



System Dynamics Society
SUMMER POLICY COUNCIL MEETING
Sunday, July 21, 2019
Albuquerque, NM

MINUTES

President Martin Schaffernicht called the meeting to order and welcomed Officers, Members of the Policy Council, and Members of the Society.

President Schaffernicht reviewed the electronic votes after 2019 Spring PC Meeting.

MOTION: A motion was made and seconded to approve the minutes of the Spring PC meeting. Motion passed.

President Schaffernicht gave the President's report. Slides for the report appear in the appendix to these minutes.

President Schaffernicht summarized the posted Executive Director's report. Slides for the report appear in the appendix to these minutes.

VP Finance Eliot Rich submitted the Auditors Report and the review the financial status of the Society. SDS spent -\$496,791 of reserves in 2018. SDS budgeted net ordinary income at a loss of \$330,174 for 2019, and the 2019 conference is now expected to be less than budget leading to an even larger loss. The 2020 Business As Usual budget projects a -\$235,275 operating loss. No motion to approve this budget was made. Instead, Eliot will prepare an updated operating budget taking into account different contractual terms with Cap Hill and some other measures to reduce the losses and propose the revised budget at the next PC meeting.

President Schaffernicht convened an Executive Session for PC Members only.

President Schaffernicht called the open meeting back to order and announced a motion passed in Exec Session: Moved and passed to form a committee to review the Society's relationship with CHMS and search for an Executive Director and that the committee members will be Asmeret Naugle, Birgit Kopainsky, Bob Eberlein, Eliot Rich, Jack Homer, and John Ansah

VP Publications Krys Stave presented a summary of the Aims and Scope of SDR. Some raised concern about precedent for the PC to act and instead want to maintain the autonomy of the Executive Editor.

MOTION: Lees Stuntz moved and Sara Metcalf seconded that the Society endorse the aims and scope of SDR as presented by Krys. Len Malczynski suggested a friendly amendment suggested to change "endorse" to "support." The amendment was accepted, and the motion passed.

In reporting on Global Learning Opportunities, President Schaffernicht asked the committee to keep working and the summer school initiative, including "summer-school-in-a-box."

Secretary Brad Morrison reviewed the plans for the General Business Meeting, including the motion to adopt a new set of by-laws.

Conference Reports:

2019 Conference: Asmeret reported attendance is about 350 people this week at the 2019 conference. PC members asked why is attendance lower? Speculative answers included 1) the current political situation makes travel visas to the US somewhat difficult; 2) Europeans don't want to take more than one flight, which is necessary to travel to Albuquerque. (By way of comparison, 2 years ago 30% of attendees were from Europe, whereas this year we have only 12%.) 3) INCOSE is at same time. Submissions were down 30% from last year. There was a similar dip that occurred 2 years after 50th anniversary. Sponsorships for the conference were 30% higher than budgeted

2020 Conference: Birgit reported on the plans for the conference in Bergen. She showed a photo of Bergen with no rain. The conference will be hosted by the SD Group at the University of Bergen and held at a hotel in city center. There will be a Summer School. Sara, Etienne and Brad are the Program Chairs.

2021 Conference: The location will be Chicago. The hotel contract is signed with the Palmer Hotel. The conference is organized by Argonne National Lab and the University of Chicago. The dates will be July 23 – July 29, 2021.

For future years, there have been expressions of interest from Frankfurt, Amsterdam, Brisbane

Committee and Vice President Reports:

Ad Hoc Committees:

- a. New Revenue: Jack Homer reported on the top three ideas: 1) Boost sponsor revenue, e.g., Give conference sponsors opportunity to sponsor thread or session 2) Explore cross-fertilization opportunities with sister organizations; 3) Solicit donations even in advance of having a Stewardship Committee. Some discussion ensued about the challenges of soliciting donations when net ordinary income is negative.
- b. Membership: Asmeret Naugle presented an extensive report from the Membership Committee. Slides for the report appear in the appendix to these minutes. Mark Nelson reviewed the slides on dues. The Membership Committee report contained a number of possible motions for the PC to consider now or in the future. The PC acted as follows:
 - **MOTION:** Asmeret Naugle moved and Krys Stave seconded a motion that we make print subscriptions an optional additional fee of \$15, and then consolidate Electronic Only (E Only) and Print + Electronic (P+E) membership tier structures into one tier structure. Motion passed.
 - **MOTION:** Asmeret Naugle moved and Warren Farr seconded a motion that we allow optional contributions to an Annual Fund to support Society Operations during the membership sign-up and renewal process. Motion passed.
 - Eliot Rich moved and Lees Stuntz seconded a motion that the Society office staff, in consultation with the VP Membership and VP Finance, be allowed to experiment with

some different promotional discounts to grow membership and membership retention. After discussion, Eliot withdrew the motion, with agreement from Lees.

Old Business:

MOTION: Bob Eberlein moved and Krys Stave seconded a motion to approve the Memorandum of Understanding with the Creative Learning Exchange. Motion passed.

President Schaffernicht announced that the slate of candidates proposed has been elected:
President Elect: Paulo Goncalves (2020), President (2021), Past President (2022)
VP Chapter Activities: Stefano Armenia (2020-2022)
VP Pre-College Education: Diana Fisher (2020-2022)
Members At Large Munaf Aamir (2020-2022), Carl Smith (2020-2022), Thomas Fiddaman (2020-2022), Will Glass-Hussein (2020-2022)

New Business:

MOTION: Len Malczynski moved and Shayne Gary seconded a motion to approve a new privacy policy for the Society, as posted. Motion passed.

MOTION: Stefano Armenia moved and Jack Homer seconded a motion to approve the formation of the Norwegian Chapter. Motion passed.

President Schaffernicht called for other new business. Lees Stuntz reminded the PC that we need to have discussion about issues with culture. How are we going to do so? The PC agreed to try to find a time in conference for the discussion.

MOTION: Len Malczynski moved and Krys Stave seconded a motion to adjourn. Motion passed.



Welcome to the Summer Policy Council Meeting

July 21, 2019





Call to Order/Introductions

President Martin Schaffernicht



Secretary's Report

J. Bradley Morrison

- Approve Spring Meeting Minutes



Welcome by the President

Martin Schaffernicht

President's Welcome



Main events and achievements of 2019

- Uncovered crucial challenges in membership, finances, journal and organizational culture
- Governance transition
- Identified focus areas (← BLISS)

Main aims for 2019

- Transition from Mark to new director
- Review and renew contract with CHMS
- Forward the SDR with new “Aims & Scope” & EE succession planning
- Revision of conference-related policies and processes
- New initiatives - Stewardship Committee; Global Learning Opportunities

Support, cooperation, resources needed & potential obstacles/issues.

- Transparency in reasoning and communication
- Discipline in keeping policy-making and decision-making apart



President's Report



The SDS from 2018 to 2020

The SDS has decided to engage into a transition which was expected to bring us from SUNY and the time-honed “Home Office” to a professional management organization and a new “headquarter”, including a new Executive Director who is “ours” and payed by the SDS but employed at the management organization.

The past

Transitions during 2018:

1. From SUNY to CHMS
2. From Roberta Spencer to Mark Nelson



2019

CHMS have supported us with their professional practices and infrastructure, including especially the work on accounting and financials and the conference work.

Mark Nelson's contributions as Executive Director (ED) have been manifold:

1. Reviewing and ordering accounting practices
2. Uncovering menacing financial trends
3. Uncovering low membership retention and making progress toward reducing the losses
4. Working towards more agile PC input to SD work (decisions) -> Executive Committee
5. Reviewing and renewing governance (compliance, re-incorporation, by-laws, new committees)
6. Focusing on BLISS, leading to
 - a. focus on opportunities for personal improvement (learning opportunities);
 - b. identification of groups with different needs inside the membership
 - c. identifying the need to improve coordination among SDS and CHMS in conference management

The SDS now needs to implement

1. The **conference** (management) improvements
2. The **SDR** development into a financially viable journal;
3. Develop new services valuable for its **members** and implement the membership retention plan
4. A more efficient **dues structure**
5. Given its financial resources, it must **focus on these core topics** and **adjust its operational infrastructure and expenses**
6. Make the **roles** of the Director and the PC officers and members clearer such as to facilitate efficient and agile operational work
7. **Increase inclusive communication** in the leadership when there are concerns or possible problems in the opinion of PC members (keep the president in the loop).

In the context of the current situation and the cultural theories-in-use in the SDS, Mark has taken the decision to resign, and we will transition to a new director in the remainder of this year.

We are grateful to Mark Nelson for unearthing many of the crucial challenges the SDS is now facing and for having greatly helped us focalize our efforts and resources.

The immediate future

Director succession: we will search a professional with a strong **implementation** profile, rather than emphasizing change and innovation. Therefore, we start a search process with a committee which will

1. first define the professional profile and
2. then identify and select candidates.

Upon finding a new director, operations will transition from the current director to the new one later in 2019. The Executive Committee will back up the new administrator and provide support on behalf of the SDS leadership.

Society management: We will review our contract with CHMS in order to **emphasize key areas and reduce costs**. Therefore, we create a committee to assess the current contract and re-negotiate with CHMS between August and October.

The immediate future

Member engagement and retention: we recognize that there are advanced *research-focused modelers*, *learning-oriented members* and *general interest members*, that the advanced members are a strategic resource to develop all member groups and that we need to respond to their specific needs. We will take specifically the advanced modelers' needs into account in further developing the conference.

Conference:

1. Aims and scope of the conference,
2. reviewing policy & tools as well as
3. submission cycle,
4. site selection policy and
5. the design of roles and responsibilities
 - between the PC (for the SDS) and the program and organizing committees on one hand, and
 - between the SDS and CHMS need to be reviewed and (re)defined in a way that assures strategic direction and efficiency.

The immediate future

The Journal: we need substantially **more** high quality and relevant published **articles**.

The “mains & scope” have been revised such as to include a wider variety of submissions, provided they follow the endogenous approach. We should endorse and back this strategic orientation.

We will engage in succession planning for the Executive Editor (because the current EE’s period in office is coming to its end at the end of this year).

The immediate future

New initiatives and programs: we are working towards the Stewardship Committee, which will help the SDS by identifying the most relevant new initiatives for fulfilling the Society's purposes and by finding revenue sources to fund these initiatives.

There is a need for learning opportunities in many parts of the planet, and the SDS will engage in providing some global learning opportunities. Therefore, a budget line will be created to make the funds from the Legacy Fund accessible, and a call for proposals will be launched. The details still need to be defined (the "terms" and who will assess proposals in the interim time needed to fully constitute the Stewardship Committee).

Effectively implementing one initiative ("summer-school-in-a-box", "Inside impactful models" or "Body of Knowledge") will be a proof of concept that the SDS can actually *do* new things, and it is also needed to access new revenue channels.



Executive Director's Report

Mark Nelson

Martin Recap

- 2018-2019 was one of discovery and self-assessment for the Society
 - We implemented multiple organizational changes and improved or modernized our legal compliance in several areas.
 - We conducted several in-depth reviews of data and gathered new data to diagnose our current position.
 - We are in the process of implementing new governance models that set up different leadership practices going forward.
- As a result, the Society leadership is better prepared to govern
 - Transparency and adaptability are both enhanced.
 - The Society does not need the same type of Executive Director.

Updates

- The documents included with the PC packet provide most updates:
 - ED Annual Report
Provides a summary of the Society's progress, with emphasis on governance and membership
 - By the Numbers Report
Provides an expanded view of Society numbers with additional data analysis not included in prior years.

The Next Six Months

- We will focus on the passing of the bylaws and re-incorporation
 - We will refine the accompanying policy frameworks
 - We will get the Stewardship Committee in place
- We will remain focused on **BLISS**:
 - Broaden Educational Offerings (e.g., Summer School in a Box, Applications)
 - Leverage Program Opportunities (e.g., SDR, Summer School, Conference)
 - Improve New Member Retention (e.g., Member Retention Program and Dues Model Evaluation)
 - Stabilize Operations (e.g., Prepare for New ED, Refine conference practices)
 - Strengthen Governance (e.g., bylaws changes and reincorporation, clarify roles)
- We will find a new Executive Director
 - Define needs and search
 - Prepare for a successful onboarding

The Next Six Days

- We will have a GREAT and POSITIVE conference here in Albuquerque.
- We set the tone. Smile. Be pleasant. Greet newcomers.
- We have some special guests –
 - Bradford Casey from the Michael J. Fox Foundation, Isaac Okada from Fujitsu, Sue McAvoy from QU, and Travis Franck from Climate Interactive.
 - These represent some additional opportunities for the Society.
- Wednesday Plenaries and Roundtable are funded by a generous gift given in the name of the Legacy Fund
- The Wednesday Plenaries and the General Business Meeting will be livestreamed to members as a member-benefit.



BREAK

10 Minutes



Vice President Finance Report

- a. Auditors Report
- b. 2020 Business As Usual (BAU) Budget

Eliot Rich

2019 VP Finance Update, Eliot Rich



2018 Performance (Actuals)

- SDS spent **-\$496,791** of reserves in 2018. Net ordinary income (Operating) losses of **-\$416,111** were coupled with required asset revaluations of **-\$80,680**.
- Unrestricted Net Assets fell to **\$757,083**

2019 Performance (Budgeted)

- SDS budgeted for net ordinary income of **-\$330,174** in 2019
- Final conference net income will likely be lower than planned

Prospective 2020 Budget

- 2020 BAU budget projects **-\$235,275** operating loss. This will drain our unrestricted reserves to less than one year's subsequent operation



2019 VP Finance Report, Eliot Rich



Performance on aims for 2019

- × Support efforts to increase revenue through sponsorships, member retention, and building of endowment
- ✓ Improve transparency, compliance and consistency of budget and reporting
- ✓ Support and review conference budgeting process

Performance Aims for 2020

- Support efforts to increase revenue through sponsorships, member retention, and building of endowment
- Implement governance changes for fundraising
- Reduce operating costs



2019 VP Finance Report, Eliot Rich



2020: Support, cooperation, resources needed & potential obstacles/issues.

- 2020 BAU budget projects **-\$235,275** operating loss. This will drain our unrestricted reserves to less than one year's subsequent operation
- Rebuilding financial position means building trust in our ability to deliver value
 - Focus on core tasks: Conference, Journal, Product
 - Develop the value proposition for membership and endowment
 - Significant operating cost reduction
 - Restructuring dues





Executive Session (Policy Council Only)

All guests asked to leave room or exit GoToMeeting.

Meeting will resume for all at 1:30 p.m.
Virtual Participants should use same GoToMeeting link to reconnect.



LUNCH BREAK

60 Minutes



Strategic Discussion & Action Planning

a. SDR Aims & Scope

Krys Stave

SDR Revised Aims and Scope (Final Proposed)

Krys Stave

System Dynamics Review exists to communicate to a wide audience advances in the application and methods/tools of the system dynamics approach. In its broadest sense, the system dynamics approach encompasses model-based analysis of dynamic problems with a systems approach, focusing on endogenous, structural sources of the dynamics of interest. Depending on the characteristics of a given problem, different modeling tools, methods and software can be used with this endogenous dynamic perspective. Applications include social, technical, managerial, business, economic, health, biological, ecological and environmental problems, among others.

The publication goals of *Review* include but are not limited to: advances in modelling and simulation methods for dynamic feedback problems; advances in policy analysis methods based on feedback causality; modeling applications in diverse domains; generic structures (feedback structures that support widely applicable behavioural insights); system dynamics contributions to theory building in the social and natural sciences; contributions to the analysis, and applications of complex nonlinear dynamics; policy studies and debate emphasizing the role of feedback causality in dynamic problems of concern; developments in strategies for simulation-based consulting and implementation of model-based policy suggestions; advances in methods and applications of systems thinking relevant to dynamic feedback problems; contributions to system dynamics education and teaching.



SDR Revised Aims and Scope, Key points

- Communicate advances in application and methods/tools of SD approach
- model-based analysis of dynamic problems focusing on endogenous, structural sources of the dynamics of interest
- different modeling tools, methods and software used with endogenous dynamic perspective
- applications include social, technical, managerial, business, economic, health, biological, ecological and environmental problems, among others.



SDR Revised Aims and Scope

Publication goals include but are not limited to:

- advances in modelling and simulation methods for dynamic feedback problems;
- advances in policy analysis methods based on feedback causality;
- modeling applications in diverse domains;
- generic structures (feedback structures that support widely applicable behavioural insights);
- system dynamics contributions to theory building in the social and natural sciences;
- contributions to the analysis, and applications of complex nonlinear dynamics;
- policy studies and debate emphasizing the role of feedback causality in dynamic problems of concern;
- developments in strategies for simulation-based consulting and implementation of model-based policy suggestions;
- advances in methods and applications of systems thinking relevant to dynamic feedback problems;
- contributions to system dynamics education and teaching.





Strategic Discussion & Action Planning

b. Global Learning Opportunities

Martin Schaffernicht



Governance Changes & Preparation for General Business Meeting

J. Bradley Morrison



Governance Changes - Update

- We are incorporated in Massachusetts, although headquarters is in New York State. Plan is to re-incorporate in NY.
 - At the same time, we plan to adopt a new set of By-Laws:
 - Current by-laws exclude some elements required by NY
 - We see opportunities to improve the governance structure
 - **PROCESS:**
 - PC passed a motion to re-incorporate and adopt new bylaws.
 - Notice to members sent
- Still to do:
- Discussion of proposal at General Business Meeting in July
 - Ballot of entire membership within 8 weeks of the meeting
 - Requires 2/3 affirmative votes, minimum of 1/4 members voting



Governance Changes - Update

- **Certificate of Incorporation:** creates the organization in NY State
- **By-Laws:** define the governing rules of the organization
- What's new:
 - Three classes of committees
 - Executive Committee
 - Finance Committee
 - Audit Committee
 - Stewardship Committee
 - Language for compliance
 - Sections on Accounting, Insurance, Code of Conduct, and Conflict of Interest
- **Policies:** define how we operate
- Updated Policies will be adopted by the Policy Council thereafter



BREAK

10 Minutes



Conference Updates

2019 / 2020 / 2021 / 2022

2019 Conference: Key Things to Know/Speaking Points



Munaf Amir

2020 Conference

Birgit Kopainsky

Announcing the 38th International Conference of the
System Dynamics Society
July 19-23, 2020
BERGEN, NORWAY
**Hindsight in 2020: Learning from the
Past to Inspire the Future**



The image is a promotional banner for the 38th International Conference of the System Dynamics Society. The top section is a dark blue banner with white and yellow text. The text reads: "Announcing the 38th International Conference of the System Dynamics Society", "July 19-23, 2020", "BERGEN, NORWAY" (in large, bold, light blue letters), and "Hindsight in 2020: Learning from the Past to Inspire the Future" (with "Hindsight in 2020" in yellow). On the right side of the blue banner is the System Dynamics Society logo, which consists of a white oval with two black curved arrows forming a circle, and the text "System Dynamics Society" inside. Below the blue banner is a large photograph of Bergen, Norway, taken from an elevated position. The city is built on a hillside overlooking a fjord, with mountains in the background. The foreground shows green trees.

2021 Conference: Chicago



Ignacio Martinez-Moyano

2019 Summer Policy Council Meeting



2022 Conference Proposals: Frankfurt, Amsterdam & Brisbane

Len Malczynski & Donna Johnson



Committee & Vice President Reports



Ad Hoc Committees

a. New Revenue

Jack Homer



Ad Hoc Committees

b. Membership

Asmeret Naugle



System Dynamics Society: Membership Strategy

Understanding Society Members

- ***General interest members***

- Interested in systems thinking/system dynamics modeling in general
- Interested in system dynamics is applied to popular/useful/etc. topics

- ***Research-focused members***

- Trying to stay at the forefront of their fields
- Interested in new work/methods, integrating with other fields, etc.
- (Note that this is *not* an academic/application dichotomy!)

- These groups **need different things from the society**

Committee Report: Potential Actions to Increase Society Value for **Research-Focused** Members

- **New conference threads and training/tutorials on cross-field topics of interest** (systems engineering, agent-based modeling, complex systems, etc.)
 - Benefits: stimulate professionals from other disciplines to attend our conference, provide research-focused members a chance to grow in areas that might be stimulating and/or useful for their work.
- Create **collaboration opportunities at the conference** (for example, sessions to discuss collaboration ideas)
 - Benefits: create research opportunities, connect isolated professionals
- Create a mechanism to **share instructional materials** (for example, journal, repository, videos on topics to study?)
 - Benefits: improve system dynamics instruction
- Improve the **visibility of quality research at the ISDC**
 - Benefits: increase learning opportunities for research-focused members
- Coordinate efforts to increase system dynamics **work presented at non-ISDC venues**
 - Benefits: improve knowledge of system dynamics in outside communities; create publication opportunities
- Use the website to host a **list of journals that are receptive to system dynamics**
 - Benefits: enable more publishing on system dynamics work
- Share **funding opportunities**
 - Benefits: increase funding for system dynamics professionals, increase knowledge of system dynamics among potential customers

Committee Report: Potential Actions to Increase Society Value for **General Interest** Members

- **Online training** (for example, “Forrester Academy” similar to Khan Academy, inexpensive beginner course through SDS website, roadmap or resources for increasing skills, SDS-Wiki, short videos on interesting problems; include resources in different languages)
 - Benefits: help members become informed about proper implementation
- **Workshops/training on writing and publishing**
 - Benefits: enable more publishing on system dynamics work
- **Translate** beginning system dynamics **materials into different languages** (STFF may be able to help)
 - Benefits: reach a wider audience of potentially interested people
- Create **opportunities for new members to interact with experts** in the field
 - Benefits: encourage interaction and collaboration between the two communities
- Establish a “**Mentor Award**” for those system dynamics experts who work professionals new to system dynamics (outside of their work responsibilities)
 - Benefits: encourage mentorship, increase integration of new members

Potential Actions to Increase Society Value for Members in General

- Adjust the membership fee structure
 - Benefits: potential to increase membership among those on the high end of the sliding scale, potential to increase revenue
- High quality magazine-type publication for members
 - Benefits: facilitate communication about projects/topics of interest, publication outlet, create benefit of membership
- ISDC plenary talk videos available for streaming on the SDS website
 - Benefits: spread interest in system dynamics
- Improve transparency of the timing/process/responsible people for society decisions
 - Benefits: facilitate improvement of the society, improve members' impression of the policy council

Proposed Actions

- Adjust the membership fee structure
 - PLACEHOLDER
- Improve transparency of the timing/process/responsible people for society decisions
 - PLACEHOLDER
- Incorporate cross-field topics of interest into the conference call
- Host a conference event specifically aimed at facilitating interactions between experts and new members

Backup Slides

Motivations for Joining the Society

	General interest (GI) group	Research focused (RF) group
New members	<ul style="list-style-type: none">• Learn about SD• See how SD can be applied to applications of interest	<ul style="list-style-type: none">• Find out how SD can help with their research/other fields of interest• Network with other RF people, develop collaborations• Learn about new research (especially as relevant to other fields/applications)
Veteran members	<ul style="list-style-type: none">• See new ways SD has been applied to applications of interest• Spread general interest in SD• Interact with RF group• Interact with GI group	<ul style="list-style-type: none">• Present & publish SD research• Network with other RF people• Spread general interest in SD• Increase the amount and quality of high quality research in SD• Interact with other fields• Learn about new research

Potential Society Goals to Address *General Interest New Members' Needs*

- Online training
- Online videos on interesting SD problems/methods
- Opportunity to interact with experts
- Opportunities to interact with other GI people
- Videos of ISDC activities (eg: plenary talks)

	General interest (GI) group	Research focused (RF) group
New members	<ul style="list-style-type: none">• Learn about SD• See how SD can be applied to applications of interest	<ul style="list-style-type: none">• Find out how SD can help with their research/other fields of interest• Network with other RF people, develop collaborations• Learn about new research (especially as relevant to other fields/applications)
Veteran members	<ul style="list-style-type: none">• See new ways SD has been applied to applications of interest• Spread general interest in SD• Interact with RF group• Interact with GI group	<ul style="list-style-type: none">• Present & publish SD research• Network with other RF people• Spread general interest in SD• Increase the amount and quality of high quality research in SD• Interact with other fields• Learn about new research

Potential Society Goals to Address *General Interest Veteran Members'* Needs

- New conference threads on cross-field topics of interest
- Venues for sharing general-interest work
- Collaboration-enabling activities
- Opportunities to interact with experts
- Opportunities to interact with other GI people
- Platform for sharing instructional materials

	General interest (GI) group	Research focused (RF) group
New members	<ul style="list-style-type: none"> • Learn about SD • See how SD can be applied to applications of interest 	<ul style="list-style-type: none"> • Find out how SD can help with their research/other fields of interest • Network with other RF people, develop collaborations • Learn about new research (especially as relevant to other fields/applications)
Veteran members	<ul style="list-style-type: none"> • See new ways SD has been applied to applications of interest • Spread general interest in SD • Interact with RF group • Interact with GI group 	<ul style="list-style-type: none"> • Present & publish SD research • Network with other RF people • Spread general interest in SD • Increase the amount and quality of high quality research in SD • Interact with other fields • Learn about new research

Potential Society Goals to Address *Research Focused Members' Needs*

- Increase conference quality
- New conference threads on cross-field topics of interest
- Increase SD work presented at non-SDS venues
- Publication venues
- Publishing workshops/training
- Collaboration-enabling activities
- Opportunity to interact with SD experts
- Videos of ISDC activities (eg: plenary talks)
- Opportunities to interact with experts
- Job opportunities
- Funding opportunities
- Access to existing research (open access, bibliography, etc.)
- Mentoring

	General interest (GI) group	Research focused (RF) group
New members	<ul style="list-style-type: none"> • Learn about SD • See how SD can be applied to applications of interest 	<ul style="list-style-type: none"> • Find out how SD can help with their research/other fields of interest • Network with other RF people, develop collaborations • Learn about new research (especially as relevant to other fields/applications)
Veteran members	<ul style="list-style-type: none"> • See new ways SD has been applied to applications of interest • Spread general interest in SD • Interact with RF group • Interact with GI group 	<ul style="list-style-type: none"> • Present & publish SD research • Network with other RF people • Spread general interest in SD • Increase the amount and quality of high quality research in SD • Interact with other fields • Learn about new research

Other Membership Issues to Address

- Membership fee structure
 - Very high for top tier; most people declaring low tier
- Transparency of society decision-making processes
 - When to suggest new ideas? Who makes decisions? How to make changes?
- Diversity problems
 - Gender
 - Gender diversity reduction with increased age categories is concerning –can we track this over time (ie: attrition by gender)? How does this compare to related groups (simulation field, academic faculty, etc.)?
 - Age
- Member interaction dynamics & visibility of difficult relationships
- Calendar year membership model (disincentive to join after beginning of year)
- What is provided to members only versus general public?

Proposed Dues Model Change

Contents of this deck:

- Rationale for dues model change
- Goals of a New Dues Model Structure
- Current Model
 - Historical Data
 - 2018 Data
- Comparison Associations
- Two-Stage Process
 - Stage 1 Motions
 - Stage 2 Motions
 - Recap of Motions

Proposed Dues Model Change

Rationale

- Reasons for considering a change:
 - Last dues model change was in 2008 with an expected model lifespan of approximately 10 years.
 - Reasons for changing the original model had no documentable effect on targeted goals.
 - Current model is based on reported income.
 - Current model makes it difficult to accurately track retention.
 - Dues currently represent 12-13 percent of the Society's annual revenue, as compared to 30% for the typical professional society.

Proposed Dues Model Change

Goals of New Dues Model Structure

Our goal in revising the dues structure would be to:

- a. Preserve and perhaps marginally increase our revenue from dues sources
- b. Improve the efficiency of tasks related to dues management (i.e., reducing the costs of managing dues themselves)
- c. Address problems in the current structure (e.g., retention calculations)
- d. Simplify dues and ultimately link them to membership value

Proposed Dues Model Change

Current Model

TIER – Electronic Only	Dues Rate	% of Members	TIER – Print + Electronic	Dues Rate	% of Members
Income under \$8,000 (E - Tier 1)	\$15	20%	Income under \$8,000 (Tier 1)	\$30	4%
Income \$8,000 - \$20,000 (E - Tier 2)	\$35	9%	Income \$8,000 - \$20,000 (Tier 2)	\$45	4%
Income \$20,000 - \$40,000 (E - Tier 3)	\$50	10%	Income \$20,000 - \$40,000 (Tier 3)	\$60	6%
Income \$40,000 - \$70,000 (E - Tier 4)	\$85	8%	Income \$40,000 - \$70,000 (Tier 4)	\$95	7%
Income \$70,000 - \$100,000 (E - Tier 5)	\$110	5%	Income \$70,000 - \$100,000 (Tier 5)	\$120	6%
Income over \$100,000 (E - Tier 6)	\$140	2%	Income over \$100,000 (Tier 6)	\$150	5%
Income not specified (E - Tier NS)	\$140	7%	Income not specified (Tier NS)	\$150	7%

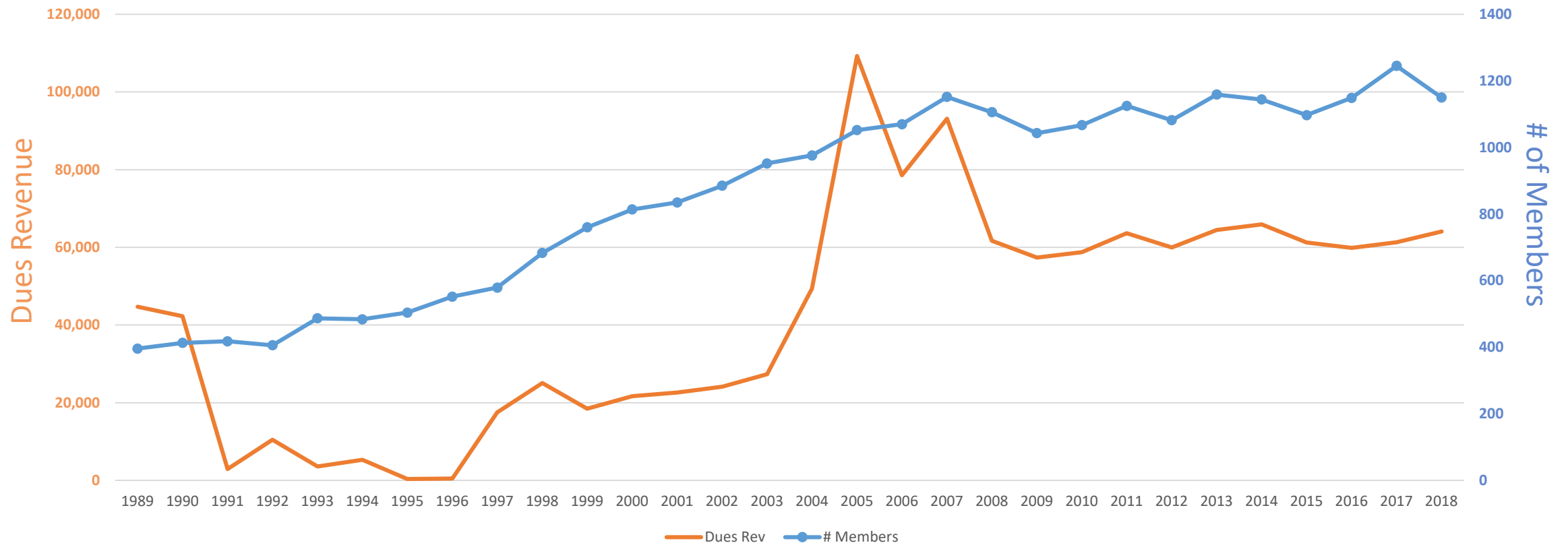
Based on membership tier selected:

24% of our members currently report less than \$8,000 in income, and 53% report less than \$40,000.

Proposed Dues Model Change

Historical Dues Performance

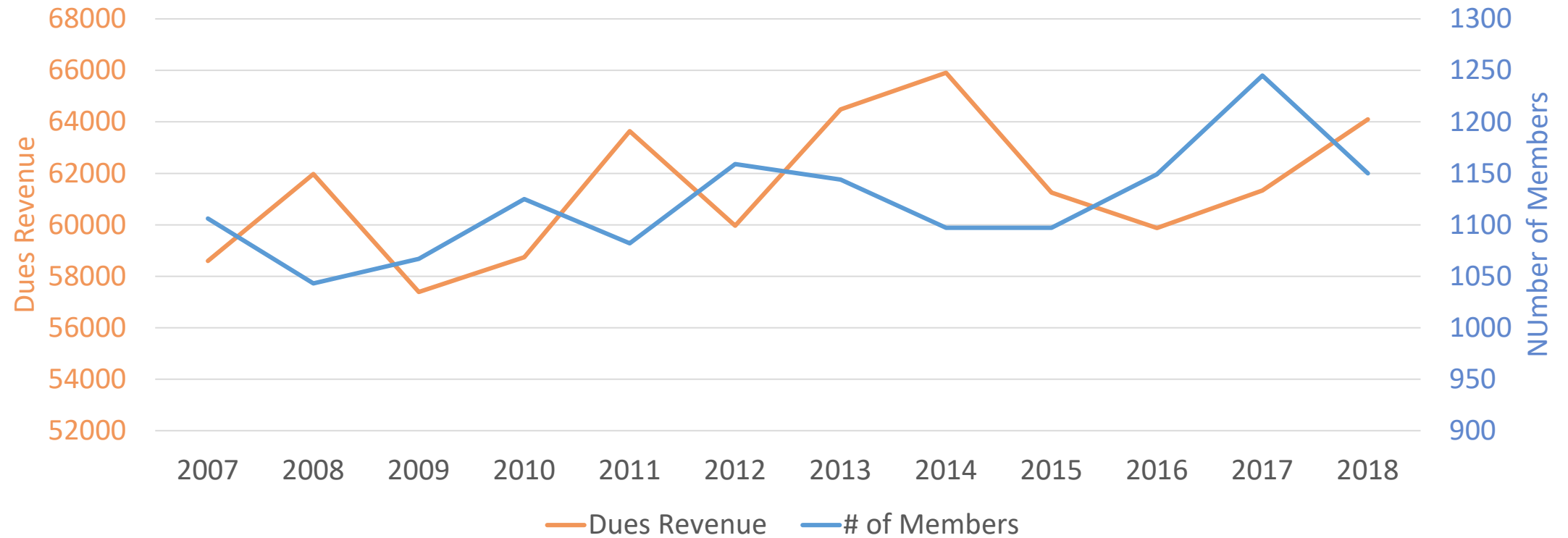
Dues Revenue versus Number of Members 1989-2018



Proposed Dues Model Change

Historical Dues Performance

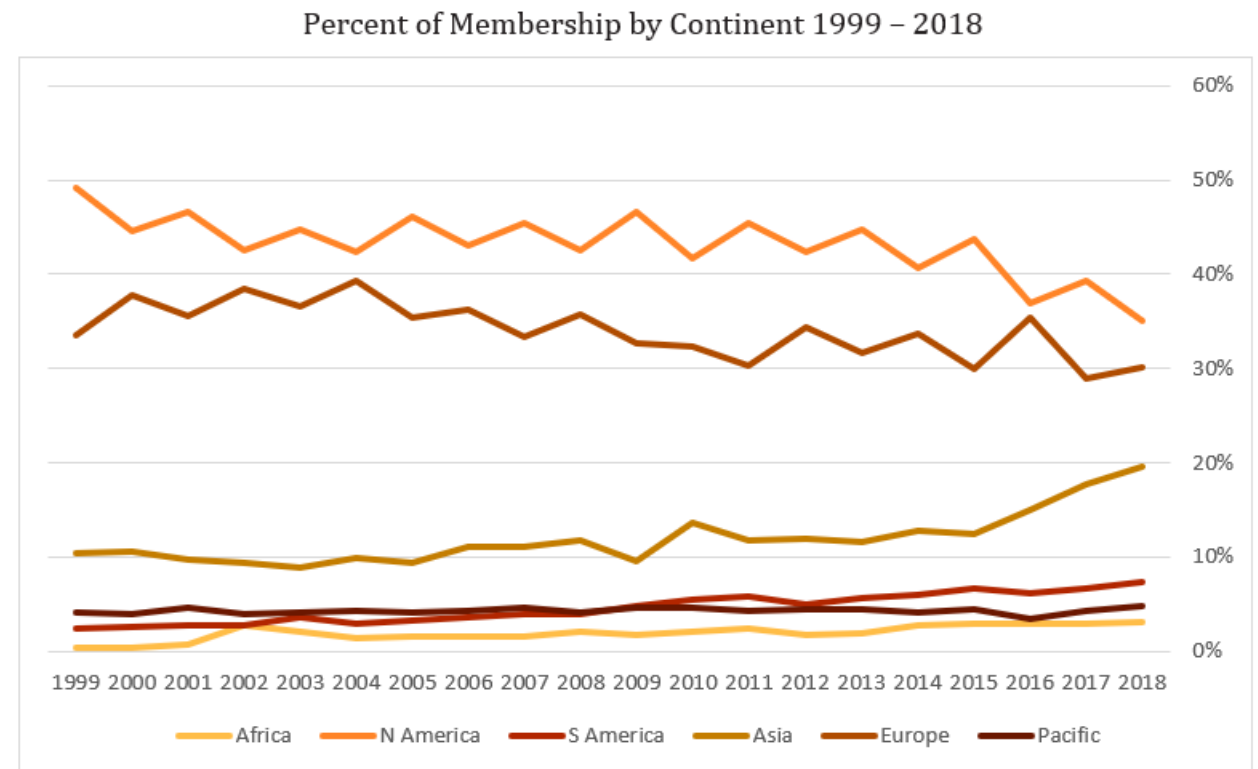
Membership Dues Performance, 2007-2018



Proposed Dues Model Change

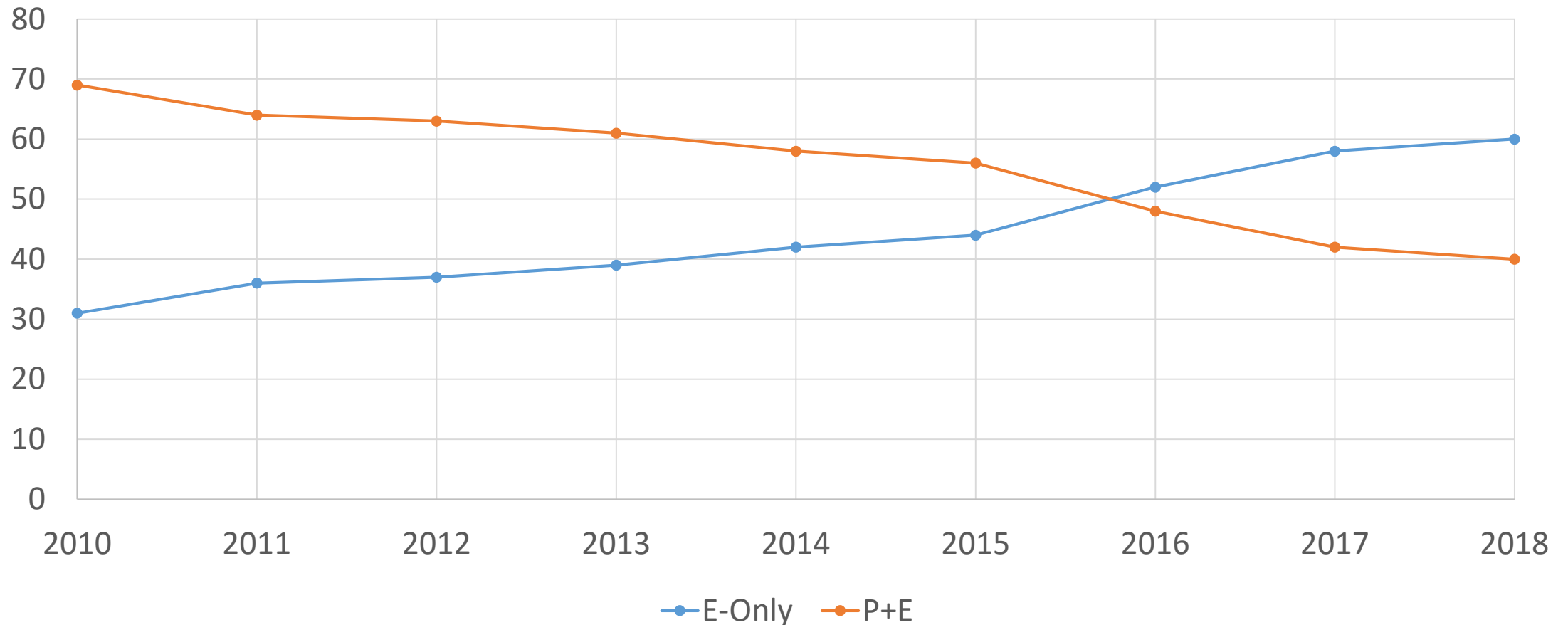
Historical Data: Geography of Membership

- 2008 change was to make the Society “more inclusive and affordable to potential members around the globe.”
- The membership and demographic data do not provide definitive support that this change was successful.
 - Minimal increase in the percent of members coming from Africa, South America, or the Pacific (Oceania region).
 - North American members represent 10% less of the membership than they did a decade ago, and Europe is 3% lower.
 - The key area of member growth is coming primarily from Asia, which absorbed the numbers lost in North America.



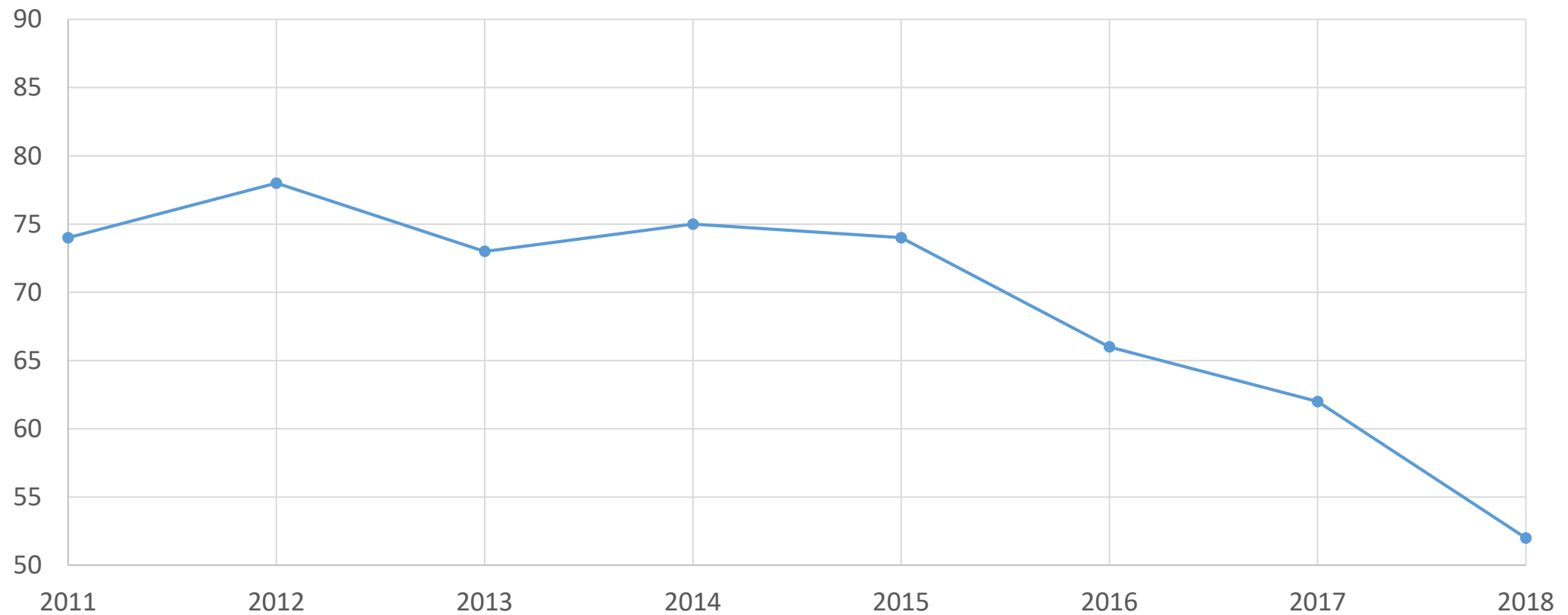
Proposed Dues Model Change

Historical Data: Shift in Journal Format Preference

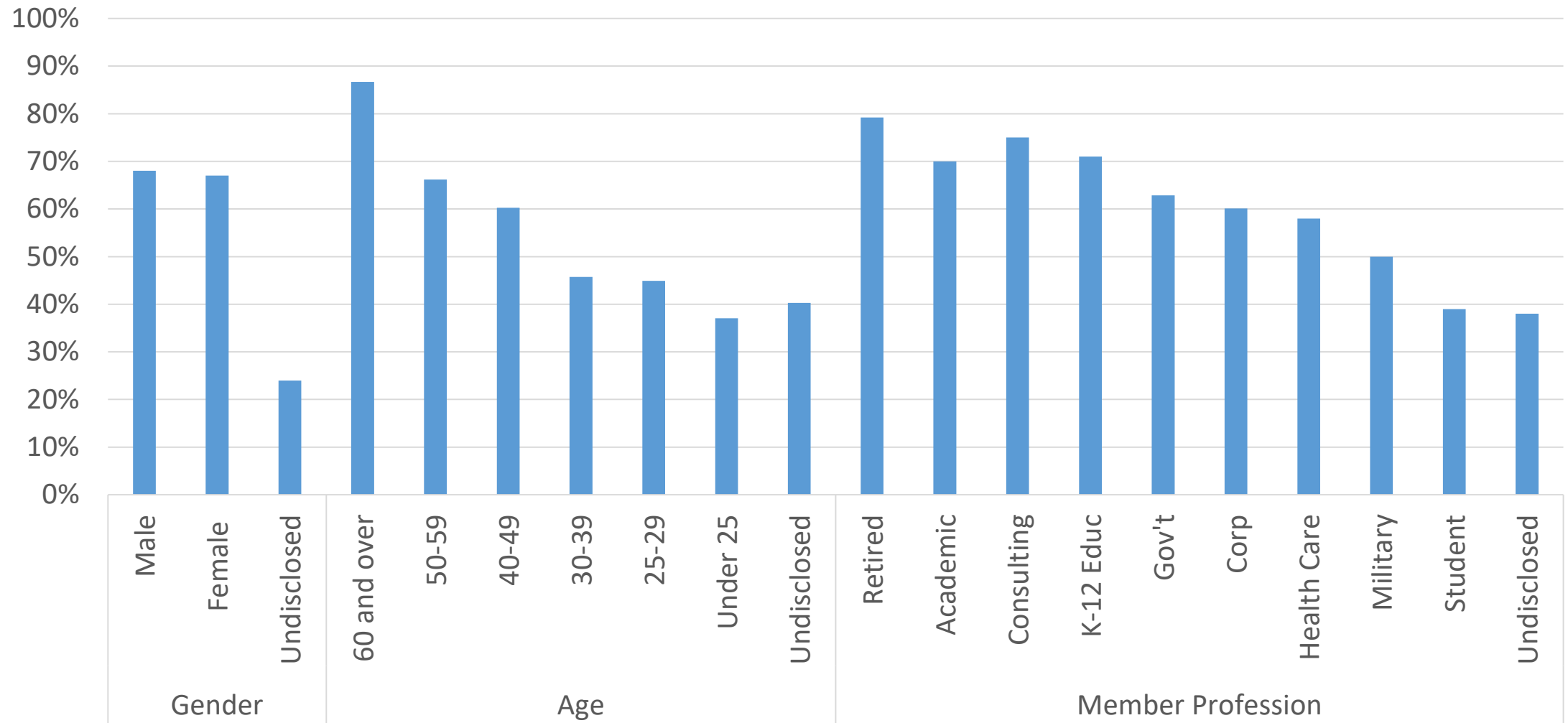


Proposed Dues Model Change

Historical Data: Member Retention Rate (Overall)



Proposed Dues Model Change 2018: Member Retention Rate (Demographic)



Proposed Dues Model Change

2018: Member Retention Rate (Conference Attendance)

		Attended ISDC 2017	Renewed in 2018	Renewal Rate for 2018
All 2017 Members	Yes	423	220	52%
	No	821	432	53%
		1244	652	52%
New 2017 Members	Yes	205	62	30%
	No	265	74	28%
		470	136	29%
Continuing 2017 Members	Yes	218	158	72%
	No	556	358	64%
		774	516	67%

Proposed Dues Model Change

Comparison Associations

Association	Membership Size	Revenue in Millions (US\$)
SDS	1,100+	0.5
ORS	2,900+	1.1
ASPA	7,000+	1.5
APPAM	2,500+	1.7
AAA	10,000+	10.0
MLA	25,000+	15.6
Informs	12,500+	21.6
AEA	20,000+	29.7
AMA	28,000+	77.7
ALA	51,000+	86.3
IEEE	400,000+	736.7
AERA	25,000+	23.8
AIS	4,300+	2.6

- Two offered lifetime membership options for members over a set age threshold.
- One offered multi-year discounts.
- Four charged extra for print journals.*
- Five charged extra for SIG or Chapter membership
- Five had reduced rates for international members, and two based those on the United Nations Human Development Index or the World Bank GNI per capita Atlas method.
- Four offered a reduced rate for members in their first year, and one extended that discount to the second year.
- Three had a dues structure linked to income with two of those having a 3-tier structure and one having an 8-tier structure.*
- Four associations offered “hardship” or “low income” dues rates.
- Ten had lower dues rate or different structure for student members. *
- Seven had lower dues rates or different structure for retired members.
- Five set different rates for international members (versus members located within the U.S.).
- Four charged different rates for “professional” versus “academic” members.

Proposed Dues Model Change

Comparison Associations

- The average dues rate for a full-paying member across the 12 associations is approximately \$158 per person per year and ranged from \$42 to \$300.
- For the Society, the average dues rate varies based on the number of individuals self-reporting their income at each level, but roughly equates to \$95/120 for print subscribers and \$50/85 for electronic only subscribers.
- Our electronic subscribers typically report lower income tiers and are typically younger members, placing more of that population on a lower average dues model.

Proposed Dues Model Change

A Two-Stage Process

- Stage 1: For 2020 Membership Cycle (starts Oct 1, 2019)
 - Simple changes to streamline dues administration, improve data accuracy.
 - Test some simple promotions.
- Stage 2: For 2021 Membership Cycle (starts Oct 1, 2020)
 - Greater changes to structure
 - Clarification of benefits for member tiers
 - More communication to members

Proposed Dues Model Change

Stage 1 Motions:

Motion: Proposed that we make print subscriptions an optional additional fee of \$15, and then consolidate Electronic Only (E Only) and Print + Electronic (P+E) membership tier structures into one tier structure.

This would create a \$5 increase for most members who subscribe to the print edition, and better reflects the cost of that subscription to the Society. The lowest income tier already pays \$15 for print, all other tiers currently pay \$10. This change allows us to track retention and member movement from P+E to E Only with greater accuracy and less effort. Upon renewal or joining, members will first select their member tier, and then select whether they would like the optional print subscription.

Proposed Dues Model Change

Stage 1 Motions:

- **Motion: Proposed that we allow optional contributions to an Annual Fund to support Society Operations during the membership sign-up and renewal process.**
 - This would allow for an optional donation in any amount which would go toward supporting Society operations. This begins to build a culture of giving toward the Society as a philanthropic cause. We would likely include a note on the membership form indicating that individuals interested in providing larger contributions are encouraged to reach out to the Society ED or Stewardship Committee to discuss. We could include a check-box to see if they would like more information or for someone to follow-up with them on this option.
- **Motion: Proposed that we allow optional contributions to an Innovation and Growth Fund to support the development of new programs and initiatives to benefit the membership or the field.**
 - This would allow for an optional donation in any amount which would go to support the development of new programs to meet member needs. All other characteristics would be similar to the Annual Fund.

Proposed Dues Model Change

Stage 1 Motions:

Motion: Proposed that we create an optional lifetime membership option open to members aged 65 and up for \$4,500. This will cover dues for life, entitle the member to a 50% discount on conference registration (non-transferrable) for life, and all other membership benefits in the E-Only tier.

This model has several benefits. One, we have had inquiries about lifetime memberships. It enables us to create some stabilization among our dues revenue where most existing members in the higher paying tiers are over age 60. It creates some incentive for them to continue to engage in the annual conference, which is attractive to our younger members. It provides a short-term cash flow boost for the Society, which would be beneficial and simplifies the dues renewal process for some of our most loyal and longest-standing members.

A consideration here – If they would like to receive the print version of the journal (this is the largest P+E segment of our membership), should that be an additional amount to cover the cost? Something like \$190 or \$240 would cover the additional print subscription costs for an estimated 10-15 years. Or, should we bundle the print version in to the lifetime fee at no extra cost since the print version may go away at some point in the future? (Currently, only 40% of members get the print version, with the majority of those being members over age 60).

Proposed Dues Model Change

Stage 1 Motions:

Motion: Proposed that we create an “Emeritus Member” Dues Rate for members who have retired from academia and professional practice. The dues rate would initially be set at \$45 and include the E-only journal subscription. Emeritus Members would also receive a non-transferrable discount on conference attendance (25%).

This would be an alternative for senior members who do not select the Lifetime Membership option, with some related benefits.

Proposed Dues Model Change

Stage 1 Motions:

Motion: Proposed that the Society office staff, in consultation with the VP Membership and VP Finance, be allowed to experiment with some different promotional discounts to grow membership and membership retention.

The full-shift proposal would likely not be able to go into effect for the 2020 calendar year. We would benefit, however, from being able to experiment with different models to boost retention or grow members via campaigns each year, or to improve cash flow during our lower income months. For example, having an early renewal and conference registration incentive or an auto-renew option would help the Society with cash flow as currently our first couple months of the year are very lean and the period where we are most likely to pull from reserves to cover expenses. The auto-renew option was recommended by a member, and would reduce our costs as well.

Some of the promotional rates that have been discussed or which are commonly used within associations include things like:

Sample Possible Special (Promotional) Discounted Rates:

New Member (non-student) (Year 1)	10% discount
New Member Referral Discount	\$5 credit toward next membership renewal or conference registration fee (up to a maximum amount) for each new member referred that joins the Society
Pre-paid Multi-Year Membership	10% discount on total
Auto-renew membership	5% discount annually
Package membership (A)	Pay Dues and Conference Registration together and receive \$50 off of membership.
Package membership (B)*	Pay Dues and Conference Registration before date X (e.g., February 1) and receive a special “Early-early bird discount” – maybe normal Early Bird discount rate + free membership.

Proposed Dues Model Change

Stage 2 Motions:

Motion: Proposed that we allow members to sign up for multi-year memberships at a 5% discount.

We have had some inquiries/requests for multi-year memberships. This one might be better to postpone until 2021 dues cycle.

Motion: Proposed that we allow members to sign up for an “auto-renew” approach to membership renewal.

This is an increasingly standard approach to subscriptions and memberships. Members can “auto-renew.” They would receive communications as the renewal date approaches, and then their payment method on file would be charged at the appropriate time with no further action required on the part of the member. This would likely help us with both retention and cash flow. Also better to implement this one for the 2021 dues cycle.

Proposed Dues Model Change

Stage 2 Motions:

Motion: Proposed that the Society begin to move toward establishing a new dues model structure for the fiscal year beginning 2021. The starting point for designing the new structure would include the following elements (rates are for example):

Standard Membership Rates:

- **Basic Member Category (\$50)**
[Target toward “general interest/novice” member]
- **Premier Member Category (\$125)**
[Target toward “advanced/expert research/practitioner” member]

Discounted Standard Membership Rates:

- **Student Rate (\$20)**
- **Emeritus (Retired) Member Rate (\$45)**
- **Lifetime Membership (\$4,500)**

Income Adjusted Rates:

- **Hardship/Low Income Rate (\$20)**
[Income less than \$25,000 per year]
- **International Adjusted Rate (\$20)***

* For members living in a low income tier country within the World Bank GNI per capita, atlas method listing. Currently, this would apply to only one of our members. If we expanded the rating to individuals in low income *and* lower middle income tiers, this rate would apply to 78 (7%) of our current members.

Optional Additional Elements:

- **Print edition of the System Dynamics Review (\$15)**
- **Annual Fund Contribution** [Optional: \$ -- Member determined]
- **Innovation Fund Contribution** [Optional: \$ -- Member determined]

Proposed Dues Model Change

Stage 2 Motions:

Motion: Proposed: That the Society further evaluate the adoption of an annual adjustment to the dues rate for standard membership classes based upon inflation or comparable benchmark.

There also has not been a dues change in more than a decade. Research among associations suggests that it is more difficult to have periodic larger changes of dues than to have small adjustments annually. Under this revised model, it is recommended that the Society adopt a model for adjusting the annual dues rate. This would recognize changing costs in operations with inflation and time. It is further recommended that this occur in conjunction with a simplification of full dues model and not be applied to print subscriptions.

Rate change could be capped (e.g., 1-3% per year, or \$1-\$5 per year). Recommended for this to begin in 2021 and be communicated to members. It could be an every-other year adjustment. What you are looking for is a regular and predictable adjustment over time, but have to weigh that against keeping dues affordable and aligned with the value delivered.

Full Set of Stage 1 Motions

- Motion: Proposed that we make print subscriptions an optional additional fee of \$15, and then consolidate Electronic Only (E Only) and Print + Electronic (P+E) membership tier structures into one tier structure.
- Motion: Proposed that we allow optional contributions to an Annual Fund to support Society Operations during the membership sign-up and renewal process.
- Motion: Proposed that we allow optional contributions to an Innovation and Growth Fund to support the development of new programs and initiatives to benefit the membership or the field.
- Motion: Proposed that we create an optional lifetime membership option open to members aged 65 and up for \$4,500. This will cover dues for life, entitle the member to a 50% discount on conference registration (non-transferrable) for life, and all other membership benefits in the E-Only tier.
- Motion: Proposed that we create an “Emeritus Member” Dues Rate for members who have retired from academia and professional practice. The dues rate would initially be set at \$45 and include the E-only journal subscription. Emeritus Members would also receive a non-transferrable discount on conference attendance (25%).
- Motion: Proposed that the Society office staff, in consultation with the VP Membership and VP Finance, be allowed to experiment with some different promotional discounts to grow membership and membership retention.



Others Who Have Something to Report

Report, VP Professional Practice, Jack Homer



What I've done this year so far

- Wrote up my priorities as VPPP (January; in consultation with Mark, Martin, and others)
- Made changes to ISDC Contribution Requirements wording (January)
- Proposed revamp of ISDC paper review form to make it more focused on scientific presentation (February – submitted to SPOC)
- Wrote “Best Practices in SD” article for SDR (in issue 35:2, April)
- Chaired “New Revenue” ad-hoc committee and submitted report (May)
- Wrote 6 posts for SDS “Wisdom” blog (March to July; topics: *writing an ISDC paper, mentoring, using data, policy feasibility, endogenous perspective, GMB*)

Ideas and support needed going forward

- Work with ISDC 2020 program chairs on implementing paper review form revamp.
- See if we can organize a remote mentoring program, esp. utilizing retired/semi-retired members. (Work with George & David on this?)
- Help SDR Exec Editor think about new paper categories and evaluation criteria, esp. to make SDR more open to real-world applications and project descriptions.



Report, VP Publications

Krys Stave

Main events and achievements of 2019

- Significant improvements in SDR production (Yaman, EE)
 - SDR now on schedule
 - Submission rate improved
 - 2018 Impact factor: 1.448
- Changes in publication model industry-wide → more pressure to increase SDR articles
- Submission rate NOT WHERE IT NEEDS TO BE

Main aims for 2019-2020

- Increase SDR submissions
- Examine other potential publication needs and types based on 2016 Publications Strategy and current needs assessment
- EE Search (Yaman's current term ends 2019, has agreed to stay on for up to 1 year more for transition)

Support, cooperation, resources needed & potential obstacles/issues.

- All hands to submit more to articles themselves and communicate broader aims and scope to other potential authors



2019 StFF Update, VP Finance, Eliot Rich



Awards in 2019 (to date)

- SYDIC – \$4,500 for Italian translation and publication of “Thinking in Systems”
- BioMed Sig – \$2,600 support of external participants for plenary sessions
- Transportation Sig – \$ 459.15 for support of SIG meeting

Awards under review

- Oceania Chapter – 2020 Conference Support -- \$10,000, some refundable

Main aims for ~~2019~~2020

- ✓ Complete revisions to guidelines that reflect governance concerns
- Complete revisions to guidelines that reflect risk concerns
- Improve transparency and results reporting

Support, cooperation, resources needed & potential obstacles/issues.

- Consider folding function of Stff/FDF into proposed Stewardship committee
- Insufficient 2020 reserves to continue StFF independent funding





Old Business

a. Memorandum of Understanding with CLE

Mark Nelson



Old Business
b. Announcement of
Slate of Candidates
(Ratification due to no objection)

J. Bradley Morris



The Slate of Candidates for 2020

President Elect: Paulo Goncalves (2020), President (2021), Past President (2022)

VP Chapter Activities: Stefano Armenia (2020-2022)

VP Pre-College Education: Diana Fisher (2020-2022)

Members At Large

Munaf Aamir (2020-2022)

Carl Smith (2020-2022)

Thomas Fiddaman (2020-2022)

Will Glass-Hussein (2020-2022)



New Business

- a. Adopt Privacy Policy
- b. Approve Norwegian Chapter Formation
- c. Any Other New Business



Closing & Adjournment



Announcements

Please go to:

- Newcomer Orientation on Sunday from 6:00-6:30 at the Albuquerque Museum.
- Conference Welcome Reception on Sunday from 5:00-7:00 p.m. at the Albuquerque Museum.
- Business Meeting on Wednesday from 10:30-11:20 a.m. in Alvarado DE.
- Conference Debriefing on Thursday from 12:30-1:30 p.m. in Fireplace Room.