Executive Director's Report – April 2014

As this is my first Board meeting as Executive Director, I would be remiss if I did not first express my appreciation for the support and guidance that the Board has provided me over the past six months, both collectively and individually. ADRIA is an organization with amazing potential, and I look forward to advancing the profile of ADR, its practice and its professionals.

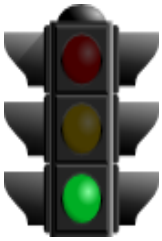
Potential elements of this report that have been adequately addressed elsewhere in the Board's agenda are, for the most part, not included herein.

Please note that dashboard displays will increasingly be incorporated into the Board presentation materials, and progressively linked to ADRIA's strategic plan and performance metrics. Dashboard metrics are intended to provide Board members with clear, succinct and meaningful data, upon which they may base their decisions, establish new initiatives, and provide strategic direction. It is important that the Board provide regular feedback and suggestions regarding the metrics presented – what's useful, what's not, and what's needed in the future.

Membership Report

Paul Conway, previously Director Member Services
Truus Souman, EA (Membership Coordinator & Front desk Customer Service)

	Full Members	Associate Members	Total Members
Current (End March)	337	138	475
1 Year ago	327	127	454
3 Years ago	319	109	429
2013 low (January)	323	114	437
2014 high (January)	323	159	482
5-year high (Apr 2010)	355	151	506
5-year low (Sep 2012)	311	92	403



...although I believe we can do much better, notably in Calgary and Southern Alberta.

Note that over $10K of 2014 Membership revenue was injected into the 2013 year-end financial results when many of our Full members took advantage of an early renewal incentive offered last December. This money could potentially be recouped into the 2014 budget <u>if</u> our 2015 membership fees are increased <u>and if</u> a similar early renewal incentive is offered late this year. Neither measure is being recommended at this time, as we hope to increase membership revenue through other means – notably through enhanced membership services and the promotion of national designations. With regard to individual memberships, the focus will be on increasing the number of Full members, and increasing our membership in Calgary/Southern Alberta.

Corporate membership promotional material remains in development, and will be available for a corporate membership drive before the summer.

Maintaining and improving the membership database, the on-line interface and our front desk customer service has been a priority for the past six months. Notably, some two dozen members were discovered to have benefited from IT errors that afforded them an extra year of membership without payment. These have been identified and corrected where possible, with provisions made to prevent reoccurrence.

ADRIC has conducted a national survey of membership categories, annual fees, and residency requirements. ADRIA is well placed and competitively priced in this regard. The Board will recall that ADRIA conducted its own informal survey prior to approving the 2014 membership fees.

A survey of full members who did not renew their membership in 2013 was conducted with only minimal feedback received. A similar survey will be dispatched soon to Associate members whose memberships lapsed in 2013.

Members with designations continue to experience frustration with the payment requirements of ADRIC and ADRIA – they are confused by separate and uncoordinated payments for membership fees (ADRIA) and designation fees (ADRIC). We hope to begin discussions with ADRIC this year that would see ADRIA assuming responsibility for the collection of all fees, and thus providing our membership with a Single Point of Contact (SPOC) for payments. Further discussions with ADRIC, other Regional Affiliates and within our Board will focus on the renewal cycles – anniversary of purchase or annual (January 1st).

Professional Development & Education

Tammy Borowiecki, Manager Professional Development
Tasha Innes, Education Assistant

- It has been a busy couple of months with Mediation, Communication & Arbitration classes running both in Edmonton and Calgary. The next two months will be busy with additional core and specialty classes.
- March has also been busy with members asking questions about designations. When the new criteria and forms are posted on the website, we hope for fewer questions for the next round applications.
- The education information on the website has been simplified and updated to reflect the new ADRIC mediation course.
- We will be offering a summer intensive training this July for both the Communications and Mediation classes in Edmonton.
- A draft course calendar has been prepared for fall 2014 and winter 2015 core classes (communication, negotiation, mediation, arbitration). I anticipate posting most of the classes within the next couple of weeks.

- We will be going out with a survey in the next couple of weeks to find out what members are looking for from ADRIA and to gauge interest in future professional development courses.
- We have had several calls for private training - while many of these requests are tentative, we have two contracts confirmed for May.
- We created a LinkedIn page for ADRIA.
- We are working on many elements of the conference including speaker logistics, conference promotion and registration.
- We have started the update of the Communications program. The goal is to update the program in modules so that the complete program can be offered as the 6-day core communication class but the modules can be stand alone so that they can be used in private training.
- We are also working on the final elements of PHBIA.
- We have an intern starting at the end of April that has been studying editing and communication. She will be able to assist with various communication needs as well as editing course material.
- We are still in limbo regarding the ADRIC mediation program. ADRIC is meeting April 24th and until they finalize many logistical items, we are unable to complete and offer the train the trainer program.
- Technical issues continue to add a layer of frustration to the office. One such challenge is the SharePoint calendar for coaches and instructors – we are searching for better solution.
- We are also researching programs to allow students to view course content and pre-course material in a secure platform.
- We are looking to re-start practice groups in Calgary and are working through the logistical challenges.

Designations – March applications

C.Arb	Q.Arb	C.Med	Q.Med	Total
2	13	2	15	32

The early introduction of the ADRIC National Arbitration course has been well received, and has significantly boosted the number of Q.Arb applicants, and thus Full memberships. Similarly, there has been great interest expressed in the new ADRIC National Mediation course to be launched later this year and, although the Q.Med has more rigorous criteria for approval compared to the Q.Arb, a similar boost to Full membership applications and upgrades is anticipated over time.

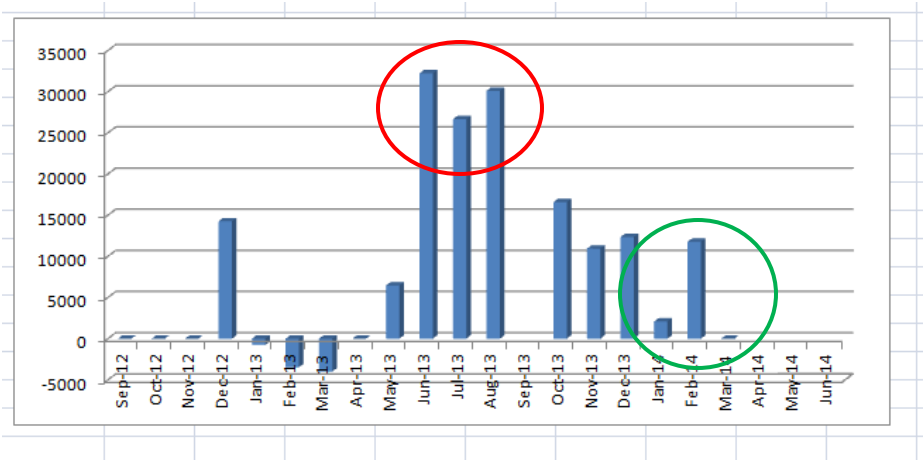
Financial notes

In support of the Treasurer's detailed submission, ADRIA has significantly improved its cash reserves over the past 6 months, and its capacity to pay expenses on time. HR expenses will be tightly controlled for at least the next 6 months as we monitor the organization's capacity to deliver on its operational goals, notably as they pertain to generating new revenue streams. There are significant legacy projects that generated 2013 revenue, but that have not been fully delivered to the client. Such legacy issues would reflect negatively on ADRIA's reputation if not completed, and represent an organizational liability that to some extent is holding the organization back from delivering on its full potential.

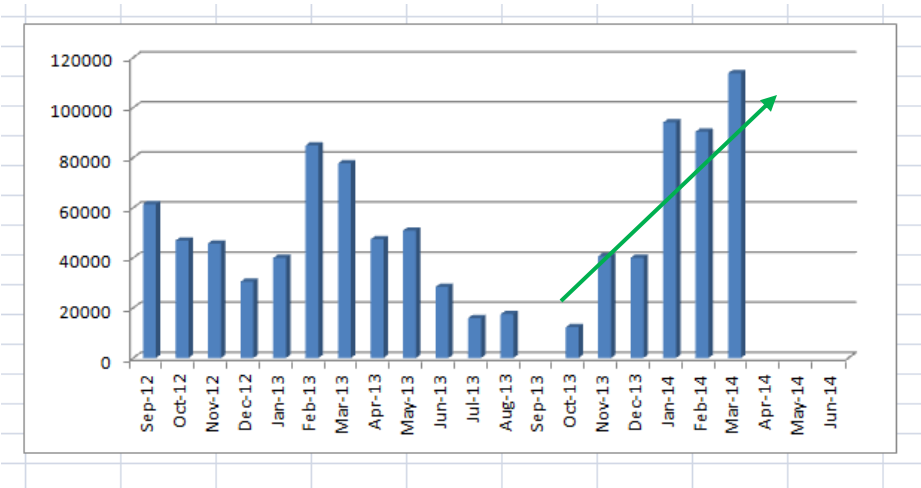
The attached pie charts illustrate the 2014 budget as currently approved, but in a new light. ADRIA's previously reported "Operational Expenses" are now fully distributed and properly attributed to the organization's key functional activities. Also attached, the Professional Development charts will provide Board Directors with a more complete understanding of this important activity, and its connection to membership revenue. These dashboard elements will be further refined in the months ahead.

The 2014 (In-year) budget is currently undergoing a Q2 review to identify programming changes, weaknesses in our previous estimates, and best/worst case projections. These will be presented at future Board meetings for discussion and/or approval. A Q3 budget review will be scheduled for July, and the 2015 (Out-year) budget projections will also be developed over the summer (vice December).

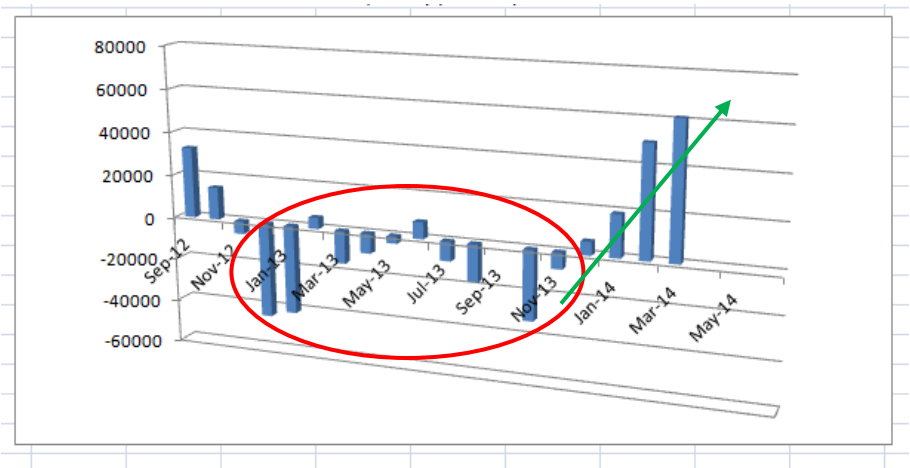
Accounts Payable:



Cash+Reserves:



Cash+Reserves vs Deferred Revenue



Human Resources

What a difference six months can make! The current ADRIA office team is motivated and engaged in the business of providing quality membership services – membership administration, designations, education and professional development. For 2013, the ADRIA ED & Board embraced an HR structure that focussed on three specific contracted areas of responsibility: Member services, Professional Development, and Designations & Accreditation. In truth, there were insufficient resources dedicated to maintaining our core membership support services and our existing education programs. Employee

turnover, the relocation to Concordia, and a complete loss of IT functionality compounded the problem. In-year funds were reallocated to support the essential core functions, and we have emerged as a solid team. Moving forward, HR expenditures will have to be closely managed for the balance of 2014, as we deliver on our existing/legacy commitments, and continue to develop new revenue streams.

While there will be a period of transition, the proposed HR structure will continue to map essential tasks to available talent within a flexible structure (grid), and relying initially on part-time contracts. Levels of responsibility and compensation will be based on experience, capabilities, availability and the assigned tasks. The issue of contract vs employee status needs to be explored carefully, with an emphasis on reducing our organizational risk over time.

The current Salary Wage Envelop (SWE) for 2014 is just over $280K or 5.0 Full-time Equivalents (FTE) - substantially reduced from previous years with AAMS. Ideally the organization will move over time towards a SWE of $300-350K and 6.5 FTE, adjusting as required to meet changing lines of business. Ideally ADRIA will also have a Calgary presence. For the current transition, and for planning purposes, the proposed 2015 Organizational structure is 5.2 FTE ($290K). Key elements include:

- A more full-time presence for the ED
- Stable membership and education services (likely moving to employee status)
- Continued CAMVAP Provincial Administrator (full-time employee)
- Director, Professional Development (part-time)
- Manager, Communications & Designations (NEW, part-time, as soon as practical)

		Exec	**Dir**	**Mgr**	**Coord**	**Asst**	**Unspecified**	**Notes**	
2013/2014								**Approved**	
ED (3)	C	50						ED	
EA (4-5)	C						38.4	EA	
Mbr Svcs (3.5)	C		*				40	Director	
Prof Dev (3.5)	C			*			40	Manager	
Desig (3.5)	C						40	Used for Misc.	
CAMVAP (5)	E						49.3	Prov. Admin	
Finance (a/r)	C						23.1	Contractor	
TOTAL							**280.8**	**5.0 FTE**	
2015 Planning								**Strawman**	
ED (4)	C	67.2						ED	
Mbrship (4)	?				38.4			Coordinator	
Prof. Dev (3.5)	?		42.9					Director	
Education (5)	?					37		Assistant	
Desig/Com (3)	C*			32.4				Manager	
CAMVAP (5)	E						49.3	Prov. Admin	
Finance (a/r)	C						23.1	Contractor	
TOTAL							**290.3**	**5.2 FTE**	

AGM & Conference 22/23 May 2014

The 2014 AGM and Conference are only seven (7) weeks away. Development and finalization of the Conference schedule was exceedingly late and, as a consequence, the local committee work has been minimal. Registrations have only just opened, and the numbers are understandably low at this point. Sponsorship letters are being issued, and the Red Deer committee will be seeking local sponsors. Any potential sponsorship leads that the Board can suggest are greatly appreciated. Newsletters and weekly e-mails from now until mid-May will encourage ADRIA members to register for the conference. It is essential that Board and Committee members plan to attend, AND plan to promote and/or bring others.

AGM planning for 2015 must begin in June of this year, with an initial search for collaborative partners.

Directory of Arbitrators, Mediators and ADR Professionals

The on-line Directory application is in development, and should be launched by summer. While this project will represent an investment cost to ADRIA (hopefully revenue neutral for 2014), it should generate long-term positive revenues for 2015 and beyond. All indications are that the product will be a significant improvement over what's currently provided by ADRIC (ADR Connect) and other Regional Affiliates. There exists the potential to sell the finished product to other regions, or to ADRIC for national implementation.