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Alan Brent-*South Africa*
Larry Gottshamer-*Student*
Rolf Widmer, Eliette Restrepo-
Swiss
Douglas McKelvie-*UK*

To: Administrative Committee of the System Dynamics Society

From: Transition Sub-Committee of the System Dynamics Society:
Roberta Spencer, Robert Eberlein, David Andersen, Birgit
Kopainsky, Peter Hovmand, Etienne Rouwette, Eliot Rich, Jeff
Trailer, Luis Luna-Reyes, and Hyunjung Kim

Copy: Policy Council of the System Dynamics Society

Subject: Recommendations to Move Home Office of the System
Dynamics Society

Date: February 10, 2017

1.0 Background

In the fall of 2015, the Administrative Committee of the System Dynamics
Society (SDS) identified the need to look at the future of the Society's Home
Office. A transition Committee was appointed at the Winter Meeting of the
Policy Council in 2016 to study alternatives. The committee held conversations
with people at the University at Albany, as well as a number of other
universities that had significant embedded System Dynamics activities including
Bergen, Chico, MIT, Radboud, Washington University, and WPI. The committee
also investigated an Association Management Company called MCI in
Washington DC.

The Transition Committee reported back to the Administrative Committee in
advance of the 2016 Summer Conference and John Morecroft, chair of the
Administrative Committee, made an interim report to the 2016 summer
meeting of the Policy Council in Delft. Morecroft's report outlined five options
under active study: Continuing operation in the current form at Albany, moving
operations to Chico, moving operations to Washington University, reorganizing
Albany as an independent activity and moving operations to MCI.

On researching the reorganization of Albany operations, Eliot Rich and Luis Luna
looked into another Association Management Company in Albany, and felt that
this was substantially better than the originally envisioned independent activity.

This left the committee with five viable new locations for the Home office:

Professional Association Management Options
1. MCI-USA in Washington DC.
2. Capitol Hill Management Services in Albany, NY

University-Embedded Options
3. University at Albany Business as Usual
4. Washington University in Saint Louis MO
5. Chico State University in Chico CA

2.0 Urgency

Roberta Spencer would like to step down as Executive Director on or before September 1, 2018. She feels that the Transition Committee has come up with a viable plan to continue the operations of the Home Office, and this timing is commensurate with that plan. She would like to continue her relationship with the Society, but in a different role, for at least an additional two years beyond the above date.

3.0 Our Recommendations

The Transition Committee's work culminated in the following major recommendation:

Move the Home Office. We recommend that, on or about the end of August 2018 (after the 2018 conference is wrapped up), the Society's Home office should move from its present location at the University of Albany to Capitol Hill Management Services (CHMS) located at 230 Washington Ave. Extension, Albany NY. Investments and activities necessary to support this transition should begin immediately.

In order to begin implementation of this recommendation we present three supporting resolutions:

Create a Budget to Support Transition Activities. In order to insure a smooth transition, the Society will need to make a number of targeted expenditures, beginning immediately. We recommend that the Policy Council approve a one-time, but multi-year budget, initially capped at $100,000, to support transition expenditures. This would be an addition to the annual budget, with funds available beginning in the fall of 2017.

Account for Transition Investments. We recommend that the VP Finance submit a plan to the Administrative Committee for the disposition of the transition budget. All spending will be captured in the Society's accounting systems, subject to annual review and audit procedures, and reported back to the PC in the annual report of the VP Finance.

Governance Steps to Approve the Transition. We recommend that the Administrative Committee receive and act on these recommendations and pass them on (with modifications as deemed necessary) for formal action by the Policy Council at its Winter 2017 meeting, with the special budget authorization to be made at the summer 2017 meeting.

4.0 Justification for Selecting Capitol Hill Management Services (CHMS)

Overall, our final recommendations emerge first from the relative merits of an Association Management Company, and second from the selection of CHMS over MCI.

Why Not Go with another University-Embedded Option? Our initial search began with only university-embedded options, reflecting the initial assumption of the Transition Committee that what has worked well in the past will be good for the future. This was a shared mental model of all the committee members. Our introduction to Association Management Companies started by chance with MCI through a connection that David Andersen had. By the end of our review process, the Committee unanimously and strongly agreed that a professionally managed option was superior to all the university-embedded options that we had investigated. The committee judged the different options based on: **Resilience** (Criterion 5), **Growth** (Criterion 6), **Cost** (Criterion 9), **Operations** (Criterion 1), and **Strategy** (Criterion 2). These criteria are defined more fully in Appendix C. Within an Association Management Company (AMC) the Executive Director is supported by a full array of staff with specialized capabilities, and knowledge of running not-for-profit associations. This contrasts with our historical experience of having a small number of people needing to build a wide range of skills. The executive director also works in close proximity to other executive directors, creating and sustaining an environment that supports best practices. The overall cost of the university-embedded and professionally managed options turn out to be quite similar so that, because of the shared nature of some activities such as conference planning, we can get more for the same amount of money (relying on volunteer administration is cheaper, but the Society has moved beyond that). AMCs offer higher resilience to shock events such as the departure of either Home Office staff or supporting faculty at the host university. In discussion, the committee spent considerable time focusing on the recent departure of one of the Society's full time staff, leading to an increased emphasis on stability during the transition process. The small number of supporting faculty members at any university also made us favor the AMC options, where the relationship to the full Policy Council is more explicitly managed.

Why Select Capitol Hill Management Services (CHMS)? The choice between MCI-USA and CHMS was close and not easy because both options provide many similar strengths for the Society—the same features that put both professionally-managed options in front of all university-embedded options. The Transition Committee used an extended criteria-based process (see Appendix C) with early ranking used as a boundary object to support discussion and ultimately the independent written evaluation of the sites by each member of the committee (see Appendix D for these mini position statements). Our final decision was made in a free-flowing teleconference where each member of the committee presented a verbal summary of her or his written preferences followed by give and take in conversation. The initial opinions, as can be seen in Appendix D, had 6 people favoring CHMS and 3 favoring MCI. Almost all, and all those favoring MCI, considered these two options to be quite close. In discussion, everyone agreed that they are close, but after talking through the pros and cons of each, the committee ultimately agreed unanimously that CHMS is the better choice. While many factors came into play, as can be seen from the written statements, a strong consensus emerged that CHMS would make the transition process easier and offered more flexibility in structuring the relationships between the Policy Council, the Executive Director, and the AMC. There was also consensus that transitioning from our current operations to an AMC is far more difficult than transitioning from one AMC to another, where procedures and operations tend to be much more standardized. It is not, thus, the belief of the committee that we will be locked in to CHMS should our size, needs or expectations change in a way that warrants evaluating alternative providers in the future.

5.0 Next Steps

There are five big transition issues that need to be managed: 1) physical space, 2) personnel, 3) web support 4) member data, and 5) accounting. In order to have a smooth transition, and maintain ongoing support activities (including putting on the conference). We need to make progress on the last three of these in advance of the first two. The details of how this will be done need to be worked out, but our expectation is that we will transition accounting practice to align with CHMS starting as soon as possible, transition member data management after this year's conference, change some of the web, and the conference submission process prior to opening submissions for 2018, and transition personnel and physical space after the 2018 conference.

The additional budget requested will support that transition, allowing for the development of new capabilities while the old systems are still in use and supporting the physical move without dropping the phone. The transition committee is making every effort to take the needs and aspirations of the people who have been working with the Home Office into account.

6.0 Beyond the Transition

Once this initial transition is complete, on or about September 1 of 2018, the Society will continue to face a number of challenges, risks, and opportunities associated with full implementation of the move. For example, Roberta Spencer intends to remain active on a half-time basis, working on activities to advance the field of System Dynamics. Her work, including how and by whom she will be paid (e.g. CHMS, or the Society, or even some other entity) needs to be worked out.

The Society will need to mount a search and hire a new Executive Director. Once hired, the new Executive Director will need to establish and re-define on-going working relationships with staff at CHMS, with the Administrative Committee, with the Policy Committee, indeed with the entire governance structure of the Society. We expect and hope that these redefined working relationships will facilitate healthy growth of the Society and our field as a whole. As two small examples, if the Society were to consider implementing an expanded marketing campaign or re-examining accreditation and certification as an option, the VP in charge of these activities would have an opportunity to work with professional staff at CHMS, trained in just these areas.

We are entering exciting times.

7.0 Appendices to Recommendations of the Transition Committee
A. Narrative Description of the Full Process Used by the Transition Committee
B. Overview of Options considered in the final ranking and evaluation
C. Checklist of Criteria and Issues Used to Rank Options
D. System Dynamics Society Transition Committee Opinions in favor of MCI and CHMS
E. CHMS Proposal for Association Management Services for System Dynamics Society
F. Index to Archive of Materials Produced by and Reviewed by the Transition Committee

8.0 Archive of Materials Produced by and Reviewed by the Transition Committee

The Transition Committee has created an extensive archive of all its activities as summarized in Appendix F. Anyone interested in any or all of this material is invited to contact the Home Office for a complete copy.

Appendices to Recommendations of the Transition Committee of the System Dynamics Society Memo of February 1, 2017

Table of Contents to These Appendices

Appendix A. Narrative Description of the Full Process Used by the Transition Committee

Step 1: Define the Transition Problem and Convene a Process
- In the fall of 2015, the Home Office created a document identifying a need to work on Home Office Transitions and presented that document to the Admistrative Committee
- Around the Winter 2016 PC meeting, the Administrative Committee reviewed the case for creating a transition team, agreed with it, and recommended to the PC that a transition committee be charged with looking into the transition process.
- The full PC voted to create a transition committee consisting of Birgit Kopainsky, Etienne Rouwette, Peter Hovmand, Bob Eberlein, Roberta Spencer, and David Andersen

Step 2: Identify Initial Options and Solicit Written Proposals
- At its first meeting the Transition Committee identified about a dozen places around the world where members of the committee had some confidence in as a future site (including staying at UAlbany)
- The six team members made informal calls to these sites—sites deemed to have mass, interest, and capability in SD—and asked about site interest in hosting the home office. This process yielded three university-embedded sites—Chico State, Washington University, and the University at Albany.
- The Transition committee expanded its membership by adding Eliot Rich and Luis Luna-Reyes from UAlbany and Jeff Trailer and Hyunjung Kim from Chico State so that each site under consideration would have at least one person sitting in on all transition discussions.
- The transition committee became aware of professional management by Association Management Corporations (AMCs) and added MCI-USA a professional option.
- Eliot Rich and Luis Luna decided that they would look to create an "Albany-B" option, another option located in Albany, but not simply "business as usual".
- The transition committee drafted a template for how to describe a site, and each of the sites "still at the table" were asked to describe key features of their site.
- The transition committee wrote a summary report of its progress that was presented to the Admin Committee just before the Summer 2016 meeting of the PC in Delft.
- John Morecroft, reporting on behalf of the Admin. Committee, reported out to the PC a brief summary of the options under study.
- During the Fall of 2016, Bob Eberlein, Roberta Spencer made an on-site trip to MCI-USA and they were very impressed by the professional management option in general and by MCI in particular.
- MCI-USA drafted a formal proposal containing a scope of services, staffing plan, and budget.
- Rich and Luna-Reyes were not fully successful in defining an 'Albany-B" plan, a plan that might re-arrange how the Home Office functioned on campus. It was getting hard to craft an on-campus option that compared well with a professionally-managed option.
- Eliot Rich, working through an informal contact who was an Executive Director of an international association with over 25,000 members became aware of CHMS as an option.

- Staff from CHMS visited the home office, made an informal presentation to several members of the Transition Committee, and quickly assembled a bid consisting of a proposed scope of services, staffing plan, and budget.

Step 3: Identify Criteria and Issues and Use Them to Rank Final Options
- With a narrowed set of five options in hand, the Transition Committee held an online meeting to define how it wanted to decide
- In a subsequent round-robin process, the Committee drafted a list of 18 criteria and issues that it wanted to consider in structuring the site selection process.
-

Step 4: Make a Decision
- All member of the Transition Committee were given a spreadsheet of criteria and issues versus options (see appendix C) and asked to independently rank all options against all issues and criteria.
- Each member of the transition committee was asked to rank order the 18 criteria and issues on the checklist and then to rank all 5 of the options against all 18 criteria. These tasks were completed independently and in writing before the next meeting of the committee.
- The Transition Committee asked Don Greer, a member of the SDS and a professional facilitator to host an online meeting on January 12, 2017. Using the ranking document as a boundary object, Greer elicited votes that narrowed the 18 criteria to the top 5. The top five criteria identified by the Transition Committee on this conference call were (in order of number of votes received): **Resilience** (Criterion 5), **Growth** (Criterion 6), **Cost** (Criterion 9), **Operations** (Criterion 1), and **Strategy** (Criterion 2) Greer facilitated a discussion that led to a group consensus ranking for the five options along the five top criteria.
This information was given back to all members of the committee and each member of the transition committee was asked to write a short essay choosing their top option (MCI vs. CHMS), using the criteria to justify their choice (see Appendix D).
- Our final decision was made in a free-flowing online conversation where each member of the committee presented a verbal summary of her or his written preferences followed by give and take in conversation. An initial straw vote was split 6-3 in favor of CHMS, reflecting the closeness of the two final options as well as the fact that different members of the committee differentially weighted different criteria. The online discussion spent considerable time focusing on the recent departure of one of the Society's full time staff, leading to a greater relative emphasis on stability during the transition process. After the complete online discussion, the final vote was unanimously in favor of CHMS, reflecting consensus that emerged during the call. While many factors came into play, a strong consensus emerged that CHMS would be better placed to flexibly support the transition process and offered a more attractive set of options for structuring the relationships between the Society's governance structure, the Executive Director, and the professional management firm. MCI was rated better overall in its ability to support international activities of the Society and its growth potential at overseas locations, but more costly and disruptive with respect to continuity of operations during the transition.

Step 5: Communicate the Decision and Recommendations (step on-going)

- The committee set in motion a process to write up and document the process that it went through in arriving at its recommendations.
- The Transition Committee is currently engaged in a process of describing its decision making process and asking the Administrative Committee to take its recommendations (reflected in this document) to the full Policy Council at its March meeting.

Appendix B. Overview of Options considered in the final ranking and evaluation

Using the process described more fully in Appendix A, by July of 2016, the following 5 options were presented to the SDS PC:

Table B.1 Options for Managing Home Office Operations of the System Dynamics Society as Presented to Summer 2016 PC Meeting

Option (with lead contact)	Key Features	"Pros"	"Cons"
University-Embedded Options			
(1) UAlbany (status quo) (Eliot Rich)	-Option that we have used since 1997 -Provides benchmark for costs, requirements, and risks -Established organizational relationships	-Lowest risk -Solid team is willing to support this option.	-This option is second to the option recommended by the new Albany team (see below)
(2) Washington University (Peter Hovmand)	-Offices on-campus as part of the Brown School of Social Work with shared services -International presence -Commitment to K-12	-Low risk -Strong supporting team is in place -Will provide a solid future for SDS home office	-Will need to figure out transition issues from Albany (possible with associated costs)
(3) California State University, Chico (Jeff Trailer)	- Office on campus as part of the CSU Chico. - Strong undergraduate presence - West coast opportunities with affordable cost of living	-Low risk -Strong supporting team is in place -In-house IT support is possible -Will provide a solid future for SDS home office	-Will need to figure out transition issues from Albany (possible with associated costs)
More Autonomous and Professionalized (outsourced) Options			
(4) UAlbany (more autonomous SDS) (Eliot Rich)	-Move offices off-campus to UAlbany Center for Technology in Government research center -Transition to non-University professional staff -Some shared services and flexible space -Can be combined with other outsourced service providers (e.g., conference support)	-Could lower personnel overhead costs -In Albany, so lower transition issues and costs than out of town. -Would avoid repeating transition planning -Can plan for new portfolio of support services - Space flexibility and intellectual synergy with CTG	-Higher risk, bundled with CTG's strategic position -SD Friendly, but not committed

| (5) MCI-USA | -Fully professional management services located in Washington DC
- http://www.mci-group.com/en-US
- Dedicated staff tailored to SDS needs
-We need more information | -Offers highest potential for supporting growth and diversification in new areas | -Highest future possible financial risks.
-Higher risks associated with building and maintaining new relationships |
| Possible option (6) Other Professional Options? | -Association Management Companies are a professional industry that we should explore | | |

The table that follows describes how the final options evaluated at the January 29, 2017 meeting of the Transition Committee differed from those presented to the PC in its Summer 2016 meeting.

Table B.2: Options Presented to PC in its Summer 2016 Meeting Became the Final Options Evaluated

Option Presented to PC in it Summer 2016 Meeting	How This Option Changed by the Winter 2017 Evaluation Exercises
University-Embedded Options	
(1) UAlbany (status quo) (Eliot Rich)	This option was retained in the final exercise, but only for relative ranking purposes (because all members of the Transition Committee were familiar with this option and could "anchor" on it in ranking other less well known and familiar options).
(2) Washington University (Peter Hovmand)	This option stayed in the ranking pretty much as it was described in the Summer 2016 PC meeting.
(3) Chico State (Jeff Trailer)	This option stayed in the ranking pretty much as it was described in the Summer 2016 PC meeting.
More Autonomous and Professionalized (outsourced) Options	
(4) UAlbany (more autonomous SDS) (Eliot Rich)	Eliot Rich and Luis Luna-Reyes did investigate various on-campus options, but concluded that they were not as good as a professionally-managed option for reasons described in this report. So they arranged for meetings with Capitol Hill Management Services in November and December of 2016, leading to the written proposal that is presented in Appendix E.
(5) MCI-USA	Roberta Spencer, Bob Eberlein, and David Andersen made a site visit to MCI-USA in Washington and were quite impressed by this option. Subsequently, MCI-USE submitted a written proposal that was reviewed by the full Transition Committee
(6) Other Professional Options?	As described above, CHMS emerged rather late in the process as another professional option.

Appendix C. Checklist of Criteria and Issues Used to Rank Options

Evaluation of SDS transition options: Page1

RANK	Title	Criteria	Description	Specific question	MCI-USA	CHMS	Albany Embedded	Chico State	Washington U
	Operations	Ease of transition into the site in terms of operations	The System Dynamics Society is now (as opposed to 1996 when it came to Albany) a large, complex, and multi-person activity. We cannot afford a significant loss of operational functioning as multiple persons are hired, gotten up to speed, learn the routines and become operational.	How able is the host site to support and ease a transition into their site?					
	Strategy	Ease of transition into the site in terms of strategic alignment with the SDS	How will the professional staff collaborate with society governance (officers and policy council) in understanding current practices, values and needs of the society in order to develop a strategy to respond to such needs and opportunities, in accordance to our goals and values	How able is the host site to collaborate with society leadership on strategic alignment?					
	Initiatives	Ease of transition into the site in terms of ability to leverage current team's skills for new SDS activities	Transitions are inherently expensive. New people need to be brought in to take over activities of others and that means lower productivity for a time and significant resource overlap. To the extent we can turn that overlap into an opportunity and not just a cost we gain. If we can free up Roberta's time from simply bringing the next executive director up to speed to having her explore new initiatives aimed at the long term health and impact of the Society we win. The same goes for the volunteer time of the board and members.	How able is the host site to support the new team without absorbing Roberta et al. too much?					
	Transfer-ability	Ease of transition out of the site	When and if the Society needs to move again, the full team that brought it in will not all be available to assist with the next change. Some knowledge will inevitably be lost, and it is good to understand how important that loss might be.	How able is the host site to support a transition out of their site that serves the well-being of the SDS?					
	Resilience	Ability to survive the departure of one or two key personnel	Here is a scenario that might clarify this criteria. Say that the Society has moved over to CTG, still on the Albany Campus and a new Executive Director and another Deputy Director type has been hired and they have learned the ropes from Roberta and the outgoing team. Then suddenly, one or both of these key persons leave. Who picks up the slack and keeps the Society afloat during this period? In this scenario David and Roberta are out of the picture, so it seems to me that the Luis and Eliot would have to step in, re-hire one or more key staff, re-set and retrain staff, and reboot the whole operation.	How able is the host site to support a critical "re-boot" operation?					
	Growth	Potential for growth of the society and the field at large	What access will the site staff have to knowledge and expertise in relevant areas for strategic development, marketing, web presence, outreach. What amount of entrepreneurship will be supported at the site.	What is the potential of the host site to generate growth in membership?					
	Face	Face to the society	Conference participants and members at large appreciate the continuity currently provided by Roberta. Roberta is the clear contact person at the office and she is the face of the society at the conference	To what degree does the host site designate a clear face to the society with a long-term commitment to the society?					

	Conference	Conference cost to participants	Societies run by professional management firms tend to conferences with higher costs to participants than what is currently the case for the system dynamics conference. This is not a clear and straightforward correlation, though, but nevertheless an aspect that should be looked into when evaluating transition options	How likely is it that conference costs and services provided to participants remain fairly stable with the way the host site runs the conference?			
	Cost	Total costs and expected services	Professional management firms have infrastructure in place that increases the productivity of its staff. So it is possible they can do as much with fewer full time people. On the other hand, there is much less flexibility to bring in hourly resources which has been a common practice at the Society.	How do the total costs and expected services compare to those at UAlbany?			
	Staff	Attractiveness to outgoing and to incoming staff	We want to do right by our current employees, and make sure the future employees we attract make us happy. Robin Langer is planning to retire so Roberta is the only salaried employee and she needs to fit into the new plan through at least the end of 2019 in a capacity to be determined. We also have hourly support at the home office we should think about.	How attractive is package at the host site to outgoing as well as to incoming staff?			
	Flexibility	Ability to staff and support a new strategic direction	If the PC decides to move in a new direction with changes in scope and responsibilities, can this site provide skilled staff to support a shift in a timely fashion?	What is the full range of staffing capabilities available to staff at the new site?			
	Learning	Does the site provide learning opportunities for Society staff in key areas?	If the Society has staff in a key function, will that person have a chance to learn from other (hopefully better trained) staff in the same function?	How many trained staff in all of the various functions exist at this site?			
	Time commit-ment	Duration of contractual commitment	How long will the proposed site committ to support the Society's office? Are there any transitions in the medium term (5+ years) that might require a relocation?	How long will the site commit to support the Society's office?			
	Transfer-ability II	Transferability of Society's investment	Will the tools and techniques used by the site for data management use transferable platforms? Accounting, web site, membership management, conference submission management?	What platforms will the site use to support its data needs?			
	Library Hosting	Access to SDS Library	The SDS has developed a library of texts and journals. What options are there to maintain and access these materials in the future?	Do you support a physical library of reference materials for your existing firms?			
	Accounting support	Experience with organization accounting and auditing requirements	The home office spends a fair amount of time maintaining and reporting on its financial state. Experience is useful.	What is your experience with financial reporting and auditing for multi-state non-profits?			
	Complete-ness of Proposal	The proposed new site is fully described in writing in a way that it can be evaluated	The PC will need to make a choice between various sites involving complex judgments. We need to understand how many components of operations will fit together. Does the written description of the option (or other available information/data) provide enough information to support a specific decision?	Is the site proposal clearly described in writing, especially a fully delineated scope of services?			
	History and Archiving	Ability of the site to archive the history of system dynamics as a field.	Many important aspects of our field run through the Home Office. As a field, we seek the ability to archive a record of the field and its operations for the future.	Can the proposed site provide for archiving of historical documents related to system dynamics			

Appendix D. System Dynamics Society Transition Committee Opinions in favor of MCI and CHMS
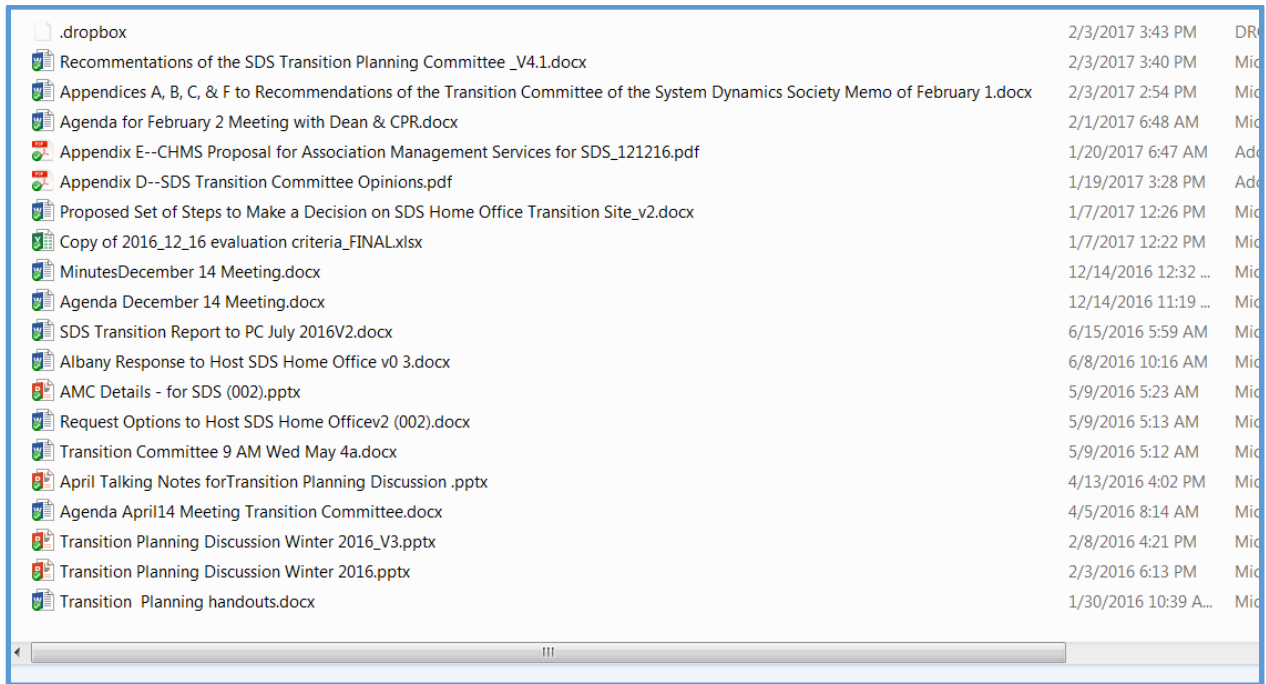
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Appendix E. CHMS Proposal for Association Management Services for System Dynamics Society

THIS DOCUMENT IS A SEPARATE PDF ATTACHMENT OF APPROXIMATELY 34 PAGES

Appendix F. Index to Archive of Materials Produced by and Reviewed by the Transition Committee

The archive of selected materials produced by and reviewed by the Transition Committee is held in a Dropbox account managed by the Home Office. Below is a screenshot of the contents of that Dropbox as of 3:53 PM on February 3, 2017

.dropbox	2/3/2017 3:43 PM	DR
Recommentations of the SDS Transition Planning Committee _V4.1.docx	2/3/2017 3:40 PM	Mic
Appendices A, B, C, & F to Recommendations of the Transition Committee of the System Dynamics Society Memo of February 1.docx	2/3/2017 2:54 PM	Mic
Agenda for February 2 Meeting with Dean & CPR.docx	2/1/2017 6:48 AM	Mic
Appendix E--CHMS Proposal for Association Management Services for SDS_121216.pdf	1/20/2017 6:47 AM	Add
Appendix D--SDS Transition Committee Opinions.pdf	1/19/2017 3:28 PM	Add
Proposed Set of Steps to Make a Decision on SDS Home Office Transition Site_v2.docx	1/7/2017 12:26 PM	Mic
Copy of 2016_12_16 evaluation criteria_FINAL.xlsx	1/7/2017 12:22 PM	Mic
MinutesDecember 14 Meeting.docx	12/14/2016 12:32 ...	Mic
Agenda December 14 Meeting.docx	12/14/2016 11:19 ...	Mic
SDS Transition Report to PC July 2016V2.docx	6/15/2016 5:59 AM	Mic
Albany Response to Host SDS Home Office v0 3.docx	6/8/2016 10:16 AM	Mic
AMC Details - for SDS (002).pptx	5/9/2016 5:23 AM	Mic
Request Options to Host SDS Home Officev2 (002).docx	5/9/2016 5:13 AM	Mic
Transition Committee 9 AM Wed May 4a.docx	5/9/2016 5:12 AM	Mic
April Talking Notes forTransition Planning Discussion .pptx	4/13/2016 4:02 PM	Mic
Agenda April14 Meeting Transition Committee.docx	4/5/2016 8:14 AM	Mic
Transition Planning Discussion Winter 2016_V3.pptx	2/8/2016 4:21 PM	Mic
Transition Planning Discussion Winter 2016.pptx	2/3/2016 6:13 PM	Mic
Transition Planning handouts.docx	1/30/2016 10:39 A...	Mic

Transition Committee Narrative Summaries
January 19, 2017

After the January 12, 2017 GoToMeeting each Transition Committee member was asked to write up a narrative about which transition proposal/option fulfills the top five criteria determined to be considered in the upcoming move of the SDS office. All the narratives are combined here, listed alphabetically by member, in this one document.

ANDERSEN, David

I believe that the two professional management sites are nearly tied, but I realize that this exercise requires that I declare one of them my winner. So, if I had to allocate 100 points between these two sites I would allocate:

MCI-USA 51 points
CHMS 49 points

Both of these are high on my list because of their Resilience and because they are well-described—both traits that I valued in our last meeting. CHMS wins hands down for ease of transition. I think that both sites are equally well-equipped to handle international events such as those that will challenge the system dynamics society.

The reason that I put MCI a very small nose ahead is that they seem the least dependent on an active local sponsor to keep the Society running. So if the Policy Council were to devolve into some unexpected direction, they might be best equipped to keep the Society running without strong oversight. I realize that others might find this to be a flaw—they should only be responding to strong oversight from the Policy Council.

David Andersen

EBERLEIN, Bob

Bob Eberlein – Opinion for Transition Committee

My first two recommendations for the host of the Society's Home Office are, in order, CHMS and MCI; both are professional association management firms. While I am tremendously thankful for the effort that Chico and Wash U put into developing plans for hosting the Home Office, keeping the office in an academic center is simply not as attractive as using an association management firm. Resilience, our top criteria, is far greater when there is substantial expertise in managing societies such as ours just down the hall (or in another cubicle) so that losing a key person, while always painful, does not need to be disastrous. Growth, our next criteria, is much better supported in a setting where marketing and outreach are part of daily activity for a number of staff people we would share the expertise of. Cost is competitive at CHMS, not as much so at MCI, though it does appear to me that productivity is high there (Chico was also competitive on cost). Operation's is a strong point of the association management firms, as they have so many people with not-for-profit experience. And strategy can also be stronger, but will still require commitment from member of the Policy Council. We had other criteria (a full list is included as part of this report), and some would favor an academic center, but not strongly in my judgement. CHMS, in addition to cost, has a significant advantage over MCI because it is local to our current office and will make transitioning to a new executive director much smoother. Finally outbound, should we ever decide to move away from CHMS or MCI, it is relatively easy because processes and procedures would be standardized compared to an academic setting.

HOVMAND

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System Dynamics Society (SDS) Transitions Committee
Committee Member Recommendation and Summary
Peter Hovmand—January 12, 2017

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Recommendation:
1. MCI-USA
2. CHMS

Summary of Justification

The SDS Transition Committee prioritized, ranked and considered five criteria for evaluating proposals for hosting the SDS: *resilience*, *growth*, *costs, operations*, and *strategy*. Based on the discussion and these ranked criteria, my recommendation is that the SDS transition the Home Office to MCI-USA. MCI-USA and CHMS both scored consistently high (top 2) in four out of five areas (resilience, growth, cost, and strategy) with MCI-USA being the strongest overall. While similar to CHMS based in Albany, MCI-USA provides a range of infrastructure and supports for running a professional organization and conferences with the added advantage of international offices and capability of supporting international growth of the field. Additionally, if the field is to grow internationally, it will be important to be able to efficiently organize and support local and regional conferences (e.g., in Asia, Europe, Latin America) in addition to an annual international conferences. While there are some benefits to CHMS short term with ease of transition of operations and lower costs if the SDS focuses on maintaining the status quo, it is important to stress that growth has been a long standing priority for the SDS, an area where MCI-USA seems better aligned in terms of strategy. The university based options including remaining at the University at Albany and transition to Chico State or Washington University are all much less attractive options based on these five criteria, faring poorly with respect to resilience, costs, and potential for growth.

KIM
SD Site Selection
Hyunjung Kim

I support both CHMS and MCI options. Unlike the university-embedded options, they offer systematic program for transition. The transition process will be managed by experienced staff members, minimizing unexpected problems that might arise in the process. The cost of transition should be lower for these options in comparison to the university-embedded options as we are not building a society office from scratch. Given the geographical proximity, CHMS would be more cost effective than MCI. It will be easier for the current Albany team to collaborate with CHMS than MCI. Overall cost of running the society seems to be similar for these two options, and they should be pretty stable in the face of any key staff turnover with their access to a bigger human resource pool. MCI seems to align the best with the growth and international focus of the society. CHMS may allow a greater ownership of the society's management given the option of the SDS selecting our own executive director. California State University, Chico and Washington University would be good back up options if the professional management options don't work out.

KOPAINSKY
Birgit Kopainsky – comments on site selection

Ranking

1. MCI-USA

2. CHMS

Rationale

During our January 12, 2017 meeting, the transition committee prioritized the following criteria for evaluating the existing five potential sites for the SDS home office: operations, growth, cost, resilience, and strategy.

When the transition committee first started discussing alternative sites for the SDS home office in 2016, I felt there was a trade-off between growth and resilience on the one hand and cost, possibly also strategy and operations on the other, with the professional management companies faring strongly with respect to growth and resilience but poorly with respect to the other criteria.

In the course of the process of identifying alternative sites for the home office and eliciting proposals from the different sites, however, this trade-off not only diminished but almost completely vanished. The two professional management companies have in the end become clearly superior to the university-embedded sites.

Each of the two professional management companies has its individual strengths and I agree that CHMS would be easier and faster to transition into given its geographical location. However, MCI-USA seems better suited for supporting the System Dynamics Society in supporting international events and activities, which is essential to growing the field of system dynamics. Generally, they seem more adequate to support us with sound and at the same time innovative strategies for fostering growth.

RICH

Eliot Rich - Comments on site selection

I believe the Society will be best served by moving its operations and mechanics to CHMS. I regret that UAlbany is no longer able to support the Society as it has in the past. The ramp-up and transfer of responsibilities to an Albany-based firm will be faster, simpler, cheaper, and less risky than with the University options or MCI, freeing up Roberta and a new Executive Director to work on moving the field forward (Criteria: Resilience, Growth, Initiatives). Both MCI and CHMS have extensive experience in membership maintenance, conference execution, newsletter development, web site support, accounting, and other commodity-type activities, where the University options have less experience and need to build from a lower base (Criterion: Operations). We have cost estimates and scope statements for ongoing operations from both MCI and CHMS; I expect the University options will be comparable to UAlbany's costs, which are within the range of the external vendors (Criterion: Cost). While MCI has a more corporate international infrastructure, I'm not sure how our needs for low-cost academic meetings internationally fit their service offerings. CHMS also seem less flexible organizationally. CHMS will allow us to hire our own Executive Director, which ensures that we will have the type of person we want as the face of our organization, support a tight strategic alignment with the PC and Society committees, as well as continuity as people and requirements change. My caveats: (1) The PC should recognize that any transition will require its deep involvement as we move forward. The leadership and drive for new initiatives still rests in our hands, not in any external contractor. (2) We should be careful to ensure that we are free of proprietary tools and techniques so that we can move in the future.

ROUWETTE

Transition committee preliminary scoring options Etiënne

Looking at the top 5 criteria, my scoring indicates the following preferences:
- On resilience, MCI-USA and CHMS in my mind score better than Albany embedded, Chico State and Washington U, mainly because the transition to a 'professional' organisation instead of another university will force us to make our procedures and insights explicit. Much of what the SD Society does is at this moment in the minds of key people. If that is made explicit it is more transferable so if in the future key people leave, this is easier to handle.
- On growth, MCI-USA and CHMS in my mind score highest, than Albany embedded and then Chico State and Washington U. This is because I expect that the 'professional' organisations can help us in our marketing effort. In my mind, our key problem in marketing is that few professionals/ consultants have heard of SD. Making more people aware is something we need help on.
- Cost, here I was initially not sure on how each of the options compare. I understood from our last meeting that:
    o CHMS, Albany, Chico, all same cost as now
    o MCI more expensive
    o Wash. U more expensive due to higher wages
- Operations, defined here as ease of transition into the site in terms of operations: Albany embedded best, then Chico State and Washington U, then CHMS and finally MCI-USA.
- Strategy, defined here as ease of transition into the site in relation to leveraging the current team's skills: Albany and CHMS embedded best, then Chico State and Washington U and finally MCI-USA.

It looks as if this leads me to CHMS. Possibly I prefer CHMS over MCI-USA because it seems to be the more 'familiar' of the two professional organisations: closer to the current Home office, smaller scale. But I think I would like to know more about them before making a final choice.

SPENCER
January 19, 2017
Transition Committee Decision summary by Roberta L. Spencer

Clear top proposal: CHMS
Second: MCI

Based on the five criteria (resilience, operations, costs, growth, and strategy) for evaluating proposals for hosting the SDS, I first focus on resilience.

When people buy the beer game and ask if we have it in stock, I say "Of course, we live the beer game here every day." From my perspective, we are today 'living the transition' right now on a daily basis. It is not an abstract future event. The announcement of my retirement is the cause of the scheduled, future, 2018 transition event. But, since October we are every day dealing with an unplanned loss of the only other full time employee, approximately half the senior staff and one-third of the overall staff. The **resilience** issue is immediate and facing us right now. We are trying to solve the immediate staffing issue when the long term plan is unknown. This is a double whammy. As I think about **operations**, now that Albany is off the table, CHMS is the best choice. If the transition change struggles or fails, it can damage the Society. The Society and home office have the time to develop strategies and successful implementation and CHMS has the resources. Operationally CHMS has an advantage over MCI. The owner of CHMS has a personal and vested interest in the success of his company and our Society as part of all the associations they manage. The global aspect of MCI sounds good, but is not a strong operational (or growth) advantage over CHMS. CHMS has the option to hire an on-site international consultants if needed. Additionally, the current decision is to have the Society remain as a US-based business. If it had been decided to move to Europe then MCI would have been more attractive. The proposal by CHMS

was complete with **cost** similar to Albany BAU. I see much more flexibility related to cost with CHMS than MCI. **Growth and strategy** are related to CHMS's ability to elicit growth and strategy leadership behavior from the Policy Council. CHMS can efficiently standardize running a non-profit, but CHMS is, in my opinion, more able to learn our business to help us strategically grow. With CHMS we have overlap, access, and an opportunity to build a relationship that benefits from the many local Albany mentors and people in the Northeast.