



SKÅL

INTERNATIONAL
Connecting Tourism Globally

GOVERNANCE PLAN HIGHLIGHTS

November 2022

FACTS I

WE ALL KNOW THAT SKÅL INTERNATIONAL IS...

- World's oldest and largest association
- Gathering all the branches of the tourism sector
- The only umbrella organization of our industry which could be recognized as:
 - The think tank of world tourism.
 - Doing business among friends...
 - Great friendship platform among its members.
 - Who speak the same language of tourism.
 - Yet "the best kept secret".



FACTS II

MEMBERSHIP

- In 1970's we were about 35.000 members.
- In 90's we went down to 25.000 members.
- In 2010's to 20.000 members.
- And today down to 13.100 members.
- Still on 5 continents in 84 countries.
- In 310 locations/clubs



FACTS III

NEED FOR CHANGE

- Change been the 'talk' for the past 10-15 years: ISC meeting minutes for past 12 years.
- Governance Crises.
- Danger bells for amical.
- Lack of diversity and inclusiveness and fair representation at the top of the organization.
- Distruption and restructure in the Travel and Tourism industry after Covid.
- Decline trajectory in general membership for past years.
- Aging organization with lack of meeting new generations expectations.



FROM TALKS TO WALK: ACT ON ACCOMPLISHING CHANGE

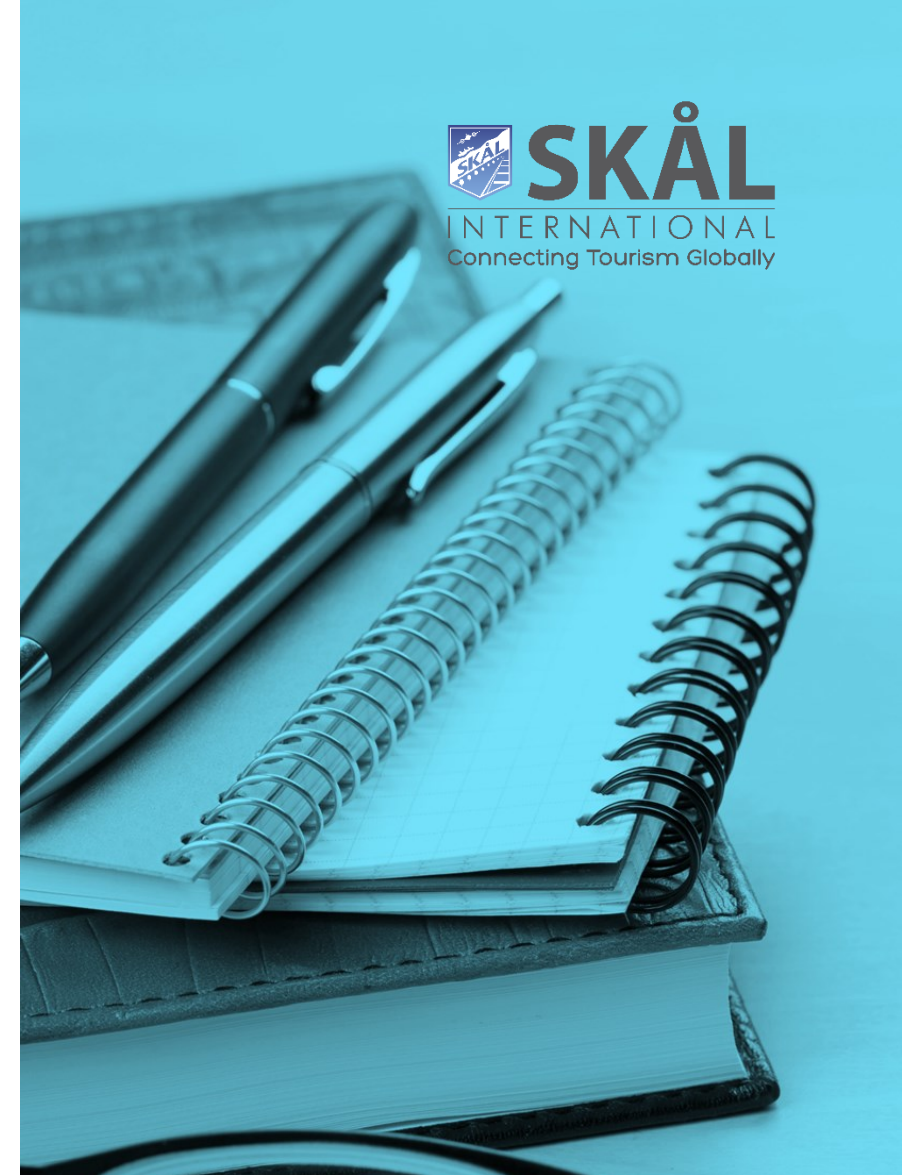
- 2022 has been declared to be a year for transformation in November 2021.
- Jan 1, 2022, Committees formed: open to all for participation.
- To act on change request for decades Governance and Statues: Think Tanks, also known as Committees, are formed.
- About 40 Skålleagues (6 IPP's, 12 ISC's, current AC and NC Presidents, former Area/National Committees Presidents and former International Skål Council Presidents) joined these two Committees.
- They worked over 100 hours in total.
- Governance Committee presented proposal: unanimously approved.
- Statutes Committee presented action to implement the proposal: change in Statues.

THE CURRENT EXECUTIVE COMMITTEE, INTERNATIONAL SKÅL COUNCIL AND GOVERNANCE COMMITTEE WERE ASKED

Based on your perception, and your experience: Would you say that the actual Governance Structure allows Skål International to properly deliver and achieve its mission?:

- 22.7% YES
- 77.3% NO

In their own words: The structure should be simplified which would also allow a better representation of members.

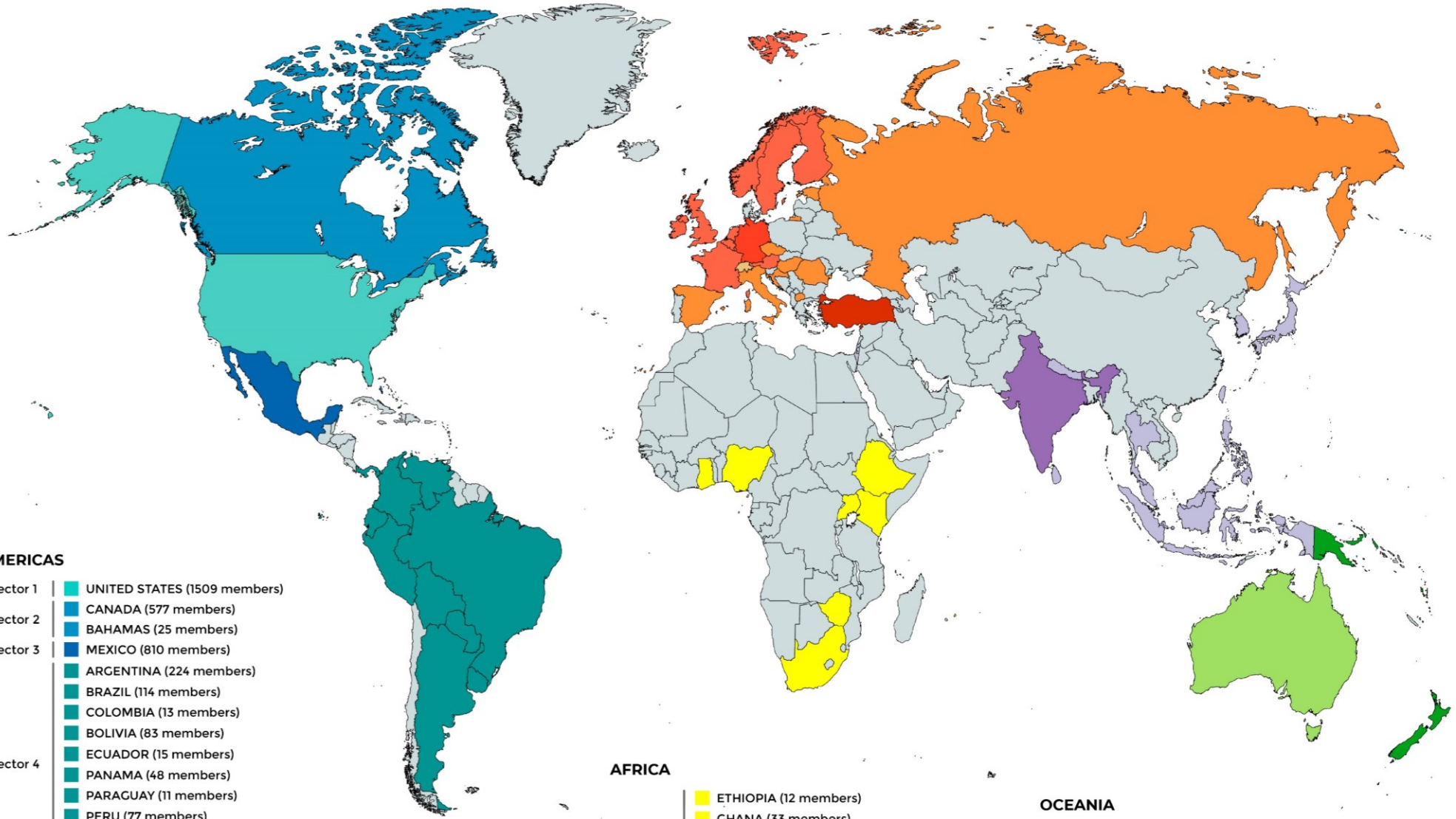


KEY POINTS OF THE NEW PLAN

- To reorganize/modernize leadership on the international level to ensure representation for all areas of the Skål International world, to better serve membership with the most qualified members.
- **Current Executive Committee and International Skål Council reorganized into one governing body.**
- Philosophy of Governance was to take a **bottom-up approach and allow all countries in the Skål International world a real voice and ability to hold international office!**



14 REGIONS



AMERICAS

- Director 1 | UNITED STATES (1509 members)
- Director 2 | CANADA (577 members)
- Director 3 | BAHAMAS (25 members)
- Director 3 | MEXICO (810 members)
- Director 4 | ARGENTINA (224 members)
- Director 4 | BRAZIL (114 members)
- Director 4 | COLOMBIA (13 members)
- Director 4 | BOLIVIA (83 members)
- Director 4 | ECUADOR (15 members)
- Director 4 | PANAMA (48 members)
- Director 4 | PARAGUAY (11 members)
- Director 4 | PERU (77 members)
- Director 4 | VENEZUELA (63 members)
- Director 4 | URUGUAY (60 members)

AFRICA

- Director 14 | ETHIOPIA (12 members)
- Director 14 | GHANA (33 members)
- Director 14 | KENYA (216 members)
- Director 14 | MAURITIUS (24 members)
- Director 14 | NIGERIA (138 members)
- Director 14 | ZIMBABWE (22 members)
- Director 14 | UGANDA (36 members)
- Director 14 | SOUTH AFRICA (227 members)

OCEANIA

- Director 12 | AUSTRALIA (917 members)
- Director 13 | FIJI (37 members)
- Director 13 | NEW ZEALAND (262 members)
- Director 13 | VANUATU (28 members)
- Director 13 | PAPUA NEW GUINEA (22 members)

EUROPE






- Director 5 | GERMANY (672 members)
- Director 6 | SWITZERLAND (615 members)
- Director 6 | BELGIUM (78 members)
- Director 6 | FINLAND (90 members)
- Director 6 | IRELAND (117 members)
- Director 6 | LUXEMBOURG (31 members)
- Director 6 | NETHERLANDS (34 members)
- Director 6 | NORWAY (62 members)
- Director 6 | SWEDEN (85 members)
- Director 6 | UNITED KINGDOM (90 members)
- Director 6 | AUSTRIA (246 members)
- Director 6 | FRANCE (351 members)
- Director 6 | ANDORRA (69 members)
- Director 6 | SPAIN (371 members)
- Director 6 | ITALY (291 members)
- Director 6 | MONACO (20 members)
- Director 6 | CROATIA (77 members)
- Director 6 | CZECH REPUBLIC (28 members)
- Director 6 | ESTONIA (43 members)
- Director 6 | HUNGARY (49 members)
- Director 6 | N. MACEDONIA (18 members)
- Director 6 | ROMANIA (51 members)
- Director 6 | RUSSIA (15 members)
- Director 6 | TURKEY (680 members)

ASIA

- Director 10 | INDIA (1671 members)
- Director 10 | SAUDI ARABIA (73 members)
- Director 10 | TAIWAN (74 members)
- Director 10 | INDONESIA (56 members)
- Director 10 | ISRAEL (31 members)
- Director 10 | HONG KONG (68 members)
- Director 10 | GUAM (23 members)
- Director 10 | JAPAN (117 members)
- Director 10 | S. KOREA (44 members)
- Director 10 | MACAU (35 members)
- Director 10 | MALAYSIA (21 members)
- Director 10 | NEPAL (67 members)
- Director 10 | PHILIPPINES (44 members)
- Director 10 | THAILAND (249 members)
- Director 10 | SINGAPORE (50 members)
- Director 10 | SRI LANKA (75 members)

REGIONS & NUMBER OF DIRECTORS

REGIONS WERE DESIGNATED BASED ON:

-  Geographical area
-  Number of members (pre and post pandemic)
-  Like language
-  Clubs showing consistent growth
-  Rule of thumb 600-650 members per region



THE NEW GOVERNANCE PLAN

EXECUTIVE BOARD OF DIRECTORS

Will consist of a total of 15 members:

- President.
- Vice President/President Elect.
- 12 elected Directors.
- Secretary General.

EXECUTIVE BOARD OF DIRECTORS

- Elected **within their regions** for a term of 2 years with the possibility of one additional term of two years.
- Candidate with second highest vote in each region will be the **Deputy** and will assume the Director position should there be a vacancy during the same term.
- Deputies will be asked to join a committee, as Co-chair which will enable potential leaders from the regions to have active participation to the governance.



PERMANENT COMMITTEES

1. Governance & Statutes/By-laws.
2. Finance, Florimond Volckaert Fund.
3. Technology.
4. Sponsorship, Special Projects & Awards.
5. Communication, Media, Public Relations, Branding and Marketing.
6. International Expansion, Membership Retention, Training, Young Skål and Membership.
7. Advocacy and Global Partnerships/Industry Relationships.
8. Congress and Meetings & Protocol.
9. Past Presidents Advisory Board (Ad Hoc).

These committees will engage over 100 members. Committee participation is a great way to discover new leaders



DIRECTORS & COMMITTEES

- Board members will be the liaison for Committees with no voting rights.
- Committees will work independently.
- Committee members will be selected from regions around the Skål International World.
- Possible 10-14 members per Committee.
- Based on 14 regions: all candidates who ran from their regions can serve as Committee members as well as members suggested from their regions or members who volunteer to serve.
- One/two Co-Chairs will be those deputies who achieved the second highest votes in their regional elections. Another Co-chair will be elected from among the Committee members once formed.
- This is a way to identify new leadership and have actual ISC Committees work effectively.



EXECUTIVE BOARD OF DIRECTORS

PRESIDENT

- Elevated from Vice President position for a one-year term with no possibility of serving another term.
- President is one of the 14 directors.



EXECUTIVE BOARD OF DIRECTORS

VICE PRESIDENT - PRESIDENT ELECT

- Will serve a one-year term and will assume the Presidency the following year.
- **Vice President is elected by membership** (all clubs).
- A minimum of two candidates must be suggested by the Executive Board but every Director could apply to be elected even if he/she is not suggested by the Board.
- Candidate for Vice President must have served on the Executive Board for a minimum of one, two-year term.
- Vice President is elected with a minimum of 50% + 1 of votes cast.



EXECUTIVE BOARD OF DIRECTORS V

DEPUTY VICE PRESIDENT

- Will assume position of Vice President should that person be unable to fulfill his/her term.
- Person receiving the second highest vote will be Deputy.
- If Deputy is elevated to Vice President's position, he/she will be President Elect.
- If Deputy does not automatically ascend to the Vice President Position, he/she will not assume the Vice Presidency the following year but must run again if he/she wishes to be considered for this position.



ELECTION PROCESS I

- Elections for Directors, Vice President, Auditor and Membres d'Honneur will be organized by Skål International in each region for consistency, at least 2 weeks prior to the AGA.
- The Ballot will be specific to each region – to be voted only by the Countries within that Region.
- In the case there is an Area Committee comprising of several regions and, if the regions within that Area Committee so wish, they may decide to elect their candidates for Director at the area level.
- Regions with only one country should elect/appoint min. 2 candidates in order to have the deputy also designated.



ELECTION PROCESS II

- Candidates' forums will be organized by Skål International in each region in advance of elections.
- Elections will be held virtually using *Election Buddy* or similar, and voting will be held for a minimum of 48 hours, typically two weeks prior to the World Congress.
- Every assigned delegate(s) will cast his clubs vote for Director (among candidates from his region only) and for Vice President, Auditor and Membres d'Honneur.
- Clubs with 66 or more members will have a second vote.

ELECTION PROCESS III

- Vice President cannot represent a region that had a Skål International President in the past 3 years.
- To allow candidates in a region with multiple countries the opportunity to serve on the Skål International Executive Board, a country cannot nominate another candidate if the current Director for its region belongs to that country and has served 2 consecutive two-year terms, unless there is no other candidate from a different country.
- Election results will be announced during the AGA of the Skål International World Congress.
- Board will serve from January 1 through December 31 of each year.



FINANCIAL CONTROL

INTERNAL AUDITORS

- Elected internationally by members for two-year terms in alternating years.
- Comprehensive qualifications and job description to be prepared
- Have interested members be nominated by their regions.
- Cannot be selected from the same regions.
- Cannot serve for more than two consecutive terms.
- **Audit will be required to review finances and operations quarterly in real time.**
- Quorum at Executive Board is 8 – no decision for spending in excess of the budget can be taken without the board resolution.



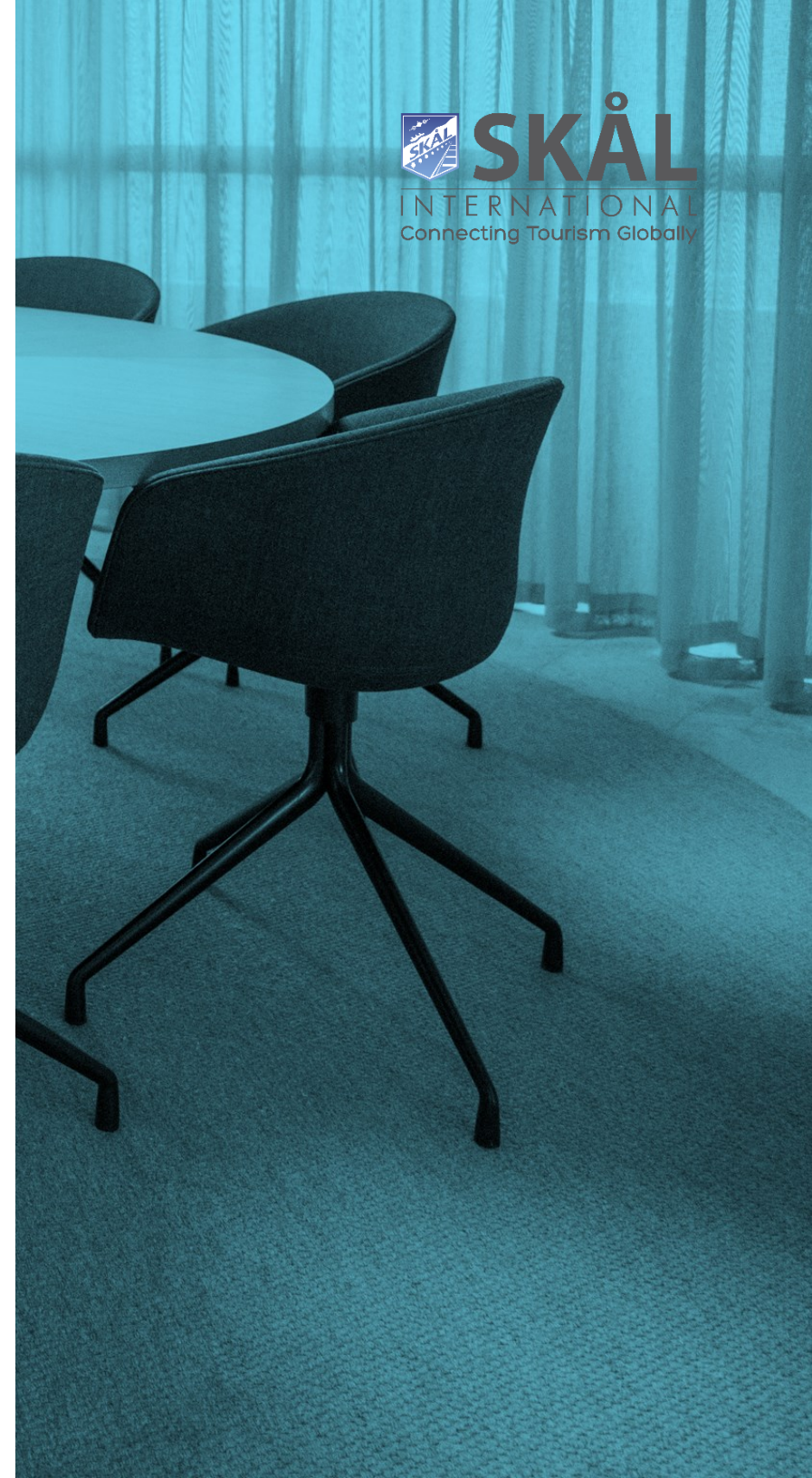
MEETINGS

- The Board will meet in person twice yearly maximum.
- Skål International World Congress.
- Midterm meeting: can be held virtually depending on budget.
- Board will hold a minimum of 8 virtual meetings a year.



HOW WILL THIS BE PAID FOR?

- Currently Executive Committee members and CEO travel to 3 meeting a year for a total of 24 trips.
- The new Governance Plan calls for only two meeting a year with 15 people traveling for a total of 30 trips which is an increase of 6 trips.
- Midterm will also be eliminated if can not be cost effective and we will held virtually.
- National/Area Committees will have an immediate savings by not having to send their International Skål Councillors to any meetings.



ELIMINATION OF THE WINTER EXECUTIVE COMMITTEE MEETING

Example Executive Committee savings

- **€19,762.10 - 2019 Meeting in Turku, Finland.**
5 Executive Committee members participated. Average Pp €3,952.42
- **€21,415.80 - 2020 Meeting in Christchurch, New Zealand.**
6 Executive Committee members participated. Average Pp €3,569.32
- **€20,646.45 - 2022 Meeting in Little Rock, USA.**
7 Executive Committee Members participated. Average Pp €3,441.08

Example CEO savings

- **€0 - 2019 CEO did not travel to Turku, Finland.**
- **€5,786.01 - 2020 Meeting in Christchurch, New Zealand.**
- **€1,965.91 - 2022 Meeting in Little Rock, USA.**

Example International Skål Council savings

- **€25,000.00 - International Skål Council budget for 2022.**

- Over €50,000 in immediate savings that will cover the cost of additional Directors traveling to only 2 meetings a year.
- If the average cost per person per meeting is €4,000.00 the extra 6 trips would only cost €24,000.00.
- The savings is over €25,000.00.

THE PLAN PROVIDES FOR IMPROVEMENT OF THE ORGANIZATION:

- Democracy – bottom up approach.
- Regional representation.
- Clear guidelines / simple structure.
- Global engagement.
- Accountability & transparency.
- Efficiency.
- Improved election process.
- Value for members.

DOES THE PLAN ANSWER THE CALL FOR CHANGE?



ISSUES IN SKAL

- 'Talks' of change for over a decade with no action plan.
- Governance Crises.
- Danger bells for amical.
- Lack of diversity.
- Lack of inclusiveness and fair representation at the top of the organization.
- Status quo in leadership in some positions
- Disruption and restructure in the travel and tourism industry after Covid.
- Decline trajectory in general membership for past 15 years.
- Aging organization with lack of meeting new generations expectation.
- Lack of succession plan.
- Increased work load of Skål International Headquarters Staff.

SOLUTION OFFERED WITH THE PLAN

- A concise plan ready for implementation.
- Deputy system solves immediate crises due to death/resignation.
- Removes polarization due to vote negotiations cross continents and during AGA's
- Higher level of equal representation opportunity for different cultures at the top of the organization.
- Fair representation with power to vote rather remain as Consulting Body.
- Higher engagement and inclusivity rather exclusivity of membership through official Permanent Committees with guaranteed continuity relevance.
- Discovery of new leaders and open path to grow/support to build succession.
- The new modern diversified and inclusive structure will attract younger generation.
- Less workload to Skål International Headquarters. Goals will be shared by 14 people instead 6.



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