

Where Does the Money Go?

Q: Where do the dues go that I pay for my BNI membership?

A: Most people see only the tip of the iceberg when looking at BNI. For most members, BNI can appear to be just the weekly meeting with your chapter members, but it is so much more!

To begin with, the most valuable questions a member (or potential member) should ask are (1) “Am I getting as much or more business referred to me as other BNI members in similar categories, and if not, why not?” (2) “Is the amount of business referred to me sufficient?”

BNI is a private marketing business. Compared to other business expenses or forms of advertisement, membership in BNI’s marketing program is not excessively expensive. One reason we are asked about the destination of membership fees is that the operation seems, on the surface, to be very simple and easy. But BNI is not a simple activity. word-of-mouth marketing is a performance activity that requires constant vigilance, energy, maintenance, and new growth.

Like so many performance activities, BNI staff members make the system look easy. BNI is operated by a professional staff that initially created, and now works to maintain, a user-friendly marketing system. Take away the BNI infrastructure and staff, and the service provided through the program will decline rapidly.

Benefits of Membership

BNI fees provide a member with

- a. potential for a significant amount of new referred business,
- b. current information about the latest business trends in other industries that facilitate the operation and growth of one’s own business,
- c. training and practice in public speaking and specific marketing/advertising of oneself and one’s service/product,
- d. special business contacts that can be converted into long-term strategic alliances at the regional level, up to and including the global business community and
- e. special coaching about word-of-mouth marketing from trained and talented BNI Directors.

If any one of the above benefits was to be fully utilized by a member, its value alone would far outweigh the monetary investment for a BNI membership. There are many advantages to membership, not the least of which is the international affiliation with other BNI chapters and members. These more global contacts are becoming increasingly important to businesses and their clients.

BNI is a service company. All service organizations have the following expense lines:

Staffing: The bulk of a service organization’s revenue goes toward paying staffing costs. To hire superlative staff, the organization has to meet market demands like any other employer organization. In the case of BNI, we benefit from the dedication and enthusiasm of our talented and experienced staff.

Marketing and Advertising: To survive, all organizations must dedicate a portion of their budget to marketing and advertising of their name, product, and benefit. This line pays for brochures, websites, business cards, flyers, publications, public relations, specialty items, consultants, public seminars, and more.

Administration: All organizations need a semblance of administration and management in order to operate smoothly and grow. Most organizations like to keep their administrative costs streamlined, but all organizations have administrative needs. Administration includes rent, office supplies, computers, accounting, and other business necessary to conduct business.

Communications: Business organizations must communicate with clients, suppliers, colleagues, advisors, consultants, and the general public. Communication with local, national, and international organizations is a vital requirement for staying competitive and includes various networking techniques and strategies. A portion of an overall budget is allocated to these processes, which include travel, phone, faxes, meetings, etc.

Operational Overhead: To keep abreast of the times and remain competitive, all organizations must conduct or pay for research and development of new products, trends, activities, and strategies. In the case of a franchise organization, headquarters does most of this work. Hired specialists who consult in specific project areas might be retained to work on special time-limited areas. One example of BNI research and development was the development of the Member Success Program.

Training: As is said by many large multinational organizations, “Our most precious resource is our people.” Investment in the upgrading and training of staff is crucial to maintaining a competitive edge in the market place and, retaining staff. Training expense represent a growing cost for all organizations. A significant portion of BNI’s budget also goes to training BNI Directors, Leadership Team members, and their committees.

Special Projects: To stay current and competitive, organizations must look for new programs to continually offer value and service to their existing clientele, maintain market share, and to attract new clients. One example of a special project is *SuccessNet* Online.

Beyond this statement about “Where the Money Goes,” each member, as an independent business person, must make his or her own decisions about where best to place revenue against expenses in order to meet business goals and objectives. Whether a BNI membership is a favorable expense is an individual business decision and should be made within the private confines of each businessperson’s management team. One method for evaluating one’s growth potential with BNI is to carefully interview other successful members in the same business category. These contacts may be arranged through consultation with the local BNI Director.