

# Retention Model

Retention is an important issue for all clubs. If a club cannot retain its current members, as well as induct and retain new, qualified members, it will not remain viable. In order to practice good retention, a club must first understand retention and have a tool for measuring it. The Retention Model on page 2 is a tool that clubs and districts can use to identify their current retention strengths and weaknesses.

This model illustrates retention by exploring a club's membership activity within a specific time frame. Instead of merely looking at net gain or loss from year to year, it provides a framework for viewing how both the induction and termination of members contribute to overall net gain or loss. This comprehensive picture will indicate any significant turnover that may be occurring in a club by revealing the number of terminations and inductions taking place.

We recommend that clubs use this model to study three or five years at a time, in order to obtain a long-term and relevant overview. Studying fewer than three years does not utilize a large enough sample of data to establish a consistent trend, and studying more than five years at a time can introduce too many environmental factors and make it difficult to develop conclusive statements about your club's retention. Using a three- or five-year time frame for the model will help clubs to identify their retention of new members.

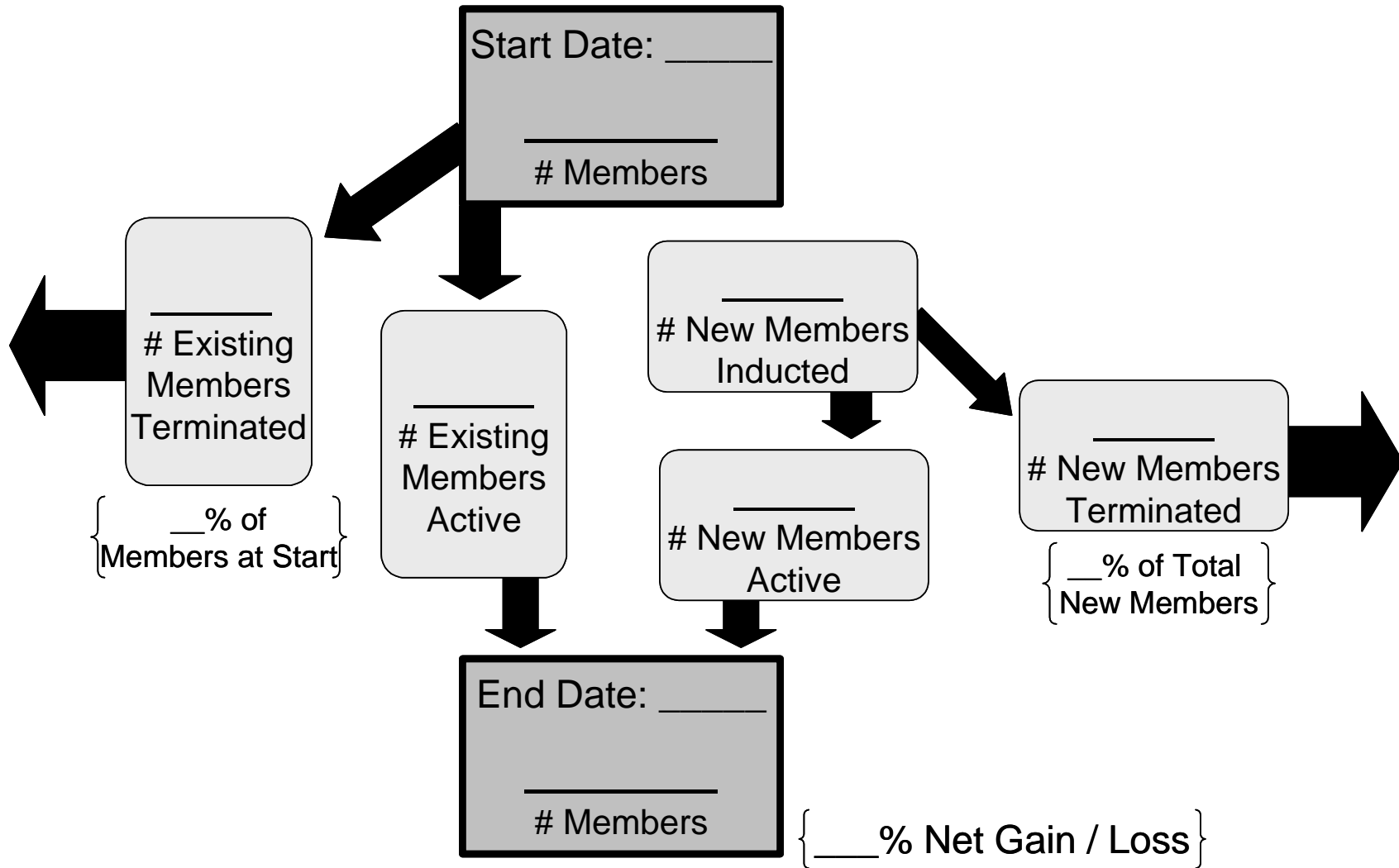
If your club's membership records include the induction and termination dates of each member, follow the instructions on page 3 to create your model .

If your club does not currently maintain all of the necessary membership records to complete this model, follow the instructions pages 4-6 to create your model.

See page 7 for a completed model with sample data.

Once you have completed your model, refer to pages 8-10 for ideas on how to interpret your club's numbers.

# Retention Model



## Creating Your Retention Model (for clubs with complete membership records)

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- 1) Establish the time frame you wish to study by entering a **Start Date** in the top box of the Retention Model and an **End Date** in the bottom box. (We recommend a time frame between three and five years.)
- 2) In the **Start Date** box, enter the number of active members who were in the club on the start date.
- 3) In the **End Date** box, enter the number of active members who were in the club on the end date.

### *Helpful Definitions*

#### Existing Members

Members active in your club on the start date

#### New Members

Members inducted between the start date and end date

- 4) Calculate the      % **Net Gain/Loss** by:  

$$\frac{(\text{End Date number of members} - \text{Start Date number of members}) * 100}{\text{Start Date number of members}} = \text{    } \% \text{ Net Gain/Loss}$$
- 5a) In the **Existing Members Terminated** box, enter the number of members who were active on the start date but terminated before the end date.
- 5b) Calculate the      % **of Members at Start** by:  

$$\frac{\text{Existing Members Terminated} * 100}{\text{Start Date number of members}} = \text{    } \% \text{ of Members at Start}$$
- 6) Calculate the number of **Existing Members Active** by:  

$$\text{Start Date number of members} - \text{Existing Members Terminated} = \text{Existing Members Active}$$
- 7) In the **New Members Inducted** box, enter the number of new members inducted between the start date and end date.
- 8a) In the **New Members Terminated** box, enter the number of new members who were terminated before the end date.
- 8b) Calculate the      % **of Total New Members** by:  

$$\frac{\text{New Members Terminated} * 100}{\text{New Members Inducted}} = \text{    } \% \text{ of Total New Members}$$
- 9) Calculate the **New Members Active** by:  

$$\text{New Members Inducted} - \text{New Members Terminated} = \text{New Members Active}$$

*Note: The number of members at the **End Date** should equal the number of **Existing Members Active** plus the number of **New Members Active**.*

## Creating Your Retention Model (for clubs with incomplete/no membership records)

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*Note: We highly recommend that this analysis be completed by someone with a strong working knowledge of Microsoft Excel.*

### Retrieve your club's membership information.

- 1) Have the club president or secretary log in to the **Member Access** section of the RI Web site. *Unregistered club president/secretary:* To register for Member Access, go to [www.rotary.org](http://www.rotary.org) and click on **Member Access** on the main navigation bar. From the Member Access page, click the **Register Now** link and enter your district ID, club ID, member ID, and e-mail address into the appropriate fields.

Please report any problems with Member Access to your Club and District Administration representative. Go to [www.rotary.org/support/CDAreps](http://www.rotary.org/support/CDAreps) to identify the representative for your club.

- 2) Click **Update Membership Data** on the left toolbar to view a list of your current club members.
- 3) Place the cursor to the left of the statement **The following are active members.** Click and drag down to the bottom right corner of the page, highlighting all of the entries in all of the columns.
- 4) Copy this highlighted information to the clipboard.
- 5) Open a blank Microsoft Excel spreadsheet.
- 6) Paste the highlighted information from Member Access into the blank spreadsheet.  
*Note: You may want to resize the columns in order to view all of the information.*
- 7) Insert a blank column between the **Admitted** and **Member Type** columns.
- 8) Go back to the Member Access page, and click on **Terminated Members** (next to **View**) to view a list of your former club members.
- 9) Place the cursor to the left of the statement **The following are terminated members.** Click and drag down to the bottom right corner of the page to highlight all of the entries in all of the columns.
- 10) Copy this highlighted information to the clipboard.
- 11) Go back to the spreadsheet and paste the highlighted information from Member Access in the row under the active members information.  
*Note: You may need to paste the terminated members information two columns offset to the right so that it lines up vertically with the data in the active members columns.*

- 12) Delete the row labeled **The following are active members** (at the top of the list) and the row labeled **The following are terminated members** (in the middle of the list). Next, delete the column headings between the active members information and the terminated members information. The end result is one long list of members.
- 13) Delete columns A, B, and C (labeled **View**, **Terminate**, and **Edit**). To ease viewing, remove the shading on the page.

### Confirm the information.

Your list might contain duplicate entries of the same member. These duplicate entries may be created in a number of ways, including a slowly refreshing confirmation page in Member Access, a new member reported via both fax and mail, or an error in data entry. Because of current database constraints, duplicate entries cannot be deleted from the system. However, any duplicate entries in your club data have been identified as such by adding the word *duplicate* within the Name column. Before analysis, be sure to **delete any duplicate member entries from the list of members**.

Occasionally, RI Data Services staff has difficulty deciphering handwriting on mailed or faxed Membership Data Forms. As a result, a member may be entered into the wrong club. Because of system constraints, such incorrect entries cannot be deleted from the system. However, any members incorrectly added to your club data have been given negative or zero tenure, which in effect removes them from your club data. Before analysis, be sure to compare each member's induction and termination dates, and **delete any entries in which the termination date occurs on or before the induction date**.

Look carefully over the remaining club data to confirm its accuracy. If you notice any other incorrect data, please contact the Data Services Division at RI Headquarters (e-mail: [datacorrections@rotaryintl.org](mailto:datacorrections@rotaryintl.org) or phone: +1 847-866-3000) to resolve the inaccuracies before proceeding with the Retention Model.

### Complete your Retention Model.

- 1) Establish the time frame you wish to study by entering a **Start Date** in the top box of the Retention Model and an **End Date** in the bottom box. (We recommend a time frame between three and five years.)
- 2) Sort the club's membership roster by the **Admitted** column. *Be sure to highlight all of the information before sorting, so as to not cross-thread the data.*
- 3) To determine the number of members in the club on the **Start Date**, find the members who were admitted before the start date. Of this group, count the members who are currently active or were terminated *after* the start date. Enter this number in the **Start Date** box.

#### *Helpful Definitions*

##### Existing Members

Members active in your club on the start date

##### New Members

Members inducted between the start date and end date

4a) To determine the number of **Existing Members Terminated**, look at your list of members who were active on the start date. Count how many of these members were terminated between the start date and end date. Enter this number in the **Existing Members Terminated** box.

4b) Calculate the **\_\_% of Members at Start** by:

$$\frac{\text{Existing Members Terminated} * 100}{\text{Start Date number of members}} = \text{__\% of Members at Start}$$

5) Calculate the number of **Existing Members Active** by:

$$\text{Start Date number of members} - \text{Existing Members Terminated} = \text{Existing Members Active}$$

6) To determine the number of **New Members Inducted**, look at your total list of members. Count how many of those members were admitted between the start date and end date. Enter this number in the **New Members Inducted** box.

7a) To determine the number of **New Members Terminated**, look at your list of new members (inducted between the start date and end date). Count how many of these new members were also terminated between your start date and end date. Enter this number in the **New Members Terminated** box.

7b) Calculate the **\_\_% of Total New Members** by:

$$\frac{\text{New Members Terminated} * 100}{\text{New Members Inducted}} = \text{__\% of Total New Members}$$

8) Calculate the **New Members Active** by:

$$\text{New Members Inducted} - \text{New Members Terminated} = \text{New Members Active}$$

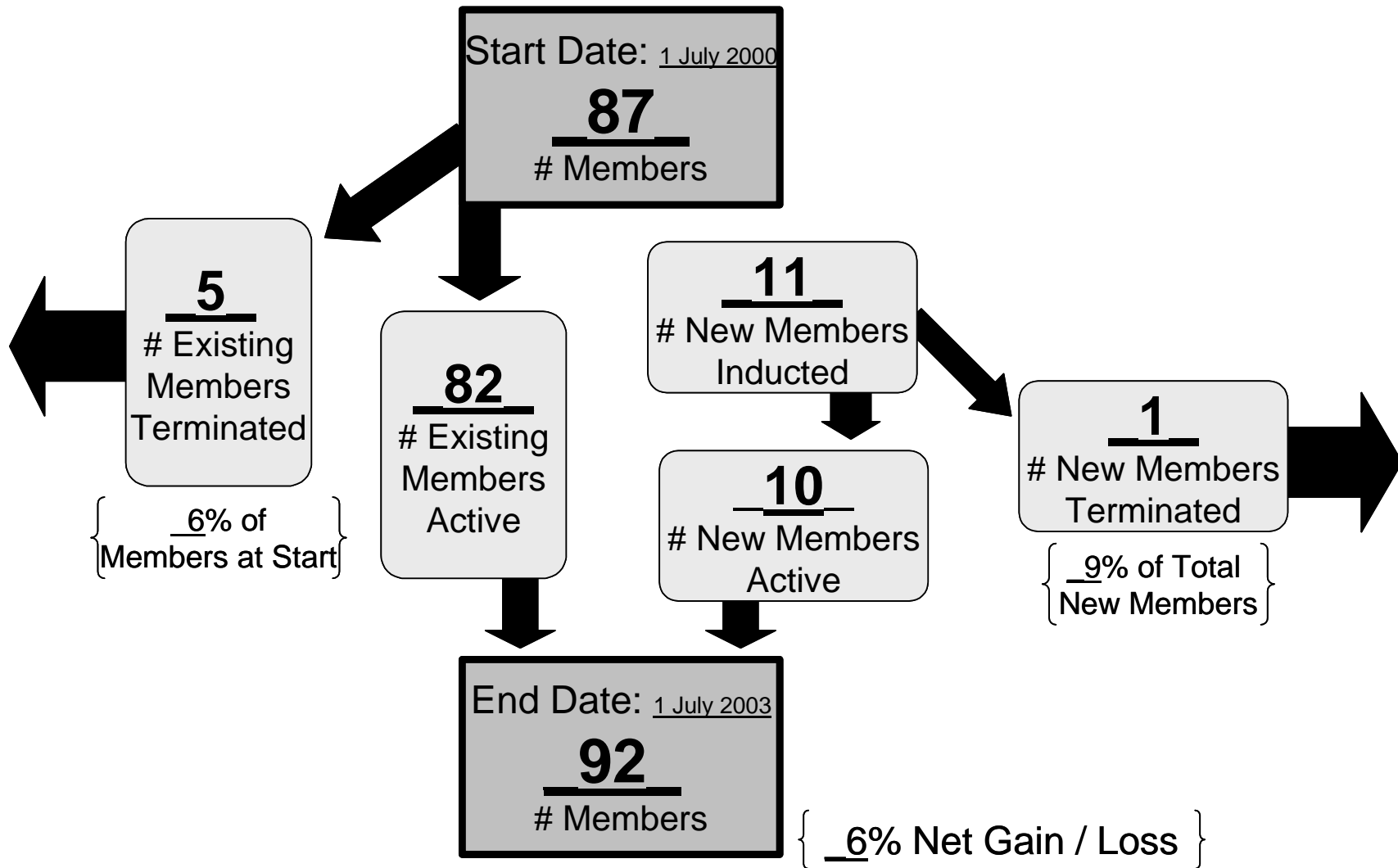
9a) Calculate the **End Date** number of members by:

$$\text{Existing Members Active} + \text{New Members Active} = \text{End Date number of members}$$

9b) Calculate the **\_\_% Net Gain/Loss** by:

$$\frac{(\text{End Date number of members} - \text{Start Date number of members}) * 100}{\text{Start Date number of members}} = \text{__\% Net Gain/Loss}$$

# Sample Retention Model



## Interpreting Your Retention Model

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As you can see, your completed Retention Model provides a much more comprehensive picture of the club's membership than simply looking at net gain or loss. The following exercise will serve as a guide as you consider this model and identify the club's retention strengths and weaknesses.

### Evaluating Net Losses

The first indication that the club might have a retention problem is evidenced by whether it has suffered a net gain or net loss of members. Any net loss shows that the club has failed to retain more members than it inducts. However, a net gain in members does not necessarily mean that the club is succeeding with retention. The club might be losing large numbers of members, which can be masked by an equally large number of inductions.

### Evaluating Termination Rate

The primary evidence that the club might have a retention problem is if it has terminated a large number of members. Add the number of **Existing Members Terminated** (far left box) and number of **New Members Terminated** (far right box) to determine the total number of members the club has terminated. Is the total number of terminations reasonable for the size of the club? Consider the reasons for these terminations and the steps the club can take to curb these losses.

#### *New Members*

To continue the termination analysis, consider the number of **New Members Terminated** (far right box). This indicates how many new members the club inducted and subsequently terminated within the time frame. Keep this number as close to zero as possible. The percentage listed under the **New Members Terminated** box (**\_\_% of Total New Members**) identifies what percentage of new members have been terminated. Keep this percentage as low as possible. It is understood that occasionally a new member may leave unexpectedly; however, if the club fully informs prospective members about the responsibilities of membership and maintains an effective new member orientation program, the number of new members terminated should be extremely low.

#### *Existing Members*

Next consider the number of **Existing Members Terminated** (far left box). This number identifies how many of the members that were active on the start date have been terminated, in other words, the club's attrition percentage (**\_\_% of Members at Start**). A low attrition percentage is an indication that the club is retaining its existing members.

2004-05 RI President Glenn Estess Sr. has established 3 percent attrition as the retention goal for all clubs. If your club hasn't yet reached this goal, take a look at the following tables of attrition ranges to see how well your club is performing against this goal.

- The first column states the goal.
- The second column provides a range of percentages indicating good retention.
- The third column shows the range at which a club might have a problem with retention.
- The fourth column shows the danger zone, or point at which a club's retention problem may require serious action.

Because terminations compound over each additional year studied, we have given you one reference chart for a three-year study and another for a five-year study. Keep in mind that the termination of one or two members will have a more drastic effect (by percentage) on smaller clubs than larger clubs.

***Three-Year Study***

<b>Goal</b>	<b>Good</b>	<b>Problem</b>	<b>Danger Zone</b>
3%	4-15%	16-35%	>35%

***Five-Year Study***

<b>Goal</b>	<b>Good</b>	<b>Problem</b>	<b>Danger Zone</b>
3%	4-20%	21-45%	>45%

## **Other Resources**

If a club's attrition percentage needs improvement, be sure to refer to the other retention resources, such as those outlined in the *Retention* section of the *Membership Development Resource Guide* (417-EN). Revitalizing a club with fresh new activities, running a comprehensive new member orientation program, and continuing the education of members are some of the ways you can improve a club's attrition rate. You might also seek the advice and guidance of your Regional Rotary International Membership Coordinator (RRIMC; a complete list by zone is posted on the RI Web site). RRIMCs and their Zone Coordinators (RIMZCs) are a worldwide network of specially trained Rotarians knowledgeable in successful membership development initiatives.

Be aware that this model is slightly limited because it restricts the definition of a new member to an individual who joined a club during the specified time frame. To further explore how long members stay in a club before leaving, use the Termination Profile.