AGENDA
2012-2013 BOARD OF GOVERNORS
June 6, 2012

Day & Time: Wednesday, June 6 11:30 AM – 4:00 PM*

Location: Hilton Montreal Bonaventure
Mont Royal, Hampstead and Cote St. Luc Rooms located within the Montreal Ballroom
Montreal, Quebec, Canada

1. Opening of the Meeting
11:30 AM – 11:35 AM

1.1. Call to Order. Mark Goldsmith

1.2. Adoption of the Agenda. Mark Goldsmith ACTION
A motion should be made to accept the Agenda as circulated on May 18, 2012.

1.3. Announcements. Mark Goldsmith

2. Discussion Items
11:35 AM – 3:25 PM

2.1. Committee of the Whole. Mark Goldsmith ACTION
A motion should be made to approve going “as if in Committee of the Whole,” where open discussion is permitted and only a memo of issues discussed by topic is maintained by the Secretary.

2.2. Report on Executive Session. (5 minutes) Mark Goldsmith INFORMATION

2.3. Welcome President Nominee (5 minutes)

2.4 Generative Discussion

2.4.1 BOG Retreat Preparation (45 minutes) INFORMATION
Mark Goldsmith, Jennifer Jarratt, John Mahaffie and Philip Hamilton
(Agenda Appendix 2.4.1)

2.4.2 BOG FY13 Planning Session (1 hour 15 minutes) INFORMATION
Discussion leading to Board work plan for FY13 – Identify, Discuss, and Prioritize the top issues to be addressed by the Board in 2012/2013
Mark Goldsmith
(Agenda Appendix 2.4.2)

*Wednesday Executive Session planned for 10:00 AM – 11:05 AM. Separate Agenda will be sent to those invited to attend.
2.5 Strategic Discussion

2.5.1 HQ Task Force Update (5 minutes)
Thomas Pestorius
(Agenda Appendix 2.5.1)

2.5.2 Strategic Priorities Update (30 minutes)
SET Leaders
(Agenda Appendix 2.5.2)

2.5.3 K&C Update (25 minutes)
Thomas Libertiny
(Agenda Appendix 2.5.3)

2.5.4 Update on Engagement Models (30 minutes)
Thomas Pestorius and Roy Arbeit
(Agenda Appendix 2.5.4)

3. Consent Calendar
3:25 PM – 3:30 PM

The Consent Calendar is limited to items of a routine or non-controversial nature, grouped together to save Board time. Consent Items for Receipt are report items for information, followed by Consent Items for Action that the Board is asked to take action on as a group.

Governors are encouraged to contact ASME Headquarters with their questions prior to the meeting as it is not expected that Consent Receipt or Action items are to be removed from the Agenda. Reports, whether for information or action, are to be in writing and part of the Consent Calendar, unless otherwise approved by the President.

3.1 Consent Items for Receipt

3.1.1 EDESC Roster
Marc Goldsmith
(Agenda Appendix 3.1.1)

3.1.2 Presidential Appointments FY13
Marc Goldsmith
(Agenda Appendix 3.1.2)

3.1.3 Motion for Receipt

3.2 Consent Items for Action

3.2.1 Identification of Items to be removed from Consent Calendar.
Any action item(s) may be removed from the consent calendar by request from any member of the Board of Governors.
3.2.2 Proposed Student and Early Career Unit By-Laws  
Second Reading.  
(Agenda Appendix 3.2.2)

3.2.3 Initiative Fund for New Engagement Model Market Test  
Reginald Vachon  
(Agenda Appendix 3.2.3)

3.2.4 Dates of Future Meetings.

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
</tr>
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<tbody>
<tr>
<td>July 18-20, 2012(a)</td>
<td>Wednesday to Friday</td>
<td>6:00 PM July 18 to 9:30 PM July 20</td>
<td>Cambridge, MA</td>
</tr>
<tr>
<td>September 13, 2012(a)</td>
<td>Thursday</td>
<td>12:00 PM – 1:30 PM Executive Session 1:30 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>September 14, 2012 (a)</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM Executive Session 10:30 AM – 4:30 PM</td>
<td>New York, NY</td>
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<tr>
<td>November 10, 2012 (a)</td>
<td>Saturday</td>
<td>8:30 AM – 10:00 AM Executive Session 10:30 AM – 4:30 PM</td>
<td>Houston, TX</td>
</tr>
<tr>
<td>February 14, 2013 (a)</td>
<td>Thursday</td>
<td>12:00 PM – 2:00 PM Web Conference</td>
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<tr>
<td>April 18, 2013 (a)</td>
<td>Thursday</td>
<td>12:00 PM – 1:30 PM Executive Session 1:30 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>April 19, 2013 (a)</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM Executive Session 1:30 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>June 23, 2013 (a)</td>
<td>Sunday</td>
<td>10:00 AM – 11:30 AM Executive Session 12:00 PM – 4:00 PM</td>
<td>Indianapolis, IN</td>
</tr>
<tr>
<td>June 26, 2013 (b)</td>
<td>Wednesday</td>
<td>10:00 AM – 11:15 AM Executive Session 11:30 AM – 3:00 PM</td>
<td>Indianapolis, IN</td>
</tr>
</tbody>
</table>

(a) 2012-2013 Board of Governors  (b) 2013 – 2014 Board of Governors

3.3 Motion for Consent Action

4. Contingency Time for Discussion and Other Business

Subject to the President’s discretion, Contingency Time may be used for discussion of items pulled from the Consent Calendar and Other Business.

5. Adjournment

4:00 PM
List of Appendices

2.4.1 Board of Governors Retreat Preparation
2.4.2 Board Work Planning 2012 - 2013
2.5.1 Update HQ Taskforce
2.5.2 Update on Strategic Priorities
2.5.3 Update on K&C
2.5.4 Update on Engagement Models
3.1.1 EDESC Roster
3.1.2 FY 2013 Presidential Appointments
3.2.2 By-Laws Revision B5.7
3.2.3 Initiative Fund Proposal – Member Engagement Model
Date Submitted: April 18, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: (Sector/Unit/Task Force/Other) Marc Goldsmith
Presented by: Marc Goldsmith, Leading Futurists, LLC
Agenda Title: Board Retreat Preparation

Agenda Item Executive Summary: (Do not exceed the space provided)

This session will include:
- A review of the objectives and agenda for the Board’s July 18-20 retreat in Cambridge, MA.
- A presentation of a new environmental scan on “The Future Shaping Mechanical Engineering” by Leading Futurists, LLC. This scan was sponsored by the PAO Strategic Issues Committee.

Proposed motion for BOG Action: (if appropriate)
None

Attachments:
2: One deck on the retreat agenda, and one deck on the environmental scan
Preview
Board of Governors’ Retreat
“Integrating Strategy and Building a High Performance Team”
July 18-20, 2012
The Charles Hotel
Cambridge, Massachusetts

BOG Retreat Preview

Objectives

• Engage in strategic and generative discussions about ASME’s strategic priorities, with an emphasis on integrating the three strategic priorities with a vision for global growth.
• Gain knowledge about global trends and issues and how they may provide opportunities and threats for ASME.
BOG Retreat Preview

Objectives (cont.)

• Develop greater understanding of ASME’s growth opportunities and challenges and how they impact execution of the society’s strategic directions.

• Gain a deeper understanding of the value of an integrated strategy and the challenges, opportunities and implications for successful execution of the integrated strategy, e.g. the need for high performing teams.

• Facilitate Board and leadership team building and collaboration.

Pre-Retreat: May

• Conducted Myers-Briggs online survey

• Held webinar to discuss aggregated Myers-Briggs survey results on May 21
BOG Retreat Preview

Pre-Retreat: June BOG

• Briefing on new environmental scan on emerging trends and issues expected to impact engineering and/or ASME
  – Leading Futurists, LLC
• Review of final retreat agenda

BOG Retreat Preview

Pre-Retreat: late June –early July

• Conduct DISC online survey
• Hold webinar to discuss aggregated DISC survey results (July 9 at 11:00 Eastern time)
BOG Retreat Agenda

**Wednesday, July 18**

- Welcome reception and dinner at Charles Hotel

**Thursday, July 19 (Morning)**

- Group Culture Report and Discussion
  - Jess Dods
- Integrating ASME’s Strategic Priorities and Growth Objectives
  - Tom Loughlin: leveraging the mission/market mix
  - June Ling: standards, certification, accreditation & training
  - Roy Arbeit: member engagement and market intelligence
  - Mike Ireland: technical programs

**Thursday, July 19 (Afternoon)**

- Improving Strategy Integration and Execution:
  - Rob Peterson, Senior Vice President & Chief Innovation Officer, Wm. Wrigley Company
  - Paulette DeGard, Knowledge Strategist, Boeing Commercial Airplane Supplier Management
  - IEEE representative

- Review of Day 1 and Framing Day 2
- Clambake at the Boston Harbor Hotel
BOG Retreat Agenda

Friday, July 20 (Morning)

• Generative Discussions on ASME’s Growth Objectives
  Breakout Groups:
  • Opportunities and challenges for growth under different scenarios

Friday, July 20 (Afternoon)

• Breakout Group Reports and Reflections
• ASME’s Integrated Strategy and Strategy Execution
  – Discussion on implications of retreat learning on our strategic direction and execution on our strategy
• Reflections on the Retreat and Next Steps
  – Role of the Board in moving forward
  – Role of the SVPs/SMC in moving forward
• Group Dinner at Boston Athenaeum
Introduction

• ME is a healthy profession, with rising numbers of students, and global growth
• Global opportunities and challenges will shape the future of mechanical engineering
• But transformational change will reshape mechanical engineering and its environment
• The ME’s future is not wholly certain, nor assured
• MEs’ relationships with their professional association will alter, possibly to be more instrumental, less collegial
This briefing

• About the 2011-2012 scan
• Key findings
  – Transformations shaping ME and ASME
  – The future of associations
• Conclusions and implications for mechanical engineering and ASME
  – New platforms and opportunities for ASME

MEs and ASME

*Facing new frontiers of challenges*

- Intractable social, political problems
- Social media impacts on engineering and engineering work, culture, etc.
- Digitization, computers, taking over engineer’s work
About the 2011-2012 Environmental scan

- Performed by Leading Futurists LLC
- A survey of members, 226 responses
- Interviews with thought leaders
- Validation of the views expressed in the survey and interviews
- Review of current publications of interest to engineers, collation of current issues for MEs

Critical questions ...

For mechanical engineers
- Is mechanical engineering the right profession for pursuing my goals?
- Is ME losing prestige and position to other technical fields?
- Is the pay going down?
- Are technical professionals without an ME degree able to do what I do?
- Will engineers from overseas take the jobs?
- Will I be forced to mostly do management work? (some want to)

For the ME discipline and ASME
- Will ME still be the core engineering discipline in the future?
- Are the skills in demand shifting away from core MEs?
- Can the educational systems of the West provide enough STEM graduates?
- Will ASME continue to be able to attract and engage members under current assumptions?
- Is ASMEs overall global growth masking a decline in the strength of its business model?
- Is global growth sustainable under our current structure?
### Transitions underway for mechanical engineering

<table>
<thead>
<tr>
<th>From:</th>
<th>To:</th>
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</thead>
<tbody>
<tr>
<td>Generalist ME</td>
<td>Specialized ME</td>
</tr>
<tr>
<td>US/EU MEs (mainly)</td>
<td>Developing nations MEs</td>
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<tr>
<td>Physical work</td>
<td>Virtual work</td>
</tr>
<tr>
<td>High prestige</td>
<td>Lower prestige</td>
</tr>
<tr>
<td>Highly skilled</td>
<td>Dumbed down</td>
</tr>
<tr>
<td>Distinct profession</td>
<td>Blurring boundaries</td>
</tr>
<tr>
<td>ME dominates</td>
<td>Other fields dominate</td>
</tr>
<tr>
<td>Well paid</td>
<td>Less well paid</td>
</tr>
<tr>
<td>High R&amp;D investment</td>
<td>Declining R&amp;D</td>
</tr>
<tr>
<td>Strong U.S.</td>
<td>Weaker U.S.</td>
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</tbody>
</table>

### Generations in mechanical engineering*

<table>
<thead>
<tr>
<th>Early-career</th>
<th>Mid-career</th>
<th>Late-career</th>
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</thead>
<tbody>
<tr>
<td>• New grads</td>
<td>• Younger Boomers, older Gen x</td>
<td>• “Old school” in training, expectations</td>
</tr>
<tr>
<td>• Many study and work</td>
<td>• Established in careers</td>
<td>• Less diverse group</td>
</tr>
<tr>
<td>internationally</td>
<td>• Face/lament drift</td>
<td>• Lament declining ethics of the field</td>
</tr>
<tr>
<td>• Born and live digitally</td>
<td>toward management</td>
<td>• Want to solve problems</td>
</tr>
<tr>
<td>• Impatient for their</td>
<td>• Lament declining</td>
<td></td>
</tr>
<tr>
<td>own progress</td>
<td>status of MEs</td>
<td></td>
</tr>
<tr>
<td>• Want to solve problems</td>
<td>• Want to solve problems</td>
<td></td>
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*Includes conclusions from the member survey

**Retirement wave:** 26.4% of MEs in the U.S. were older than 50 in 2006
Engineering education

- Often lags: still conceived and taught much as it has been for decades
- Our challenges are often solved at the intersections of different disciplines
- Need to reconsider the engineering disciplines and how they are defined
- Embrace experiential learning
- Use online learning for science/math/core skills
- Reinvigorate engineers for new realities
- Start ‘em younger!

The Future engineer ...

- Is a collaborator
- Is a communicator
- Is a creative thinker
- Can bridge disciplines
- Resets and reframes the thinking
- Thinks globally
Five strategic takeaways from the scan

1. There are still “legs” in traditional models of engineering and engineering associations, but change is putting those models to the test
2. Grow and change, or survive and decline
3. Accept that tomorrow’s engineers will not support their association as it is today
4. Engineers (and their associations) must advocate for political and social solutions to global problems, as well as for the technical answers
5. Incremental change may not be enough to keep ASME and the ME profession on a growth track

The emerging generation of engineers

Survey responses from young engineers

Past motivations
- Wanted to do it since I was six
- Like an artist—with better pay, benefits
- Revealed leadership qualities in me
- The stability of ME engineering culture may be one reason why the sector is less diverse than others
- Diversity—to make us less parochial, remain a dynamic field
- Adaptability becoming more important than seniority

Future motivations
- We are engine of society, w/out us, everything falls apart
- May be movement away from fields if they become less exciting to MEs—transportation, for example
- Harder to create something that works in the world because (greater) technical and working knowledge required
- Next generation of engineers born connected to the world, want to learn fast, be stimulated, challenged, not bored, can have deficient attention span

“MEs technical achievements may have been eclipsed in 21st Century by the computer. Need to develop new technology that will impress public, and that will create a more sustainable world”
Transformations shaping engineering and ASME: 

**Four categories of transformations**

- **GLOBAL POPULATION AND ECONOMIC TRANSFORMATIONS**
- **GLOBALIZING ISSUES**
- **TRANSFORMING INDUSTRIES AND SECTORS**
- **SOCIAL TRANSFORMATIONS**

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**Transformations shaping engineering and ASME:**

**GLOBAL transformations**

- Global population growth and rising prosperity
- An emerging global middle class
- BRIC countries plus: The focus of global growth
- The Next 11: A new wave of economic advance
- The Bottom of the Pyramid wakes up
- Advancing in different stages of economic development
- Who is buying? / Who is selling?
- Changing China
- Rising scientific and technological competitiveness

- 7.0 billion people in 2012
- 8.3 billion people in 2030
Transformations shaping engineering and ASME:  
**Globalizing issues shaping engineering**

- Chronic issues persist
- Peak everything
- Slowly growing embrace of sustainability
- A carbon-focused future
- Risky world and a culture of scrutiny and monitoring
- Global crises

A melted Greenland Ice Sheet could raise sea levels by 6 meters over the next couple of centuries

Transformations shaping engineering and ASME:  
**Transforming industries and sectors**

- The transformation of manufacturing
- Entering a bio era
- Energy transformation
- Rethinking cities
- Building a programmed universe
- Rise of a post-industrial food model

Children can make their own toys

Produce-on-demand devices are already in the marketplace.
Transformations shaping engineering and ASME

Social transformations shaping engineering and ASME

- Social entrepreneurship
- Rethinking education for the digital age
- Post-modern values emerge
- Work and worklife: leading from youth
- Global war for talent
- Transformation of work: several trends are reshaping worklife
- The social future of work
- Design, DIY, and maker culture

Young engineers often complain:
- Their companies are hidebound,
- Use outdated technologies
- Less diverse than they’re accustomed to from school
- Don’t offer enough training
- Pay low salaries

From: Automation News, and other sites

Competition and finding new growth

Two potential primary strategies

Stay big and join forces
Work more intensively with its tried and true partners, such as the large engineering societies, and related groups, many of whom are in the same boat, with IP, membership and revenue issues. Create a joint approach to market the value of engineering and association membership.

Go micro
Seek out and work with smaller groups going in new directions, such as Microvest, which is a Mennonite company using microfinance to fight poverty. This could mean ASME’s own “start-up” enterprise—a smaller offshoot that is experimental, and in search and scouting mode to find potential partners.
Forces shaping ASME as a professional association

- Demands on time and resources
- Specialization in professions
- Multi-career worklives
- The ability to use technology for ad hoc, specialized, custom needs
- The business focus on budget, performance, and execution
- Expansion of educational options and offerings
- The aging population and aging professional cadres

Forces shaping ASME’s information business

- Cheap or free information online
- Fast-changing info needs favor cloud, open-source
- Globalization of information
- Contending standards from other countries
ASME faces changing modes of engagement

Social and professional engagement in transition

THE DIGITALLY-ENGAGED PROFESSIONAL

- Doesn’t want to climb a ladder
- Pay as you go, or free options
- Many weaker connections
- Social and professional
- Changeable interests
- Virtual participation
- 24/7 participation
- Global interests

Local focus
Fee-paying
Life-long member
Periodic attendance
Face-to-face preference
Plays in a hierarchical order
Fewer, stronger connections
Memberships connected to profession
THE TRADITIONAL ASSOCIATION MEMBER

Scenarios for the future of ME and ASME

Exploring the scenario space

- High costs of solutions
- New engr. careers, skills
- Global Problems/ Crises Loom
- Talent to solve global problems
- “Skill splitting” (Techs.)
- Social nets. Online edu. Universal Internet Access
- “Free” information demand
- MY-VEA-Gone virtual/ int’l. Only possible choice
- Publishers Still at the same stand
- Some publishers survive-get right mix, revenue
- Loss of traditional revenue sources: Publisher, originator
- MEs ASME

Engineers: A Scarce Resource

Business, management, other careers

G.S.M.E.- Politically effective global assoc.

2011-12 ASME Environmental Scan
Scenarios for the future of ME and ASME

Headlines of four exploratory scenarios

1. **Engineers, a scarce resource**
   - Global demand for high-quality engineering skills far exceeds the available supply

2. **G.S.M.E**
   - Politically effective global engineering multi-national organization

3. **MY-VEA**
   - International, personalized, virtual engineering association

4. **Still at the Same Stand**
   - Only surviving engineering publisher

Future opportunities for ASME:

*Platform ideas: engines for new progress*

- Build a digital engineering society
- “Engage from birth”—Nurturing youngsters
- Embrace maker culture
- “Crowdsource” standards
- Offer technician membership and track
- Lead in building collaboration spaces, initiatives
Conclusion: Fostering real change

Taking on the big systems

Big Systems

Getting serious

Low-Hanging Fruit

2005  2015  2025

2011-12 ASME Environmental Scan
Date Submitted: May 2012  
BOG Meeting Date: June 6, 2012

To: Board of Governors  
From: President  
Presented by: Marc Goldsmith  
Agenda Title: Board Work planning 2012 -2013

Agenda Item Executive Summary: *(Do not exceed the space provided)*

Discuss as a Board the 2012 -2013 Work scope that the Board wants to address and resolve.  
Suggested topics might include:

- Integrated business strategy
- Sector Reorganization principles, values and expected outcomes
- Organic vs. inorganic growth
- Membership models transitioning to a virtual model while maintain some face-to-face
- Social media policy
- Revenue diversification
- Open access threats
- Branding and logo use

Expected outcome:
A Board generated work plan with priorities, scopes, people and committee assignments, deadlines, resource requirements, and direction for staff support as required.

Board would know the work schedule and responsibility; Teams would be formed to do the pre-work. And each Board meeting would address an issue.

Proposed motion for BOG Action: *(if appropriate)*

Attachments:
None
Date Submitted: May 16, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: HQ Task Force
Presented by: Tom Pestorius
Agenda Title: HQ Task Force Update

Agenda Item Executive Summary:

Tom Pestorius will provide an update to the Board of Governors on the move to 2 Park Avenue.

Proposed motion for BOG Action:

none

Attachments:

PowerPoint slides
ASME HQ Facilities Assessment
Task Force

BOG Update – June 2012

Tom Pestorius

ASME HQ Facilities Task Force
Phase 3 Update

• NYC HQ Project
  – Engaged General Contractor
  – Contract for Furniture
  – Starting Build-out
  – Proceeding on Schedule
Date Submitted: May 14, 2012
BOG Meeting Date: June 6th, 2012

To: Board of Governors
From: Strategy Execution Teams (SET)
Presented by: Dilip Ballal, Kenneth Balkey, William Wepfer, John Koehr, Michael Michaud, Shekhar Chandrashekhar, Michael Cowan

Agenda Title: FY12 Q3 Strategy Summary

Agenda Item Executive Summary: (Do not exceed the space provided)

The report is compiled quarterly by the Strategy Execution Teams (SET). It highlights the activities for the quarter focusing on the three BOG directed strategies of Energy, Global and Workforce Development.

The SET staff and volunteers will present this quarter’s report to the Board.

Proposed motion for BOG Action: (if appropriate)

No Action

Attachments:
One
Strategy Execution Teams Overview

ASME will foster a broader, competent, vibrant and more diverse engineering workforce with sustained engagement in ASME over all career stages.

ASME will serve as an essential energy technology resource and a leading advocate for technically sound energy policies.

ASME will collaborate to develop and provide locally relevant engineering resources that advance public safety and quality of life throughout the world.
Scope of workforce development efforts

- **Teacher Development**
  - Pre-college
  - E-mentoring program

- **Engineering Student Development**
  - Undergraduate
  - WD1 - ME for Kids
  - WD2 - Think Tank Summit

- **Professional Development**
  - Postgraduate
  - WD3 - PDH Project (underlying infrastructure)

- **Student Competitions**
  - WD1 - ME for Kids

- **E-mentoring program**

Strategic impact areas influence by the workforce development efforts

**Teacher Development**
- Inspire Innovation workshop
- Pre-college Teachers are important multipliers of engineering awareness and thinking in students

**Engineering Student Development**
- Student Competitions
- Student conferences

**Professional Development**
- E-mentoring program
- WD2 - Think Tank Summit

**Books, training & certification**

**Strategic impact areas influence by the workforce development efforts**

**FY12 Q3 - Dashboard**

**Existing Program Status - By the numbers:**

- **Teacher Development**
  - Inspire Innovation workshop
  - Pre-college Teachers are important multipliers of engineering awareness and thinking in students

- **Engineering Student Development**
  - Student Competitions
  - Student conferences

- **E-mentoring program**
  - Mentoring is a key program that supports early career development and establishes knowledge transfer

- **Professional Development**
  - Training, Certification and Books
  - Participation in training courses and workshops, becoming a certified individual or purchasing an ASME title are viewed as the key ASME measures for knowledge retention

**Matching Effectiveness**

**Mentoring Quality**

**Strategic impact areas influence by the workforce development efforts**
Workforce Development
Q3 Highlights

Teacher Development
- 177 teachers and 48 engineers participated in the inspire innovation workshops

Engineering Student Development
- 156 students participated in various team based learning events

Professional Development
- 8023 registrants participated in ASME workshops, licensed courses & public courses

Workforce development continuum

"Thank you for the materials and experience, I'm designing an enrichment program for girls"

"...This sponsorship reflects MISUMI's commitment to proactively encouraging future generations of creative product design engineers..."

"All instructors were experts on their area, providing informative and thought provoking presentations on their area of expertise."

Workforce Development
Upcoming Activities

New WSET Programs:
- WD1 - Think Tank Summits
  Structure of Think Tank summits have been finalized and the first one is planned to be held in the September/October timeframe
- WD2 - Mechanical Engineering content for Kids
  Market Research in-progress and results will be distributed at the end of May
- WD3 - PDH Issuance and evaluation of Recording System
  Taskforce established

Existing Programs:
- Two Inspire Innovation Workshops and HPVC competitions are planned for Q4.
- Eight Student Professional Conferences will take place in the next two quarters
- Courses on subsea equipment, marine renewable energy, B31.3 and HDPE seminars will be offered in Brazil and UK
- Four more in-company courses with GE are scheduled
**Energy Dashboard**

**Energy Q3 Highlights**

- **BSC Energy-Related Measures**
  - S3 – 16 new/14 updated energy products issued; 126 total
  - I3 – Public Policy Index at 4,570
- **Quarterly activities**
  - Carbon Management Technology Conference
  - Presidential Task Force on Japan Nuclear Events presented during NRC’s Regulatory Information Conference (RIC)
  - Congressional Briefings - Wind, Geothermal
  - Launched new NQA Management System Certification program
  - Finalized ASME Energy Indicators Scorecard report
  - Energy Topic Page features on asme.org
  - Energy-related ME Magazine features
Energy

Upcoming Activities

- Enterprise events
  - North American Waste to Energy Conference (NAWTEC)
  - Offshore Technology Conference (OTC)
  - Verification and Validation Symposium
  - Municipal Wastewater Reuse Best Practices Workshop
  - ASME TurboExpo
  - Nuclear Technology Seminar: Blueprint for New Build

- Other activities
  - Task Force on Japan Nuclear Events to issue final report
  - Congressional briefings planned
  - ASME Position Statements in progress
  - Energy Talking Points in progress
  - asme.org features planned
  - ME Magazine features planned

The ASME Global Impact Index

Summary:
The Global Impact Index is 1,110,497.
- Non US growth continues but is slowing.
- A dip in Q3 is expected as it is directly related to dropped members and the membership cycle.

Note: additional details on the Global Index and its components are available on the BOG private site
Global Impact

Q3 Highlights

BSC Global-Related Measures

- **S1** — Non-US Certified Manufacturers grew by 151 (4.6%). The Q3 target was 189 or 5.8%.

- **I1** — The GII increased by 3.5% over Q3 FY11, falling well short of the 11% target.

- **L1** — External funding received for E4C through the end of Q3 totaled $468K vs. a target of $550K

Global Impact

Q3 Highlights

- **Releases:**
  - The new B31.3 (Process Piping) was released in Spanish.

- **Partnership / Projects:**
  - UN's Sustainable Energy for All Initiative.
  - UNESCO

- **Delegations:**
  - UPADI meeting in Havana, Cuba
    - ME Vision 2030 Promotion
  - Sino-American Technology Conference in Beijing, China
    - Advanced Manufacturing Delegation
    - Forum on Disaster Prevention and Mitigation with the Chinese Academy of Engineering
Global Impact

Upcoming Activities

- Workshops/Conferences
  - Standards workshops in Mexico City and Brazil
  - Offshore Technology Conference
    - Meetings with Chinese Delegations
  - 2012 ASME Turbo Expo in Copenhagen, Denmark
  - 10th Costa Rican Congress of Maintenance Engineering
  - OMAE 12, July 1-6 2012 in Rio de Janeiro, Brazil
  - ESDA, July 1-4 in Nantes France.
  - PVP in Toronto, Canada

- The All-India conclave was tentatively rescheduled for October to better align with local industry support

Communications - Q3 Highlights

- Press Releases
  - ASME Task Force on Nuclear Safety
  - Turbo Expo 2012
  - EWeek 2012 & winners of DiscoverE Educator Awards
    - Carbon Management Conference

- ASME News articles
  - ASME Foundation
  - EWeek 2012 & Future City Competition
  - Engineering for Change
  - ASME Presidential Task Force on Nuclear Safety/Fukushima

- Social Media
  - Continued growth for ASME groups on Facebook and LinkedIn

- Videos
  - DiscoverE Educator Award winners
  - Human Powered Vehicle Challenge

- ASME.org articles:
  - Diversity and innovation
  - Cooking oil as energy source
More Information

• BOG website
  - http://strategy.asme.org/home.cfm
The ASME Global Impact Index

• Comprised of key indicators including:
  – Web visits, ASME Membership, Conference Registrants, Training Course Participants, S&C Committee Volunteers, and Certified Manufacturers.

Growth indicators measure percent of growth over same period in previous FY. Shows positive or negative growth.

Volume indicators measure current value. Tracks numbers, not dollars.

Collected quarterly, totaled by country and adjusted by weights.


Energy

Public Policy Index for Energy

• Weighted index of ASME Public Policy activities (weighting factor indicated):
  – ASME Position Statements (50)
  – ASME Coalition Position Statements (75)
  – Congressional Briefings (100)
  – ASME Federal Fellows (100)
  – Congressional Testimony (75)
  – Energy Events (100)
  – Interactions with Members of Congress and Agencies on Energy (25)
  – Action Alerts - Energy Policy (50)
  – Energy Policy Articles (10)
  – Impact- Legislation Aligned with ASME Energy Policy (50)

• Calculated as sum of (number of occurrences) x (weighting factor) for each activity above

• FY11 Baseline: 5,030
• FY12 Target: 5,282
Date Submitted: 2012 May 15
BOG Meeting Date: 2012 June 6

To: Board of Governors
From: Knowledge & Community Sector
Presented by: Tom Libertiny
Agenda Title: K&C Sector update

Agenda Item Executive Summary: (Do not exceed the space provided)

Update on K&C Sector
   1) Sector redesign
   2) Student and Early Career Sector (K&C and PA&O sectors)

Proposed motion for BOG Action: (if appropriate)

None

Attachments:
Date Submitted: April 27, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: Marketing & Sales/Membership Development
Presented by: Roy Arbeit
Agenda Title: Update on Engagement Models

Agenda Item Executive Summary: *Do not exceed the space provided*
We will provide an update on our ongoing work effort to develop and test new engagement models.

Proposed motion for BOG Action: *(if appropriate)*

Attachments:
Engagement Model Update

Roy Arbeit
June 2012

The Journey We’re On

• Our Starting Point... A Board generative discussion focused on re-imagining membership to drive breakthrough growth
• You provided financial support for a world-wide research study
• Research has provided key insights which inform the construction of a new membership engagement model
• Today, I’ll share our thinking with you on a new engagement model construct and plan for market testing

Your continued encouragement and support are appreciated
Our Starting Point

• With encouragement from the Board, a cross-sector staff group began an effort to imagine a new approach to membership that could lead to breakthrough growth.

• Hypothesis:
  – In a global and digital world, engineers have a variety of needs and seek differing sets of value from their relationship with ASME
  – Our current one-size fits all member value proposition is limiting. Thus...

An Approach based on Engagement

• Develop an approach that:
  – Offers multiple ways to engage with offerings that are based on market needs and
  – Allows each person to choose the level or depth at which they would like to interact with ASME based on their individual needs and
  – Isn’t limited by artificial constraints such as traditional membership definitions or immediate revenue
Brief Recap of Research

• **Qualitative Research:**
  - Live focus groups conducted in the US, UK, China, Brazil, and India, and several online bulletin boards in the US.

• **Quantitative Research:**
  - 1,513 surveys conducted in the US, Canada, China, India, Colombia, Argentina, Brazil and Peru.

• **Conjoint Study:**
  - Conducted as part of the Quantitative phase and based on statistical techniques
  - Helps determine what combinations of features/attributes are most influential in respondent choice ... and therefore guides our decision-making on marketability and pricing.

Conclusions from the Research that Informed the Model Construct

• People are not joining professional associations like ours at the same rate as previous generations

• Of greatest interest to almost every engineer interviewed is information sharing & content

• Engineers are looking for on-demand information sources and the internet now provides many alternative ways to access information and connect digitally
  - About one-half of surveyed engineers have Linked-In profiles and a quarter of surveyed engineers contribute engineering-related content on Linked-In
Other Considerations

- International markets hold our greatest growth opportunity along with multiple challenges, i.e. language, locally relevant content, marketing accessibility
- Our revitalized web platform provides basis for meeting engineers’ content, information and community needs while breaking down global barriers
- Engineers are highly price sensitive when it comes to engaging with organizations like ours
- Their expectation is that some features would be free of cost
- Some features, like the job board, need critical mass to be valuable/successful

Engagement Model – an Evolutionary Process

Engagement Model Prototype

Combination of engagement desires defines the offers
### New Model Construct – Package Summary

<table>
<thead>
<tr>
<th>Package A</th>
<th>Package B</th>
<th>Package C</th>
<th>Package D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Requirements</strong></td>
<td>Registration on asme.org</td>
<td>Registration on asme.org</td>
<td>8 years of experience or a 4-year university degree, and registration on asme.org</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>.org-based package with access to series of interactive community features</td>
<td>.org-based package with added access to a range of content-based features</td>
<td>Traditional “corporate member” package with enhanced digital service offerings</td>
</tr>
</tbody>
</table>

### New Model Construct – Primary Features

<table>
<thead>
<tr>
<th>Package A PARTICIPATION Package (asme.org Participant)</th>
<th>Package B PARTICIPATION PLUS Package</th>
<th>Package C FULL Package (Corporate Member)</th>
<th>Package D STUDENT Package (Student Member)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Requirements</strong></td>
<td>Registration on asme.org</td>
<td>Registration on asme.org</td>
<td>8 years of experience or a 4-year university degree, and registration on asme.org</td>
</tr>
<tr>
<td><strong>Primary Features</strong></td>
<td>Online profile/directory*</td>
<td>All Package A features, plus...</td>
<td>All Package B features, plus...</td>
</tr>
<tr>
<td></td>
<td>Personal dashboard*</td>
<td>e-Library</td>
<td>Print ME Mag (and digital*)</td>
</tr>
<tr>
<td></td>
<td>Access to online groups*</td>
<td>asme.org article archive*</td>
<td>Discount on pubs, conferences &amp; courses</td>
</tr>
<tr>
<td></td>
<td>Commenting on articles*</td>
<td>X free digital library downloads*</td>
<td>XX free digital library downloads*</td>
</tr>
<tr>
<td></td>
<td>“Pushed” news &amp; info feeds (e.g. Capitol Update, asmeNews, ME Today)</td>
<td>ME Magazine (digital)*</td>
<td>50/$50 journal article pack</td>
</tr>
<tr>
<td></td>
<td>Basic Job Board &amp; career resources</td>
<td>SmartBriefs*</td>
<td>Leadership Opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Enhanced Career Center/Job Board*</td>
<td>Mentoring</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mentoring</td>
<td>Competitions, Scholarships, Loans, Internships (e.g. WISE)</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>.org-based package with access to series of interactive community features</td>
<td>.org-based package with added access to a range of content-based features</td>
<td>Traditional “corporate member” package with enhanced digital service offerings</td>
</tr>
</tbody>
</table>

* New or enhanced feature
### New Model Construct - Pricing

<table>
<thead>
<tr>
<th>Package A</th>
<th>Package B</th>
<th>Package C</th>
<th>Package D</th>
</tr>
</thead>
<tbody>
<tr>
<td>PARTICIPATION Package (asme.org Participant)</td>
<td>PARTICIPATION PLUS Package</td>
<td>FULL Package (Corporate Member)</td>
<td>STUDENT Package (Student Member)</td>
</tr>
<tr>
<td>Annual Cost</td>
<td>$36</td>
<td>$144</td>
<td>FREE</td>
</tr>
</tbody>
</table>

#### Requirements
- Registration on asme.org
- Registration on asme.org
- 8 years of experience or a 4-year university degree, registration on asme.org
- Enrolled in a degree-seeking program, and registration on asme.org

#### Primary Features
- **Package A** features, plus:
  - Online profile/directory*
  - Personal dashboard*
  - Access to online groups*
  - Commenting on articles*
  - “Pushed” news & info feeds (e.g. Capitol Update, asmeNews, ME Today)
  - Basic Job Board & career resources

- **Package B** features, plus:
  - e-Library
  - asme.org article archive*
  - X free digital library downloads*
  - ME Magazine (digital)*
  - SmartBriefs*
  - Enhanced Career Center/Job Board*
  - Mentoring

- **Package C** features, plus:
  - Print ME Mag (and digital*)
  - Discount on pubs, conferences & courses
  - XX free digital library downloads*
  - 50/$50 journal article pack
  - Leadership Opportunities
  - Voting rights

- **Package D** features, plus:
  - e-Library
  - asme.org article archive*
  - ME Magazine (digital*)
  - SmartBriefs*
  - Enhanced Career Center/Job Board*
  - Mentoring
  - Competitions, Scholarships, Loans, Internships (e.g. WISE)

#### Summary
- .org-based package with access to series of interactive community features
- .org-based package with added access to a range of content-based features
- Traditional "corporate member" package with enhanced digital service offerings
- Traditional Student Member package with enhanced digital service offerings

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### In-Market Test of New Model Packages

- **Focused on two key markets – India and Peru**
  - Foreign markets represent best opportunities for growth in engagement and these are two representative global growth markets
  - Existing infrastructure and partner support will be helpful
  - Peru to serve as “proxy” for Spanish-speaking Latin American countries
  - Testing new packages in foreign markets minimizes risk of lost revenue from existing members “trading down” during the test phase
  - Two markets are optimal from a learning standpoint ... balanced by bandwidth/resource considerations
In-Market Test of New Model Packages

- Key Test Objectives include:
  - Measure “take rate” of new model offerings and preferences based on purchase patterns
  - Learn what marketing strategies and tactics can be employed to drive engagement growth
  - Test operational aspects, service delivery, ability to service larger number of members and others.

- Longer Term Considerations
  - How can we influence Package A and B purchasers to deepen engagement and become active volunteers?
  - Does free student membership translate into greater numbers of professional members?

We Continue Our Journey...

- Board approval requested of COFI recommended Initiative Funds Proposal to fund in-market staged test phase

- A go-to-market strategy and plan will be developed including:
  - Identification of operational, systems and new/enhanced product development requirements
  - Marketing plans
  - Budget
  - Timing
  - Measures

- Ongoing progress updates to the Board will be provided
Questions?
Date Submitted:  May 16, 2012
BOG Meeting Date:  June 6, 2012

To:  Board of Governors
From:  Marc Goldsmith
Presented by:  Marc Goldsmith
Agenda Title:  FY13 EDESC Roster

Agenda Item Executive Summary:

FY13 EDESC Roster

Victoria Rockwell, Chair
Marc Goldsmith, ex officio
Presidential-Nominee/Elect TBD, ex officio
J. Robert Sims
Charla Wise
Bernard Hrubala
TBD, At-Large

Proposed motion for BOG Action:  *(if appropriate)*

For receipt.

Attachments:

None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 16, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: Marc Goldsmith
Presented by: Marc Goldsmith
Agenda Title: FY13 Presidential Appointments

Agenda Item Executive Summary:

1. **BOG Liaisons to Standing Committee**
   - Committee on Finance & Investment (COFI) John Elter
   - Committee on Honors (COH) Richard Laudenat
   - Committee on Rules (COR) Bernard Hrubala

2. **Appointments to Standing Committees**
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)
     - FY2012 – FY2015 Bernard Hrubala
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)
     - One year at-large term TBD
   - Committee on Governance (COG)
     - FY2012 – FY2015 Richard Laudenat

Proposed motion for BOG Action: *(if appropriate)*
For receipt.

Attachments:
None.
Student & Early Career Taskforce will present the proposed bylaws for the newly approved Student & Early Career Development Sector. The proposed bylaws list 1 VP for the Board on Leadership & Recognition and 2 Board Chairs for the Board on Student Programs and the Board on Career Development. The Student & Early Career Taskforce recommends for the Board Chairs to be VPs for the respective boards as well. However this item merits a discussion to consider all ramifications. The Committee on Organization and Rules endorses further discussion to consider all ramifications.
What is a proposed composition of the Sector Council?

- Student and Early Career Development Sector Council
  - Committee on Partnerships
  - Committee on Global Perspective
  - Committee on Communication & Marketing
    - Board on Career Development
    - Board on Student Programs
    - Board on Leadership & Recognition
The Student and Early Career Development Sector Council shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; one member-at-large; the Vice President for the Board on Leadership and Recognition; the Board Chairs of the following: Board on Career Development and Board on Student Programs; and the Chairs of the following: Committee on Partnerships; Committee on Global Perspective; Committee on Communication and Marketing. The Director, Student and Early Career Development is a non-voting member.

The Board on Career Development, under the direction of the Student and Early Career Development Council, is responsible for the activities of the Society that relate to career development of the early career engineers. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

The Board on Student Programs, under the direction of the Student and Early Career Development Council, is responsible for development of programs for students. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

The Board on Leadership and Recognition, under the direction of the Student and Early Career Development Council, is responsible for activities of the Society that relate to the leadership and recognition of students and early career engineers. The Board shall consist of a Vice President*, Leadership and Recognition as Chair and a membership as determined by the Student and Early Career Development Council.

Committee on Partnerships
Committee on Global Perspective
Committee on Communication & Marketing

* - VP position moved from PAO
PROPOSED BY-LAW REVISIONS

TO CREATE

Student and Early Career Development sector

Draft May 09, 2012

B5.7 STUDENT AND EARLY CAREER DEVELOPMENT SECTOR

B5.7.1.1 The Student and Early Career Development Sector, under the direction of the Board of Governors, is responsible for meeting the needs and providing a voice for students and early career engineers. The Student and Early Career Development Sector will maintain a current Sector Operation Guide that will contain operational details of the Student and Early Career Development that are not in these By-Laws.

B5.7.1.2 The Student and Early Career Development Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; one member-at-large; the Vice President for the Board on Leadership and Recognition; the Board Chairs of the following: Board on Career Development and Board on Student Programs; and the Chairs of the following: Committee on Partnerships; Committee on Global Perspective; Committee on Communication and Marketing. The Director, Student and Early Career Development is a non-voting member.

B5.7.1.3 The incoming Senior Vice President, Student and Early Career Development shall be nominated by the Student and Early Career Development Council from among its past or present volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present volunteer member is not available from the Student and Early Career Development Council, then the Council shall defer to the Board of Governors for the selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of the Student and Early Career Development are not eligible to become the Senior Vice President.

B5.7.1.4 The member-at-large shall be appointed by the Board of Governors, upon a recommendation of the Student and Early Career Development Council. The term of the member-at-large shall be one year.

B5.7.2.1 The following Boards will report directly to the Student and Early Career Development Council: Board on Career Development; Board on Student Programs; Board on Leadership and Recognition.

B5.7.2.2 The Board on Career Development, under the direction of the Student and
Early Career Development Council, is responsible for the activities of the Society that relate to career development of the early career engineers. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

B5.7.2.3 The Board on Student Programs, under the direction of the Student and Early Career Development Council, is responsible for development of programs for students. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

B5.7.2.4 The Board on Leadership and Recognition, under the direction of the Student and Early Career Development Council, is responsible for activities of the Society that relate to the leadership and recognition of students and early career engineers. The Board shall consist of a Vice President, Leadership and Recognition as Chair and a membership as determined by the Student and Early Career Development Council.

B5.7.3.1 The following committees shall report directly to the Student and Early Career Development Council: Committee on Partnerships; Committee on Global Perspective and Committee on Communication and Marketing.

B5.7.3.2 The Committee on Partnerships, under the direction of the Student and Early Career Development Council, is responsible for building right partnerships with local schools and organizations to sponsor and grow new programs. The Committee on Partnerships will consist of a Chair, appointed by the Senior Vice President, Student and Early Career Development and a membership, as determined by the Student and Early Career Development Council.

B5.7.3.3 The Committee on Global Perspective, under the direction of the Student and Early Career Development Council, shall provide insight on the development of programs for students and early career engineers globally that further ASME strategic objectives. The Committee will consist of a Chair, appointed by the Senior Vice President, Student and Early Career Development and a membership, as determined by the Student and Early Career Development Council.

B5.7.3.4 The Committee on Communication and Marketing, under the direction of the Student and Early Career Development Council, shall influence consistent marketing and communication messages and effective delivery channels for the programs serving students and early career engineers. The Committee will consist of a Chair, appointed by the Senior Vice President, Student and Early Career Development and a membership, as determined by the Student and Early Career Development Council.
Other By-Law changes affected by B5.7

B4.3.8 Among the Officers of the Society, there shall be the following vice presidents:

Vice President for Education
Vice President for Global Outreach
Vice President for Government Relations
Vice President for Students and Early Career
Vice President for Conformity Assessment
Vice President for Nuclear Codes and Standards
Vice President for Pressure Technology Codes and Standards
Vice President for Safety Codes and Standards
Vice President for Standardization and Testing
Vice President for International Gas Turbine Institute
Vice President for International Petroleum Technology Institute
Vice President for Affinity Communities
Vice President for Financial Operations
Vice President for Global Communities
Vice President for Programs & Activities
Vice President for Technical Communities
Vice President for Leadership and Recognition

The term of each vice president shall be three years, beginning and ending at the second Business Meeting of the fiscal year. The terms of approximately one-third of the vice presidents shall end each year, according to a schedule approved by the Board of Governors.

B5.2.1 The sectors reporting to the Board of Governors shall be the Standards and Certification Sector, the Institutes Sector, the Knowledge and Community Sector, and the Public Affairs and Outreach Sector and the Student and Early Career Development Sector.
Each sector shall be led by a council, sector board or sector operating board. The Council, Sector Board, or Sector Operating Board of each sector shall consist of such voting members as specified in the sector By-Laws. Individuals, as may be required or designated pursuant to any statute, regulation, or court order or consent decree may also be voting or non-voting members of a sector Council, Sector Board or Sector Operating Board. A member of the senior staff of the sector, if any, may be a voting member of the sector Council, Sector Board or Sector operating Board. The sector Council, Sector Board or Sector Operating Board may designate both volunteer and staff non-voting members.

The duties and responsibilities of the sectors shall be as designated from time to time by the Board of Governors. Each sector shall maintain its own operation guide as prescribed by Society Policy. Each sector shall be chaired by a senior vice president who shall serve a term of three years. Additional service as the same senior vice president may occur after an interruption of one or more years or following a partial term. Senior vice presidents shall attend meetings of the Board of Governors without vote.

B5.3.1.2 The Public Affairs and Outreach Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; two members-at-large; the Vice Presidents for the following Boards: Education; Global Outreach; and Government Relations; and Students and Early Career and the Chairs of the following: Industry Advisory Board; Innovation Committee; Strategic Issues Committee; Diversity and Inclusion Strategy Committee. The Associate Executive Director, Public Affairs and Outreach, is a non-voting member.

B5.3.2.1 The following Boards will report directly to the Public Affairs and Outreach Council: Board on Education; Board on Global Outreach; Board on Government Relations; and Industry Advisory Board; and Board on Student and Early Career.

B5.3.2.5 The Board on Student and Early Career, under the direction of the Public Affairs and Outreach Council, is responsible for development of programs that relate to students and early career engineers. The Board shall consist of a Vice President, Students and Early Career as Chair and a membership as determined by the Public Affairs and Outreach Council.
Date Submitted: May 11, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: COFI
Presented by: Reginald Vachon
Agenda Title: Initiative Fund Proposal
Member Engagement Model – In-Market Staged Test Phase

Agenda Item Executive Summary: (Do not exceed the space provided)
Marketing & Sales presented a funding proposal requesting $350,000 of financial support from the ASME Initiative Fund. The $350,000 will be used to fund an in-market test of a new member engagement model as the next step in this ongoing project. The work effort will commence immediately upon funding being granted.

This proposal is recommended to the BOG as a consent item.

Proposed motion for BOG Action: (if appropriate)
Consent Item: COFI recommends approval of $350,000 of Initiative Fund support for the in-market test of a new member engagement model.

Attachments:
Background:
As an outgrowth of the FY '11 Board of Governors Retreat, the organization took up the challenge to re-imagine "membership" at ASME and explore new models and approaches that would help fuel dramatic and significant growth for ASME.

A cross-sector staff team was formed and multiple brainstorming sessions were conducted which generated a number of concept ideas. Ultimately, a hypothesis was developed and embraced by the team that envisioned using the new asme.org (just then in the early stages of development) as the cornerstone through which multiple opportunities for engagement could be offered on a global basis.

In order to test this hypothetical engagement approach and determine the motivating factors and needs that would draw engineers and others from around the world to engage with ASME, a two-stage research project was developed. A presentation was made to COFI and to the BOG and funding for this effort was approved.

The first stage of this effort was qualitative research, consisting of multiple focus groups across the US and in key countries around the world. This research confirmed that engineers were seeking services that provided information/content useful in their jobs and careers and the opportunity to share and acquire information through communities of their peers. These findings also reinforced the correctness of ASME's content driven strategy as well as the importance of our web site as a delivery and support vehicle for this strategy. This phase of the research was completed and an update presented to the Board.

The second phase is quantitative research in which we conducted surveys with a far larger number of engineers in both the US and key global markets. The goals included:
• Test/measure various components of an engagement continuum in order to understand which components are most highly valued and encourage engagement

• Answer questions of “marketability” of various hypothetical and existing individual service offerings as both standalone services and as parts of bundled offerings in both the U.S. and international markets

• Help to more fully define and understand potential key entry points on an engagement continuum

Current Project Status:
The quantitative research has just been completed with over 1,500 surveys and interviews completed. A preliminary report with some early findings was presented to the Board in April. A more robust report on the findings as well as recommendations for a re-imagined approach(s) to engagement will be presented to the Board for in June.

In-Market Staged Test Funding Request:
As called for in our original project plan, our next step following the June Board meeting is to refine our plans based on BOG feedback for one or more new approaches to engagement and embark on an in-market staged test phase. This test will be focused on a defined set of target engineers/specific market area and will provide further validation of the research findings and a basis for measuring/understanding the impact of the new approach before making a commitment to roll-out to the wider global engineering community. Funding for this staged test will be necessary, and as a result, we are requesting $350,000 from the ASME Initiative Fund for the work effort that will begin in early June. This fund request is exclusive of staff and operational costs in the M&S FY’13-15 budget. The initiative funds will be used for product/service model development, any systems or web modifications required as well as marketing & promotion costs. A detailed breakdown is as follows:
### In-Market Staged Test Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Service/Model Development</td>
<td>$90,000</td>
</tr>
<tr>
<td>IT Systems/Web Modifications</td>
<td>$80,000</td>
</tr>
<tr>
<td>Marketing Strategy and Communications</td>
<td>$150,000</td>
</tr>
<tr>
<td>Legal</td>
<td>$30,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$350,000</strong></td>
</tr>
</tbody>
</table>

If this request for initiative funding is approved, test development will begin immediately following the June BOG meeting with a more detailed timetable to be determined based on factors such as the results of the research and decisions regarding number of models to be tested, product and systems work necessary to support the tests, etc.

Appendix A outlines the major steps in the project to date as well as thoughts on steps to be taken beyond these tests in FY '14 with our best current cost estimates. Appendix B provides assumptions used in creating the budget.
Appendix A

New Member Engagement Model
Projected Timeline and Costs

FY '11
Project Kickoff
• Hypothesis developed
• Research plan developed
• Phase 1 research executed

Cost: $430K approved by COFI and BOG in FY '11

FY '12
Phase 2 Research
• Planned & executed
• Results analysis underway
• Recommend model test to BOG in June

FY '13
In-Market Staged Test Phase
• Plan and execute

FY '14
New Engagement Model Rollout
• Seek approval for By-Laws changes (if needed).
• Additional roll out with significant marketing activities

FY '13 Funding Request
$350K from ASME Initiative Funds

Model Rollout Estimated Cost:
$750K from ASME Initiative Funds

Total Estimated Incremental Project Cost:
$1.53M

Note: There may be potential systems & service enhancements required that are not part of this estimate
Appendix B

Budget Assumptions

• Market test membership offering with four package options to choose from
• Market test in two markets launched in FY’13

Additional Budget Assumptions

• Product/Service Development – new services/products anticipated will require product development with the use of outside service providers $90K

• Additional IT systems and web modifications to accommodate alternative member package options, capture and discrimination within Personify and Customer Care and segregation from other visitors to the web site $80K

• Development of a strategic communications construct with messaging, new materials and funding for promotion, mailing list rentals, etc. $150K

• Contingency to cover potential legal fees in reviewing new service/product construct and ensure compliance with local market regulations $30K

Total $350K