



## **Minutes of the 2014-2015 Board of Directors Teleconference July 16, 2015**

The 2014-2015 Board of Directors convened on July 16, 2015, at 8 a.m. Pacific Time with International President, Mohammed Murad, DTM presiding. The other officers and directors present were: International President-Elect Jim Kokocki, DTM; First Vice President Mike Storkey, DTM; Second Vice President Balraj Arunasalam, DTM; Immediate Past International President George Yen, DTM; Chief Executive Officer Daniel Rex; Karen Blake, DTM; Ede Ferrari D'Angelo, DTM; Sharon Anita Hill, DTM; Tom Jones, DTM; Ross Mackay, DTM; Khaled Matlagaitu, DTM; Deepak Menon, DTM; Patrick Oei, DTM; Richard Peck, DTM; Alan Shaner, DTM; Gloria Shishido, DTM; Charlie Starrett, DTM; Joan Watson, DTM; and Dennis E. Wooldridge, DTM. No director was absent during the meeting. Chief Operations Officer Sally Newell Cohen and Secretary/Treasurer Jennifer Quinn were also present.

1. The Board reviewed and voted to approve the 2015 Strategic Plan (attached), a collaboration between the Strategic Planning Committee and the Board of Directors. The complete document, which concentrates on Club Excellence, Member Achievement and Awareness, Engagement and Participation, will be distributed in August.
2. The Board reviewed World Headquarter's recommendations for how members and clubs will be recognized in the Revitalized Education Program. It voted to approve the specific types of recognition members will receive for their educational achievements as well as recommended modifications to the Distinguished Club Program that will go into effect during the two-year parallel period when current and new educational programs exist, and when the existing program is phased out.
3. The Board discussed allegations of impropriety during district elections. World Headquarters conducted a review of the allegations and shared its findings. As a result, the Board voted to:
  - a. Invalidate the elections for the offices of District Director, Program Quality Director, Club Growth Director and all division director offices for the 2015-2016 program year and directed World Headquarters to conduct new elections electronically.
  - b. Provide nomination and election support during the next two years.
4. The Board discussed an oral report from Chief Executive Officer Daniel Rex regarding membership misrepresentations and improprieties by certain district officers. During the last week of the program year, two district officers were added to the roster of more than 20 clubs. Two additional district officers were added to the roster of more than 10 clubs. These same officers and family members were charter members of new clubs submitted during the last week of the program year. Nearly all of the membership payments related to these transactions were conducted using the credit card of one of the district officers. In total, more than 110 membership misrepresentations occurred.

Following Protocol 3.0: Ethics and Conduct, Chief Executive Officer Daniel Rex withdrew acceptance of the membership payments and new club charters and returned them. International President



Mohammed Murad subsequently confirmed these actions resulting in the district not achieving distinguished district status during the 2014-2015 program year.

Pursuant to Policy 11.3, items contained in the minutes of this meeting were classified as "unrestricted" upon distribution of the minutes by World Headquarters, not to include any matters marked "restricted."

A handwritten signature in black ink, appearing to be "Jennifer Quinn", is centered on the page.

Jennifer Quinn  
Secretary/Treasurer

Distribution: Board of Directors  
Nonprofit General Counsel  
Chief Executive Officer  
Past International Presidents  
Past International Directors



STRATEGIC PLAN 2015

# FUTURE. ENVISIONED.

**TOASTMASTERS**  
INTERNATIONAL





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## SETTING THE FOUNDATION

The development of the 2010 Strategic Plan: A Foundation for Success was unique; the Strategic Planning Committee collaborated with the Board of Directors to unite on a common mission — to make a better Toastmasters experience. The input and insights gathered from this collaboration set the groundwork for the 2010 Strategic Plan.

As a team, they identified nine Guiding Principles to serve as the pillars on which to build our foundation:

- Emphasize consistent, high-quality programs
- Enable overall cultural adaptability
- Anticipate market needs with agility
- Practice data-driven decision-making
- Invest in technology to meet member needs today and in the future
- Recognize the responsibility to invest in the future
- Effectively manage change
- Optimize operational efficiencies
- Review and adjust strategic objectives and processes continually

Through a detailed analysis of our Strengths, Weaknesses, Opportunities and Threats (SWOT), paired with an environmental scan, four areas of focus emerged:

1. Growth and Retention
2. Education Programs
3. Revenue
4. Global Impact

Within the four areas of focus, specific goals, strategies and tactics were included to provide guidance and direction. In the five years since the 2010 Strategic Plan was launched, much has been accomplished, and even more has been learned.

Progress has been made in all areas:

- Membership and club growth exceeded expectations, and reached its highest levels on record.
- The Toastmasters brand was refreshed globally in 2011 to reinvigorate awareness and growth in developed and developing markets, and better meet the needs of our evolving global audience.
- Through the new Research and Analysis team, the organization has better data about our members as well as the environments in which we conduct business.
- Initial work was conducted to understand the nuances of, and support needed for, the youth and university markets.
- The club and district recognition programs were better aligned to encourage achievement at all levels.
- Significant strides have been made to improve club meeting quality and consistency through enhanced training, sharing of best practices and communication of club-level expectations.
- The revitalized education program addresses the need to modernize the communication program, renew the organization's focus on leadership, create real-world applicability and better leverage technology to give members flexible delivery and greater access.
- Preliminary work has been conducted to identify additional sources of revenue.
- To ensure a more consistent experience regardless of borders, the organization embarked on several initiatives to create a global connectedness, including mobile applications, increased availability of digital materials, a redesigned website and greater access to translated content.

The 2010 Strategic Plan was also unique in the specificity of each goal. Indeed, many of the organization's successes over the past five years are directly attributable to that level of detail. However, that granularity also proved to be limiting to the organization's ability to nimbly react to market trends or unexpected member needs.

In developing the 2015 Strategic Plan, the Strategic Planning Committee chose to evaluate the development process to reignite that flexibility by refocusing on the organization's core ideology, which is timeless, and the future we envision. In addition, fewer tactics and tasks will be included in the new plan to ensure that budgets, resources, expectations and results are better aligned.



## TOASTMASTERS CORE IDEOLOGY



Toastmasters' mission statements and values are representations of our organization's core ideology. Our core ideology transcends potential enhancements related to environmental trends. The statements are essential and enduring principles that guide the organization.



## TOASTMASTERS INTERNATIONAL MISSION

We empower individuals to become more effective communicators and leaders.

## DISTRICT MISSION

We build new clubs and support all clubs in achieving excellence.

## CLUB MISSION

We provide a supportive and positive learning experience in which members are empowered to develop communication and leadership skills, resulting in greater self-confidence and personal growth.

## CORE VALUES

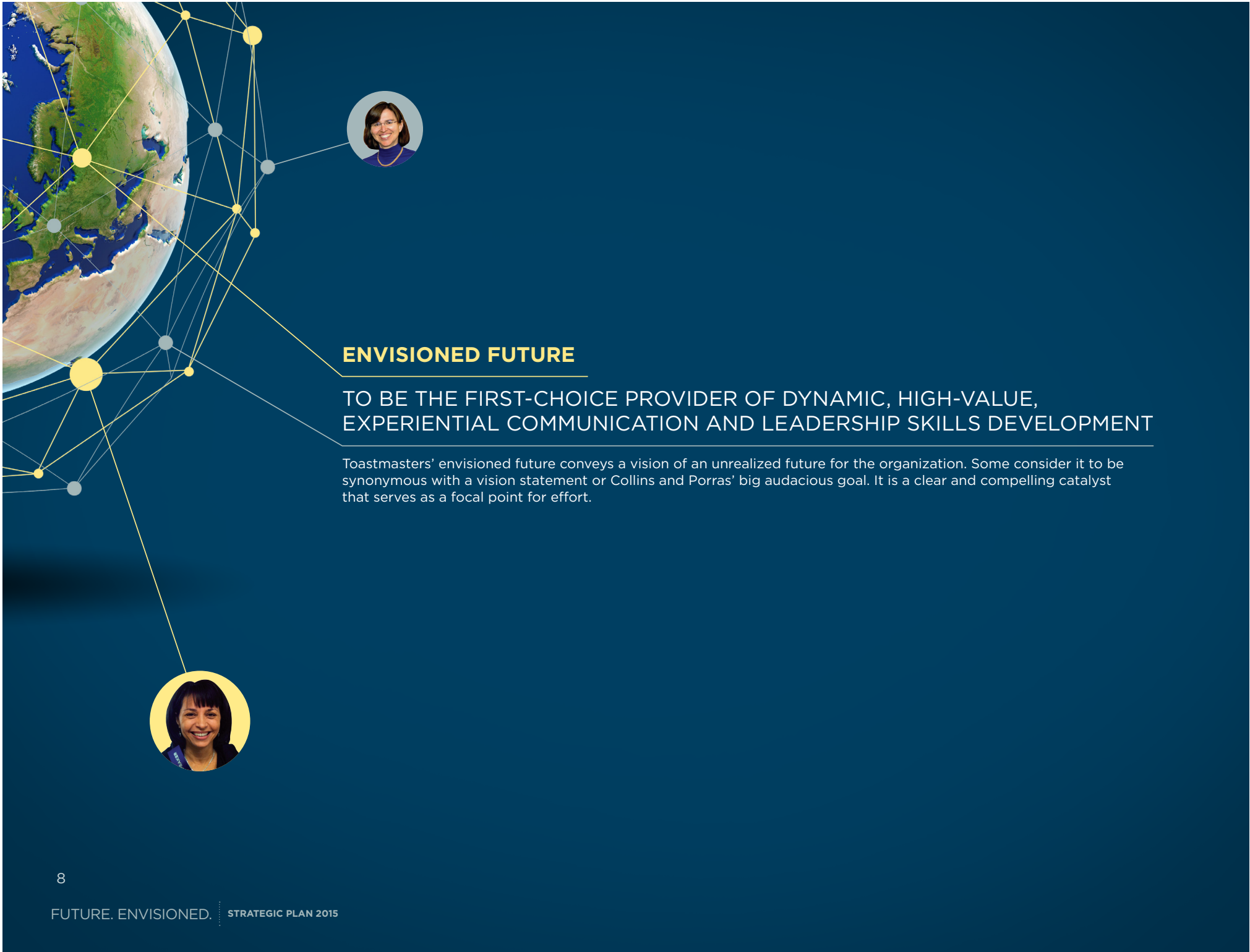
Integrity  
Respect  
Service  
Excellence

## BRAND POSITION

A brand positioning statement is used to describe a brand's unique place in the market and drive the brand positioning. Since 2011, Toastmasters communicated this brand positioning statement through news releases, elevator pitches, marketing materials and more:

*"For more than 90 years, Toastmasters International has been recognized as the leading organization dedicated to communication and leadership skill development. Through its worldwide network of clubs, each week Toastmasters helps more than a quarter million men and women of every ethnicity, education level and profession build their competence in communication so they can gain the confidence to lead others."*





## ENVISIONED FUTURE

TO BE THE FIRST-CHOICE PROVIDER OF DYNAMIC, HIGH-VALUE, EXPERIENTIAL COMMUNICATION AND LEADERSHIP SKILLS DEVELOPMENT

Toastmasters' envisioned future conveys a vision of an unrealized future for the organization. Some consider it to be synonymous with a vision statement or Collins and Porras' big audacious goal. It is a clear and compelling catalyst that serves as a focal point for effort.

## VIVID DESCRIPTION OF THE ENVISIONED FUTURE

Toastmasters International is recognized by its members as relevant and invaluable for their personal and professional success. Employers recognize Toastmasters International as an essential component of their employees' professional development. Through its clubs, Toastmasters International provides a vibrant, growing, and successful communication and leadership development program. Club members receive a high-quality, customized experience in a supportive environment that responds to individual and community-specific needs. A clear path to success is known. Members take risks and experiment knowing that they are supported and encouraged by others to maximize their potential in reaching personal and professional goals. Toastmasters International uses technology effectively to save time, communicate and deliver services. Toastmasters International is globally recognized as a progressive, responsive and experiential program that changes individuals and the world for the better.





## BUILDING THE PLAN

Using our assumptions and aspirations about the future, the Strategic Planning Committee and Board of Directors began the creative and deliberative process necessary to develop the 2015 Strategic Plan in August 2014. Each group conducted a SWOT analysis and reviewed an environmental scan prepared by World Headquarters.

In November 2014, the Strategic Planning Committee synthesized and prioritized the results from both groups.

Three areas of focus emerged:

1. CLUB EXCELLENCE
2. MEMBER ACHIEVEMENT
3. AWARENESS, ENGAGEMENT AND PARTICIPATION

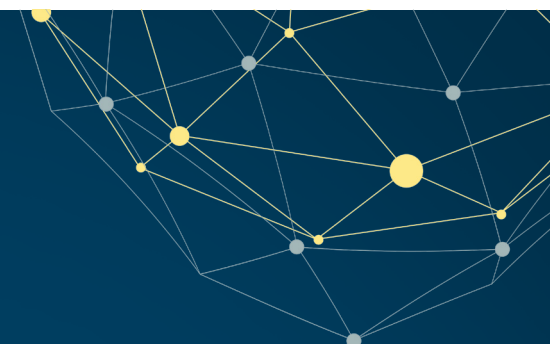
An effective and workable strategic plan is typically limited to three to four goals with three to five objectives for each to ensure that the organization maintains focus. The Board confirmed that the three areas of focus, Club Excellence, Member Achievement and Awareness, Engagement and Participation, were indeed the areas that most immediately impact the success of our members and the organization.

In February 2015, the Board of Directors continued the development process by identifying the internal and external critical factors that impact the organization globally, socially, technologically, legally and competitively. See Critical Factors on the next page.

Additionally, the Board developed a list of potential initiatives. These initiatives, when executed, will support the achievement of the goals and objectives.

In June 2015, the Board reviewed and prioritized the initiatives and determined which of them are to be undertaken during the next fiscal year. Those are included in this plan.





## CRITICAL FACTORS

### GLOBAL BUSINESS AND ECONOMIC FACTORS

- We must shift thinking to global
- There is political unrest in many countries where Toastmasters clubs exist
- Economic fluctuations cause a change in resources
- Brazil Russia India China growth — are we poised to maximize the potential?
- Changes in population — particularly the expansion of mobile accessibility
- Global market offers less expensive areas for organizations to operate

### SOCIAL VALUES AND DEMOGRAPHICS

- Youth can greatly benefit from Toastmasters — should minimum age eligibility change?
- Everyone, including youth, needs good communication skills now more than ever
- How do we service the younger generations?
- How are people spending their time? Are they improving their communication skills?
- We are a global society
- We want our children to have a better life
- Millennial generation wants instant gratification; easy success — without all the work

### TECHNOLOGY AND SCIENCE

- Go into future where face-to-face is important but allow face-to-face online
- Written content will be replaced by digital — there could be a day when no manuals are provided in print form
- E-learning tools are affordable and accessible
- Impact on technology — what will future technology do to help you?
- Should we look beyond the club environment?
- Science-based enhanced learning — people have an opportunity to learn at any time

### LEGISLATION AND REGULATION

- Political — legal and tax compliance in other countries; bank account establishment; materials in other languages
- Change organization from non-profit to for profit — what are those implications outside the U.S.?
- There are threats to our non-profit status outside the U.S.
- Brand compliance — licensing to allow branded products to be produced
- Expanding in other markets — develop a status for risk analysis to expand outside the U.S.

### PROFESSIONAL COMPETITION AND STRUCTURE

- Where Leaders Are Made tagline — leaders now don't need to be in person/virtual attracts younger members
- English is the language of business — offer clubs the ability to practice English in other countries
- Competition comes from other sources and we need to understand what/who that competition is



STRATEGIC PLAN 2015

# FUTURE. ENVISIONED.

This 2015 Strategic Plan is characterized by these elements:

**GOALS** are outcome-oriented statements that guide and measure the organization's future success. The achievement of each goal will move the organization toward the realization of the Envisioned Future.

**OBJECTIVES** further clarify direction and are statements that describe what the organization needs to accomplish in order to reach the goals.

**STRATEGIC INITIATIVES** focus on achieving specific objectives or closing the gap between a measure's performance and its target. A limited number of strategic initiatives appear in this plan. More will be approved during the annual budget cycle, a process that will better ensure that the organization has the financial resources, organizational capacity and will to accomplish them.



## GOALS AND OBJECTIVES (3 - 5 YEARS)

### CLUB EXCELLENCE

Goal: Ensure that clubs consistently deliver on the brand promise

#### Objectives:

- Enhance selection, development and support of leaders at all levels
- Expand and improve the use of technology
- Increase global adaptability of programs and processes
- Increase global understanding of the brand promise

#### Strategic Initiatives:

1. Brand Promise: Clearly define and monitor execution of the brand promise
2. Operational Support: Enhance club leader training/ensure consistent club leader training
3. District Support of Clubs: Enhance mission-focused district leader training
4. District Support of Clubs: Evolve the district recognition program to better support the DCP
5. Operational Support: Appropriately implement distance learning and training for leaders

### MEMBER ACHIEVEMENT

Goal: All clubs deliver a consistent, high-quality member experience regardless of location

#### Objectives:

- Increase member understanding of available opportunities
- Enable personalization of the experience
- Enable member engagement
- Ensure member satisfaction
- Foster accomplishment of members' personal goals

#### Strategic Initiatives:

1. Individual Member Experience: Implement mentoring for all members
2. Individual Member Experience: Create awareness of the personalized educational opportunities available



## AWARENESS, ENGAGEMENT AND PARTICIPATION

**Goal:** Heightened awareness in external target markets resulting in prospective member engagement and participation

### Objectives:

- Identify and prioritize target markets and understand current perceptions in these markets
- Improve relevance and clarity of messaging for each target market
- Expand targeted messages and effective use of communication channels
- Develop systems to measure messaging consistency and effectiveness

### Strategic Initiatives:

1. Marketing Strategy: Create a comprehensive marketing strategy based on the brand promise
2. Marketing Strategy: Enhance a facilitation of successful marketing at the club and district levels
3. Marketing Strategy: Engage advertising experts and media buyers





## CONCLUSION

Envisioning and developing a strategic plan can be challenging. Toastmasters, like most organizations, has more opportunities and needs than can be simultaneously addressed. The primary objectives and immediate priorities of the 2015 Strategic Plan are outlined and recorded in this document. Additional initiatives that are less urgent yet still critical to Club Excellence, Member Achievement and Awareness, Engagement and Participation have been identified through the development of the plan.

What is often the more challenging part of the strategic process comes next: execution. Execution encompasses balancing and potentially adjusting priorities, project analysis and planning, resource acquisition and management, change and risk management, development of success metrics and, finally, measuring milestones and outcomes.

Each year the Toastmasters International Board of Directors will evaluate the execution of the plan to determine progress, set new milestones and begin new initiatives that support the accomplishment of the goals.

1. Club Excellence
2. Member Achievement
3. Awareness, Engagement and Participation





STRATEGIC PLAN 2015 FUTURE. ENVISIONED.