



**Executive Director's Report on  
Home Office Operations of  
The System Dynamics Society  
Summer Policy Council Meeting: July 2003**

**Boston**

By Roberta L. Spencer

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**Annual Report.** I hope that you find the information contained in the report to be useful reference source for understanding how our home office operates. The annual report has become quite long, with dense statistical summaries of Society operations. The full annual report is produced only once per year and is distributed at the annual research conference. I would appreciate any comments that you may have on change in format, other information to include, or improvements. The pages below provide some highlights for the past year.

Overall, the Society is growing and is in good health.

**New Initiatives.** Each year we focus on several areas for development. Highlights of these new initiatives are:

- **Web-Based Conference Management.** The conference web-based submission and review system is expanding and is more automated. Conference registrations and requests for scholarships can now be made on line. The system appears to be successful with both reviewers and authors.
- **Owning Our Membership.** This initiative includes all renewal, billing and invoicing processes and was initiated in the fall of 2004 for 2005 renewals. The home office has seen an increase in labor associated with this activity; and we are pleased that the process is moving ahead smoothly.
- **New Product Development.** We continue to rely on product sales to subsidize routine operations. We are still working toward offering the Fireside Chat featuring Jay Forrester and George Richardson, and a reprinting of *The Electronic Oracle* by Dana Meadows. We are always looking for new products ideas. Please see me if you have any.

(over)

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- **Investment Policies.** This year the home office, working with the Administrative Committee, updated and revised policies used to guide investment of Society assets.
- **Dana Meadows Student Prize.** We have worked this year to create an endowment that will create a sustainable future for the Dana Meadows student prize.

**Routine Operations.** The Home Office continues to think of operations around the categories of membership, sales, society sponsorship, conference management, web presence, and financial management. We explicitly allocate and track our time to measure our effort in these various areas. Highlights of our operations as presented in the annual report are:

- **Membership.** Annual membership for 2004 reached an all-time high of 976. Mid-year reports for 2005 indicate that membership currently exceeds 1000. We routinely track membership statistics by occupation and geography.
- **Sponsorship.** Sponsors of the Society and its annual conference provide critical financial support to our operations. We receive sponsorship support in a number of helpful ways from a wide spectrum of people and organizations. We count 38 Society and 24 conference sponsors thus far for 2005 providing \$71,000 in direct donations. What does not appear in this number is the value of all the sponsorship in-kind. We work extremely hard to keep our current sponsors and recruit new sponsors.
- **Conferences.** Conferences have now become the largest area of effort by home office staff and we must continue in the future to look to our conferences to be profitable and provide support for other areas of membership services.

**Challenges and Issues.** Progress on so many fronts inevitably presents issues and challenges that need continuing attention and effort.

- **Core Operations Still Not Self-Sustaining.** Sales continue to cross-subsidize other areas of operations. Income from membership and other stable recurring income sources do not fully cover our core operations. How to keep our net profit centers in good shape is an ongoing concern.
- **Professional Staff May Depress Volunteer Efforts.** In all areas, Society operations are becoming more and more professionalized. Conference duties in particular have increased and tasks formerly performed on a voluntary basis are now done by paid staff at the home office. Providing more services also creates new tasks for the home office. While this trend creates an opportunity to learn and perform better over time, it also drives up the cost for Society home operations.
- **Conference Planning.** Efforts to standardize routine aspects of the conference, realistic budgeting, and careful site selection are important items for future conference planning.
- **The Wiley Partnership.** Wiley continues to be a strong core partner publishing the *System Dynamics Review*. Our new relationship with Wiley removes a number of past working complications.