMHA (Registrar, Communications, Magazine, and Accounting/Info. Sys.) met with Bell & Partners for 1-2 hours in a group discussion with the following informal outline:

- **Purpose** - What business are we in?

- **Structure** - How do we divide up the work?

- **Rewards** - What incentives are there?

- **Supporting Mechanisms** - DQ we have adequate technologies?

- **Relationships** - How are cross departmental conflicts resolved?

- **Leadership** - Does someone provide a vision for success and assist in resolving conflicting objectives?

Prior to these sessions, the same topics were discussed with John Hammer, the AMHA Executive Director.

### **Objective**

- Identify issues that adversely impact the effectiveness of the current AMHA staff organization and recommend changes that will be complimentary to the breed and to the implementation of the marketing communications positioning.

### **Findings**

- All departments have a desire for a defined set of goals by which to operate.

- Staff is not currently organized to meet membership and/or marketing needs.

- Staff is internally focused as opposed to externally or customer (member) friendly
- Staff has the difficult task of reconciling the competing factions within the Association and the diverse impulses coming from elsewhere.
- There are too many people for the organizational output.
- Staff is under utilized but appears willing to put in the necessary effort with the proper direction.
- Work ethic and desire for quality products are high.
- Staff is clearly enthusiastic and eager to serve the Morgan community.
- For the most part the staff is young and resilient and feel good about the work that they do,
- The Accounting Dept. feel like they are always at odds with the other departments.
- Staff needs training on the breed to discourse with members.
- Executive Director perceived as serving customer (meeting people and listening), neutral in constituent conflicts.
- Publisher proactive in improving publication and focusing on the attributes of the overall breed.
- After years of declining subscriptions and ad revenues *The Morgan Horse* has elected a strategy of “making money”. This requires a major focus on advertisers and a secondary focus on members. To their credit, this department has a business model and incentives, however it is not linked to any AMHA goals other than financial.
- Staff is impacted by an abundance of programs and impulses, both historical and recently created, which have unclear, at times short term goals.
- Finance is driven by sound, time honored procedures that constantly fly in the face of the ever changing priorities of the other departments. With no defined set of goals by which tradeoffs can be made or negotiated, this department reverts to enforcement rather than resolution causing discord within the overall organization.
- The central computer system is a resource shared by all departments and should be a unifying function that allows database sharing and reduced manual tasks. However it is becoming an inhibitor of productivity because...
  - The software is no longer supported by the publisher and there is no internal programming resource or external vendor support so program fixes and enhancements are all on hold.
  - There is no internal process to prioritize departmental requests for new functions.
  - No budget exists for enhancements, therefore each change has to be taken to the board for approval.
  - Computer problems provided a convenient excuse to blame everything on.”Until it’s fixed we can’t .....!”
  - Because the system can’t be “fixed”, each department develops manual circumvention procedures to get around problems - often impacting to work flow in other departments.

- The Communications department continues to execute programs because they always have, measuring results program by program without any overall objectives. A tremendous amount of energy is expended here with little or no internal gratification.

- The Registry continues to enforce procedures to incent owners to register horses early in their life and dis-incent registration later in life (\$30 vs. \$350) in the interest of information purity.

- Membership growth and satisfaction are adversely impacted, especially new owners of older horses who pay the penalty (potentially paying for previous unregistered owners registration and incur extra veterinary charges for blood tests etc.)

- Lacking measurable goals, the staff success is linked to their ability to react to the needs of the Board members, in particular to the Committees driving their functions, however...

- The AMHA department heads only attend the August Board meeting.

- There is no formal department head role in the Committee meetings.

- Finance and Registry are considered major committees while The Morgan Horse and Marketing are minor committees.

- The major committees do exercise a high degree of control over the staff while the minor ones provide minimal guidance.

- The staff feels “under-appreciated” by the board and believe they could provide valuable input to the decisions of their respective committees.

- In the absence of explicit goals, conflicting objectives, outstanding problems, and resource imbalances are accepted as reality and individual departments devise circumventions to the issues rather than resolving them to the benefit of all.

- Each department has a different model for the manager/supervisor roles and responsibilities and Human Resources tasks are spread between the Executive Director, the CFO, and a cross functional team.

- With the lack of goals and the staffs distant relationship with the Board, the Executive Director is often criticized for not being able fill those gaps and run a more effective organization when in fact he is not given the direction and goals needed.

- While an annual appraisal system exists, it has little bearing on the across the board salary increases that are given annually. Under achievers are sometimes re-assigned rather than released and often have delinquent appraisals.

- There is a high regard for the benefits program and the work environment.

- While there is some desire for more incentives, most would be happy with a more goal oriented organization.

## **Recommendations**

*Need for a comprehensive organizational fix.*

*An external focus is essential. For example, the job description of the breed registrar, a post with daily interaction with members and potential members, does not have any references to the “customer” as a user of the service. It is clearly written from an enforcement point of view, not from one of service or promotion of the breed.*

One of the first actions is to acknowledge the divergent directions and then to develop a strategy which all can agree on.

1) The Executive Director, under the new goals, should be more proactive in resolving disputes between constituencies.

2) Each staff function should develop a clearly defined, measurable set of goals which derive from the overall goals of the association. And each staff member should then develop a set of personal goals, complete with time frames, which support both the function's goals and the organization's overall direction.

3) Each member of the staff should submit a personal set of goals to the board and report periodically to the board on progress toward achieving those goals. If the goals are superseded by events or there is a new direction established, new goals should follow quickly.

4) A management audit to ensure there are clearly defined roles for the staff members which tie directly and clearly with the mission statement of the association.

5) Define department missions based on AMHA Mission statement.

- Have each department internalize their Mission and Goals.
- Missions should eliminate the perceived gap between "them and us"
  - AMHA versus staff.
  - Staff versus customers (members).

6) Based on missions, define specific department and job function goals.

- Institute methodology for formal commitment to goals.

7) Determine the budget and staff allocations against the returns for measurable activities.

8) Focus staff activities on the goals, thereby eliminating ad hoc reactive programs that divert activities from the primary objective.

- Focus on **member satisfaction** and the COMPETITION. Develop metrics and procedures to assess status and progress. Recommend to Board President, steps to improve.

- Reduce number of programs and focus. (Too many things to too many people with limited resources.)

- Provide criteria for funding.

9) Preclude the implementation of tactics that are in conflict with the approved strategic objectives, thereby making efforts more consistent and targeted.

10) Align **Board** direction and **Staff** functions to align staff activities with the Board's objectives.

- Each manager or a representative should attend all board meetings giving a formal report to include...

- Member feedback,

— Results against plan,

— Issues, recommendations, status of current board driven projects.

• Help individual staff members pre-sell their ideas to Board members rather than waiting for the formal meetings and being surprised by their decisions or inaction.

11) For the August Board meeting, each staff member should have the opportunity for an executive interview with a Board member.

12) The Executive Director needs to be given specific measurable objectives to be implemented. Based on objectives it is recommended that he...

13) Establish measurements, which determine success and progress.

14) Give departments a bottom line budget rather than a line item one.

15) Find ways to invest additional revenue and/or savings in needed improvements rather than just returning them to the “slush” fund.

16) Develop internal Staff Processes to...

• Expedite member inquiries to local associations for aggressive follow up.

17) Reorganize the staff with the following modifications...

• Change the name of the Communications Dept. to the **Marketing Dept.** to align with the Board Marketing Committee.

— “Zero base” the Marketing Dept.’s current programs against their new goals.

- Eliminate those programs not aligned with new mission and goals,

-Create new programs to meet new mission and goals,

- Focus on leveraging distribution channel

-Create a repository of Breed Information.

- Establish a staff marketing function as a repository of Breed

Information

— Strategic decisions on brand image and mission, forces a strategic review of specific communications activities linked to specific audiences. Further, it also prepares for future communications planning by establishing a framework for future communications activities once it is established that a given set of messages has been received and understood.

18) Align Publishing’s goals with the Marketing Department with the mission of increasing membership enrollment and satisfaction.

19) Assign the Registry the goals of increasing membership satisfaction.

20) Finance should institute a detailed review of the budget process to ensure that it supports the explicit goals and direction of the organization as formally adopted by the board at a yearly direction setting meeting.

21) Due to the discreet nature of the departments, a total horizontal organization is not practical; however additional cross functional teams similar to the current “Entity” Project should be instituted once goals are established.

- Create cross-functional teams in the following areas:

- Membership enrollment and satisfaction

- Information System priorities

- A team focus on defining and prioritizing I/S requirements.

- Hire a local I/S consultant to help assess if the AS400 is right for the AMHA or bite the bullet and go with a PC LAN that would be more responsive to individual needs .

## 22) Compensation and Appraisals

- Adopt a team concept with a central personnel manager and peer appraisals as the basis for merit increases and employee improvement plans.

- Put explicit challenges in place for the distribution of bonuses or make the process employee driven as opposed to a subjective handout.

23) Review of the AMHI structure with an eye toward aligning the Institute with the AMHA. The Morgan world is not so expansive that it can continue to support both organizations and their divergent directions.