



**FOODSERVICE CONSULTANTS SOCIETY INTERNATIONAL**  
**BOARD OF DIRECTORS MEETING**  
**MINUTES**

**March 2<sup>nd</sup> and 3<sup>rd</sup>, 2012**  
**Novotel Amsterdam Airport Schiphol**  
**Amsterdam, The Netherlands**

**APPROVED BY EMAIL VOTE APRIL 1, 2012**

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**Novotel Amsterdam Airport Schiphol**  
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**In Attendance**

*Officers*

*Mr. Ian Hopper, FCSI*  
*President*  
*(MTD (Qld) Pty.Ltd.)*

*Mr. Gérard Wolbert, FCSI*  
*Secretary/Treasurer*  
*(Kloosterhuis Adviseurs)*

*Mr. John Radchenko, FCSI*  
*Immediate Past President*  
*(Van Velzen + Radchenko Design)*

*Staff*

*Mr. Scott D. Legge*  
*Executive Director*

*Directors*

*Mr. Martin Rahmann, FCSI*  
*(Agere. Beratung für nachhaltigen Erfolg )*

*Mr. Jonathan Doughty, FCSI*  
*(Coverpoint Consultancy)*

*Mrs. Clara Pi, FCSI*  
*(PYNEH, HK Hospital Authority)*

*Mr. Edwin Norman, FCSI*  
*(MVP Services Group, Inc.)*

*Mr. James H. Petersen, FCSI*  
*(C.i.i. Food Service Design)*

*Allied Representatives (Non-Voting)*

*Greg O'Connell*  
*(Moffat)*

*Herr Alexander Schnaidt*  
*(Ambach)*

*Ms. Corrinne Ward*  
*(Perlick)*

## **FCSI's Vision**

**“FCSI is the global leader in foodservice and hospitality consulting”**

## **FCSI's Mission**

**“To promote professionalism in foodservice and hospitality consulting while returning maximum benefits to all members”**

## **Brand Slogan**

***“We Share, We Support, We Inspire”***

**Friday March 2<sup>nd</sup>, 2012**

### **1. Call to Order and Opening Remarks:**

The meeting was called to order 9:00 a.m. local time at which time President Ian Hopper FCSI (IH) noted that a quorum was present. It was noted that the meeting was being recorded on a digital voice recorder for the purpose of assisting with the preparation of minutes after which the recording will be erased. There were no objections.

Ian welcomed Herr Martin Rahmann FCSI (MR) who recently replaced Anthony Galvin, FCSI to represent the Europe-Africa-Middle East Division.

### **2. Process to Implement Changes to the Society's Governance Model:**

IH noted his expectation that the board will not leave the meeting room on Saturday afternoon until there is an agreed governance model for FCSI for the future; a model that will be best for all members of FCSI globally.

Scott Legge (SL) noted that, assuming that the new model will require changes to the Society's bylaws, the board will need to approve a formal motion to alter the governance model after which draft amendments to the governing documents will need to be prepared and following a period of time during which the membership is welcome to comment on the proposed changes, the final amendments will need to be presented to the voting membership, Professional and Senior Associate members, for a formal vote with a 2/3<sup>rd</sup>s majority required to approve.

### **2. Governance Model Option One:**

Jonathan Doughty (JD) presented a proposed new model. He noted that the society is fragile in terms of the relationships between operating units and finances. This model is based on the position that the three divisions deliver the vast majority of member benefits and as such the majority of funds and control should reside at division level. Further those worldwide operations should be limited to the provision of those programs and functions that are the foundation of the society, in support of divisional efforts.

The division boards need to be able to govern/operate within their geographic regions in the different languages and business cultures that exist. Overall costs need to be reduced and revenues need to be expanded in order for FCSI to be sustainable.

JD noted that the Asia Pacific Division needs support from the other two divisions because it may be the smallest division now, but it has the potential to be the largest in the future. As division chair, JD indicated that support and assistance will be provided to FCSI APD by FCSI EAME.

Under this proposal worldwide operations will include the maintenance of official governing documents, legal compliance, logo/trade mark protection, facilitate sharing by reference only, maintenance of the member database, web site and resource library, FCSI Council of Fellows and the WW President's travel. The cost of operating FCSI WW will be covered equally by the three divisions with all revenues generated at the divisional level.

It was suggested that Corporate member companies wish to advertise in an FCSI publication but currently have no choice but to advertise in either the Americas Quarterly (available only in TAD) or The Consultant (distributed globally). This option recommends a change to a more regionally focused publication with divisionally based editorial content and advertising specific to that region to enable a more targeted approach. There would be three separate versions of each edition of the magazine with a common template that defines the look and feel, plus 40% common content but the remainder of the publication made up with divisionally based content and ads. It is also anticipated that the divisions would negotiate agreements with drop houses in geographically diverse locations, where the digital edition of the magazine can be printed in smaller quantities as needed and distributed locally.

It was recognized that the board has not provided clear direction and expectations to the Executive Director which has prevented him from being able to efficiently manage the business of the society's worldwide operations. It was also recognized that the divisions have not done a good job of utilizing the WW President as the best possible brand ambassador at meetings and events.

Under this proposal there will be a need to alter governing documents, management agreements and transition from current operations to a new model. This option also suggests that funds that need to change hands between local units and divisions be handled by the division and only the divisions transfer funds to WW. It is proposed that the "New FCSI" begin operations on 1 January 2013.

### **3. There is a Storm Brewing:**

IH noted that there have been three corporate member representatives have approached him indicating that two consultant members within EAME had allegedly approached them for sponsorships using bully tactics. Another EAME corporate member and a TAD corporate member have approached the President to indicate that

the only time FCSI communicates with them is to collect dues and to seek sponsorship monies. Also that when corporate member companies sponsor events the number of allied members present greatly exceeds the number of consultant members. They want to know why they should continue to support FCSI if they are not gaining access to create and nurture relationships with consultants.

It was agreed that there has been too much attention focused on extracting monies from allied members whereas the focus should be about producing benefits members from all categories of membership. IH cautioned that the consultant membership may lose the support of their allied partners if we continue to abuse the relationship.

#### **4. Governance Model Option Two:**

IH presented an alternate governance model based on the premise that there is a difference between the work that should be happening at worldwide versus that at divisional level, and that the WW board needs to be populated by members who are not politically involved as divisional leaders because they cannot serve the global membership while representing their own division at the same time.

This model suggests involving the voting membership in electing the society's President and Secretary/Treasurer from a slate of nominees that have been vetted by a selection committee made up of 4 recent past presidents. The other members of the board to be populated by 3 allied members and 2 members from the FCSI Council of Fellows plus the Immediate Past President.

Under this model the WW operations would include brand promotion and protection, enforcement of the FCSI Code of Ethics and Professional Conduct, maintenance of the FCSI member database, web site, eLibrary, support local and divisional administrators, establish an electronic education database, support the FCSI Council of Fellows, FCSI Educational Foundation and the FCSI Council for Professional Standards. Further it was suggested that the worldwide office collect dues from corporate member companies with rates based on the number of divisions in which the company wishes to be involved, potentially with a levy that can be shared with the divisions to cover involvement in a number of events.

This proposal is based on the belief that there should be one version of The Consultant magazine with three sections established for content and advertising specific to each division. Further that the magazine be distributed in electronic formats only so as to avoid the cost of printing and distribution of hard copy magazines. An electronic format should also allow subscribers to view the editorial content of the magazine in their own language. Also that divisional conferences be designated as joint division/worldwide events on a rotating annual basis, with costs and proceed shared by WW and the host division.

**5. Perspectives from Board Members:**

JD noted his belief that corporate member companies are spending a very small portion of their overall annual turnover for involvement in FCSI. He speculated that there would be much more money coming in from corporate member companies if FCSI were providing greater value for the investment. The potential for value to corporate member companies is more a reflection on how they interact with FCSI and the relationships that they build than it is about the money they provide in the form of dues, sponsorships and the purchase of advertising space in FCSI publications. Paying dues and expecting to be specified for multiple projects without reaching out to the consultant community will most certainly result in dissatisfaction for the allied member. Dues only open the door.

Similarly, for consultant members, just paying your dues is not going to result in the award of one or more projects. The greatest possible value that they can receive for a consultant's membership dues will only be achieved if they use their membership in FCSI as a springboard to launch their own firm's marketing efforts.

There were opinions expressed about the reasons it is no longer practical to hold worldwide events including the cost of travel, the cost of being away from one's clients and the practicality of producing educational content that is applicable globally. Both EAME and TAD have developed manuals for conference planning. Jim Petersen (JP) expressed his opinion that there would be no benefit to involving WW staff in the planning and execution of divisional conferences.

MR was not pleased with the suggestion in the second option that WW HQ would collect all member dues globally.

**6. Perspectives from the Chief Staff Officer:**

SL was asked for his thoughts on the discussions that have taken place thus far. SL noted that his company is a service provider to FCSI and believes that it is not appropriate for him to participate in this reorganization process by promoting the involvement of Legge Executive Group Inc. as that would be unethical. The board agreed that SL has been truly professional in the provision of association management services to the Society.

SL noted that he worries that the membership doesn't believe in the branding slogan, "We Share, We Support, We Inspire" which is the core of the Society's brand identity, yet there is little sharing, supporting or inspiring going on at the individual member level as well as within the governance structure. There is dissatisfaction because there are such widely divergent expectations of what membership in FCSI is all about. Until there is a common vision throughout the FCSI global community as to what the essence of FCSI is, great things cannot happen and members will be dissatisfied.

There is no need for an 'us versus them' approach to everything. It doesn't need to be black and white – WW does this and the divisions do that. There should be more collaboration throughout all levels of the society. There is a lot of potential within the

leadership structure of FCSI but it is not being utilized or synergized for the benefit of the membership.

SL noted that he was the one who advised the board, 4 years ago, that the Society needs to develop a new financial model but the focus has always been on changing WW, but leaving the division and local units alone. If there is to be real positive change resulting from these deliberations then all three levels of governance and administration should be reorganized for a leaner, more flexible, efficient and member-centric association.

When looking closely at where the money comes from to drive this society it should be a concern that 55% of the membership is from consultant member categories yet only 27% of the dues revenue comes from the consultants, and that does not even take into account the funds raised at all levels from sponsorships, levies and advertising which are solely funded by the corporate members. The membership needs to decide whether it is still appropriate for the allied members to be covering the vast majority of the cost of running this consultant's association.

Lastly SL pointed out that the society needs to launch forward in an effort to become sustainable as an association by attracting, encouraging and educating the future members of this society rather than focusing all decisions, programs and events on the senior members of the society who will be retiring in the not too distant future. There needs to be value in the consultant member categories that lead to professional status – the Associate and Senior Associate member categories where the future of the profession lies.

## **7. The Way Forward:**

There was discussion as to whether the board should make a decision about the options for a new model of the society prior to assessing the financial impact. The board agreed to move forward without any financial proforma analysis. There was consensus to move forward with further developing the first option under consideration under the assumption that the new models will surely result in a lower cost for worldwide operations and the divisions will need to assess what additional revenues and expenses will be experienced at the divisional level.

Decisions for a future structure need to be determined based on what is appropriate for the future, while removing current personalities, and then come up with a transition plan that bridges the gap between where we are today and where we need to arrive at the start of 2013. A timeline needs to be prepared to further the concept developed during this meeting through to implementation and related member/public relations and communications. The board agreed to further define the new FCSI based on the first option prior to a formal motion/vote to accept.

**8. New FCSI defined:**

A. The structure of the Board:

- 3 **voting** director positions filled by the immediate past Divisional Chairs (2 year term)
- 3 **voting** director positions filled by current Divisional Chairs (2 year term)
- 3 **voting** director positions filled by Divisional Allied Trustees (1 per Division, 2 year term)
- President (one of the immediate past Divisional Chairs – selected by the Board on an annual basis)
- Treasurer (one of the immediate past Divisional Chairs – selected by the Board on an annual basis)
- Special Projects Coordinator (one of the immediate past Divisional Chairs – selected by the Board on an annual basis)

B. Board terms and roles:

- All WW Board terms to rotate on an annual basis based on the calendar year  
 No separate function for the Officers outside of those required by state statutes  
 A small and flat structure, visible for the members
- A fall back to a Divisional "Chair in waiting" if a past Divisional Chair cannot take up the position.
- The position of President is the global leader of the Society.

<b>Succession Plan</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
EAME Chair	Jonathan	Jonathan	???	???	
EAME Past Chair	Tony	Tony	Jonathan	Jonathan	
APD Chair	Clara	????	????		
APD Past Chair	Tim	Clara	Clara	????	????
TAD Chair	Jim	Jim	Bill	Bill	?????
TAD Past Chair	Ed	Ed	Jim	Jim	Bill

The divisions will each need to assess the changes that they will be required to make to their governing documents, board terms/representation, leadership development, etc. in order to support the changes being pursued at the worldwide level.

C. Budget Considerations for board activity:

- The cost of travel to attend board meetings is the responsibility of the division
- The cost of accommodations, meeting space and catering for board meetings is to fall under the worldwide budget
- The location of face-to-face meetings is to rotate among the three divisions
- The incremental cost of the President's travel and accommodations, in their role as leader, is to be covered by the worldwide budget.

D. Transition Considerations:

- The current board representation should remain in place through the end of 2012 despite the fact that some terms are scheduled to come to an end a few months prior to that date.
- It was suggested that Ian and Gérard stay on the board for 2013 as part of the transition process.
- Possible candidates for the first President under the new model would be Ed, Clara and Gérard. Clara indicated she would not stand for President.
- During the transitional year, 2013, it is deemed a requirement that the immediate past divisional chair positions are to be filled by personnel now serving on the WW board to retain continuity
- The ceremonial passing of the gavel from Ian's presidency to the next president should occur at an event during NAFEM 2013 which should be a major PR opportunity
- There will be a need for the current WW board to gather once more during this year to complete the process of instituting the new governance model.

E. Meetings:

- The WW Board will meet a minimum of once per year in person with additional meetings via electronic means as required
- The division chairs will meet either in person or via electronic means on as frequent a basis as they determine is appropriate, with each division covering their own costs, in order to share and coordinate efforts
- At a minimum every two years there is to be a meeting involving the divisional representatives, division administrators and worldwide administrator, ideally at a divisional conference, rotating among the three divisions. Each division will cover the costs of their personnel.

The meeting was recessed at 5:00pm local time Friday March 2, 2012

The meeting resumed at 9:11am local time Saturday March 3, 2012

F. CPS Worldwide:

- The current CPS WW team is required convene by email and conference call to develop a vision and plan for the foreseeable future to detail what they feel a need to do, how they propose to do it, what financial resources they need to do it and when it will be completed. The plan is to include a succession plan based on one representative from each division plus one staff support. This plan is to be presented to the WW Board prior to October 31, 2012.
- There is a need for common operational models among the various operating units of the Society.
- The CPS WW team needs to redefine the roles, responsibilities and time scales of the CPS in the three divisions to clarify the role played by the CPS and the related responsibilities of their divisional boards.
- The President will issue a letter to the CPS WW to communicate these requirements.

G. Educational Foundation:

- The FCSI Educational Foundation will be required to establish its own management agreement for administration services effective January 1, 2013. The Affiliation Agreement between FCSI and the FCSI Educational Foundation

may need to be updated and amended to appropriately establish governance, access, reporting and communication roles and responsibilities of both parties.

- A letter will be issued to the EF by the FCSI President to convey the above noted decision.

#### H. The FCSI Magazine:

- Distribution Methods
  - hardcopy/printed
  - on-line
  - cloud
  - printed excerpt
  - PDF excerpt
- We need to ask each member and subscriber which format they wish to receive their Consultant magazine in
- Each division will be required to establish relationships with geographically diverse drop houses where printing may be done on a more local level
- The magazine will be published quarterly beginning in 2013
  - mid January (ready mid December)
  - mid April (ready mid March)
  - mid July (ready mid June)
  - mid October (ready mid Sept)
- There will be three divisionally based versions of each edition
- A new design to be developed with one look/feel/format/template for all versions and editions
- Different cover art for each divisional version
- Each divisional version to carry advertising content from that division plus some global advertisement placements
- Central publishing contract which could be anywhere in the world, based on a brief to be developed by the WW board, who will appoint a 'magazine director' who will manage the process of developing and pulling together the three digital versions of each edition
- Editorial content to be provided by each division, sourced and edited – ready for placement, formatting and art to be incorporated by the magazine director
- Editorial content provided by WW or another division may be removed from each division's version of the magazine if deemed inappropriate for the division's readership
- Each division needs to identify additional potential subscribers for the magazine to increase the distribution to potential clients
- Each division is now responsible to produce a yet to be determined amount of editorial content (edited and ready for print) and sell their own advertising space
- There will be a monetary cost to each division for development of the magazine and a revenue source for each division based on the advertising space sold
- There will be a need for the three divisions to cooperatively determine a deal for those corporate member companies who wish to advertise in two or three divisional versions
- There will be a cost for the coordination by the magazine director and worldwide content that will be shared by the three divisions based on a budget approved by the WW board
- We need to promote the distribution of the magazines via electronic methods but either way there should be a price for subscriptions to ensure there is a perceived value in the publication.

- It was agreed that the name of the magazine needs to change as part of the re-visioning of the society and publication which will also be a huge PR opportunity. The new name is to be decided by the board and kept under wraps until a big reveal can be launched – preliminary suggestions for names to be shared among board members prior to the end of April 2012

J. Marketing/PR relative to the 'new' FCSI:

- Marketing and Public Relations is not practically handled on a global basis – it is better handled at the division or local level. TAD and EAME are beginning to develop marketing/PR initiatives and APD would like to do similarly when proper funding can be secured.
- There are common themes that should be carried in all three divisions but because each division is in a different state of development the messages may be different.

K. Administration

SL left the meeting room to allow the Board to discuss administration requirements to suit the new model, without staff present, in executive session.

- The board requested the following of the current management company:
  - Maintain current operations through the end of 2012
  - Prepare a proposed scope of services based on decisions reached during this meeting and corporate obligations previously defined
  - The board will review and approve scope of services
  - Prepare a management fee proposal based on scope of services
  - A new management agreement for 2013 and beyond to be agreed by mid May 2012

9. Decisions:

***It was moved to extend the terms of the current FCSI worldwide officers until 31 December 2012 as part of the transition process to implement the new governance model.*** The motion was seconded and when put to a vote the motion was approved unanimously.

***It was moved to approve the 'new FCSI' as defined over the past two days, effective January 1, 2013.*** The motion was seconded and when put to a vote the motion was approved unanimously.

***It was moved that there will be no worldwide convention in Hawaii in 2014.*** The motion was seconded and when put to a vote was approved with 1 against and 1 abstention.

***It was moved to remove from the scope of services of the FCSI WW management company, the planning and execution of future worldwide conventions.*** The motion was seconded and when put to a vote was approved with 1 against.

A message concerning the outcome of the meeting was prepared and agreed by the full board, is to be issued to the global membership within the next few days, with notice of the message being distributed to the global administrators and divisional boards 24 hours in advance.

The board thanked President Ian Hopper for his leadership through the process of researching member needs, strategic planning and a complete re-engineering of the society's worldwide governance and operations.

**10. Council of Fellows Nominations**

SL presented the board with the names of two nominees currently under consideration for induction into the FCSI Council of Fellows. Both nominees have far exceeded the qualification scores previously set out by a joint BoD/CoF committee.

***It was moved to induct Char Norton and Ruby Puckett into the FCSI Council of Fellows during a ceremony to take place at the 2012 Kansas City conference.*** The motion was seconded and when put to a vote the motion was approved unanimously.

**11. Unfinished Business**

There was no unfinished business brought before the board.

**12. New Business**

There was no new business brought before the board.

**13. Next Meeting**

SL was asked to investigate the availability and cost of travel, accommodations and meeting venues for a 2-day (Wednesday/Thursday) face-to-face board of directors meeting during the second week of October, 2012 in Las Vegas given that low cost rooms are available during the week and are more expensive on Friday/Saturday nights.

Meeting adjourned at 4:26 p.m. - Meeting minutes recorded by S. Legge