



**TOASTMASTERS**  
INTERNATIONAL

# CEO REPORT

MARCH 2017



# MISSION

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## **Toastmasters International Mission**

We empower individuals to become more effective communicators and leaders.

## **District Mission**

We build new clubs and support all clubs in achieving excellence.

## **Club Mission**

We provide a supportive and positive learning experience in which members are empowered to develop communication and leadership skills, resulting in greater self-confidence and personal growth.

# VISION & VALUES

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## **Toastmasters International Envisioned Future**

To be the first-choice provider of dynamic, high-value, experiential communication and leadership skills development.

## **Toastmasters Brand Promise**

Empowering individuals through personal and professional development.



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## FROM THE CEO

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We are only a few weeks into 2017 and I've been nearly run down – twice – by people walking with their nose, and attention, buried in their smartphone.

What is our reaction to that statement and situation? Some of you may have a reaction like this:

*"Those people need to put their phones down and pay attention! There is too much focus on technology these days."*

Others may react this way:

*"Hmm. Maybe I should invent a proximity detection app that alerts users to impending collisions."*

The smartphone is perhaps the most visible and far-reaching change of the last decade. The devices are ubiquitous now, but it was in January 2007 that the first-generation Apple iPhone was released. The world quickly leveraged and adapted to smartphones and we will never be the same. Yes, it's likely that something will replace smartphones in the future; however, what we know with certainty is there is no going back.

John F. Kennedy got it right when he said:

***"Change is the law of life. And those who look only to the past or present are certain to miss the future."***

This is a big year for Toastmasters. Pathways has launched and will be rolled out worldwide. It represents the biggest change in the history of the organization's education system since the first communication manual was printed in 1941.

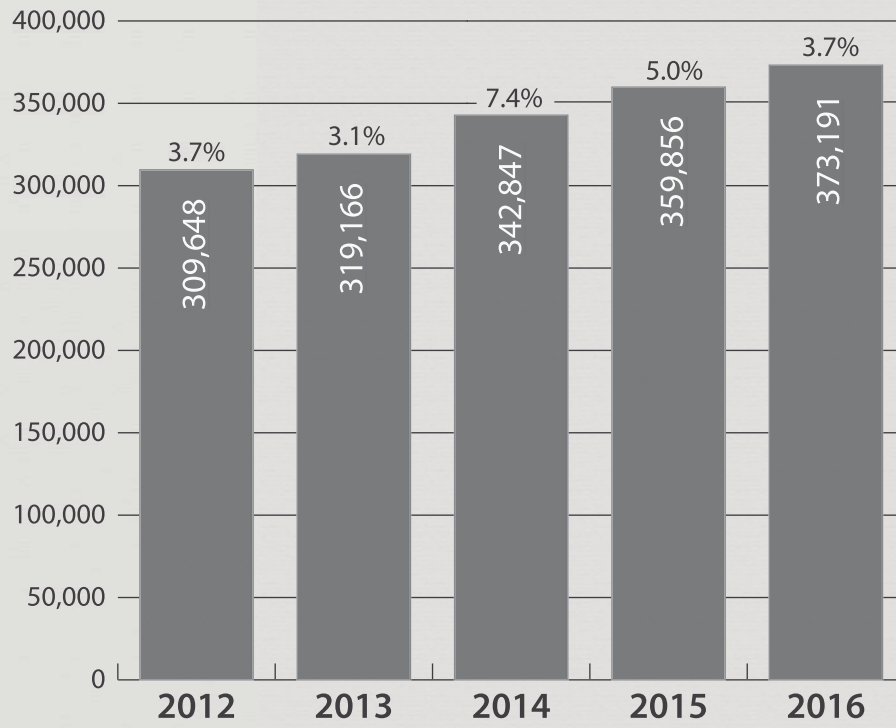
Pathways is our future. It is a necessary evolution of the Toastmasters education program that is true to Dr. Smedley's legacy and our history, and it establishes the foundation for our future growth and success.

Daniel Rex



# BY THE NUMBERS

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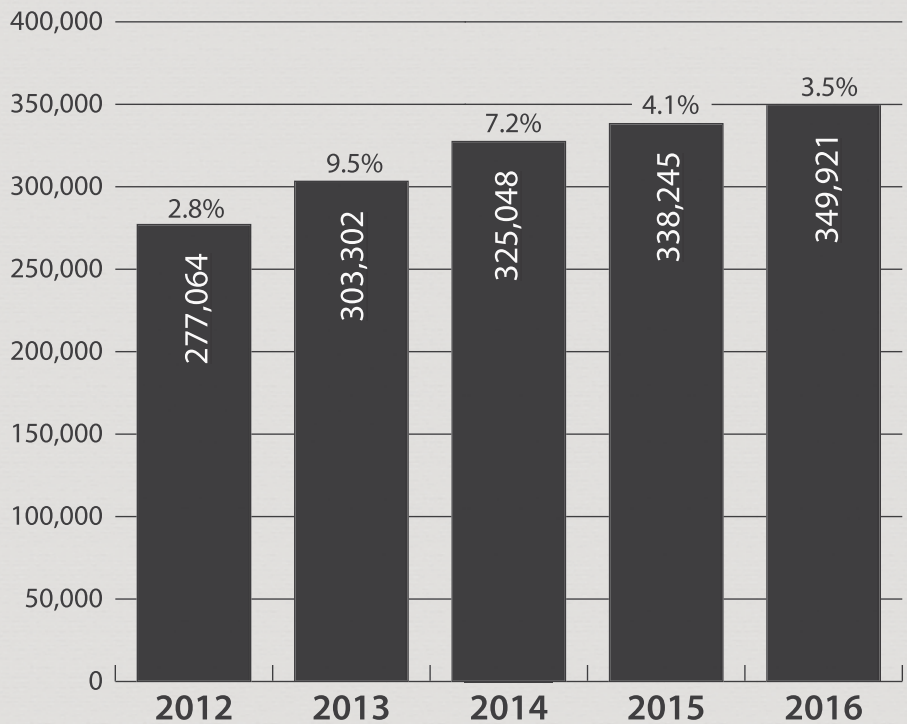
## Membership Growth

The organization's membership growth remains steady. During the last renewal period (April through September 2016), membership grew 3.7% to 373,191. This chart measures membership as of September 30 and includes all membership types.



## Membership Payments

Growth in membership payments remained strong for the first six months of the 2016–2017 program year (July through December). As of December 31, 2016, payments totaled 349,921, a 3.5% increase over the same period in the 2015–2016 program year. Membership payments include new, charter and renewing members.



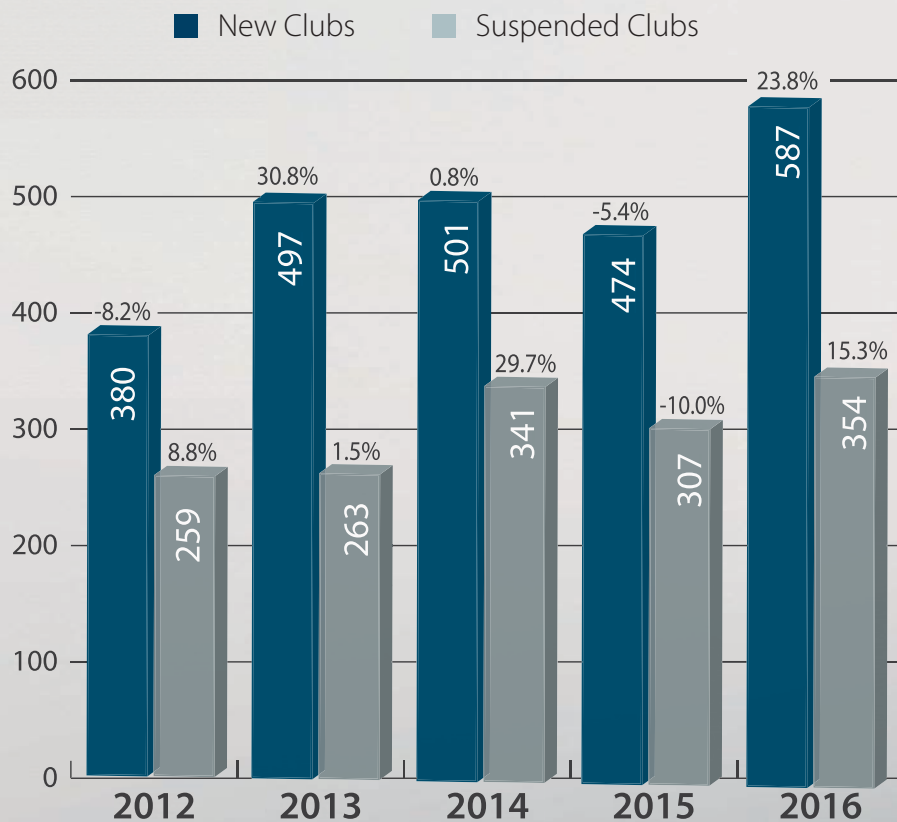
# BY THE NUMBERS

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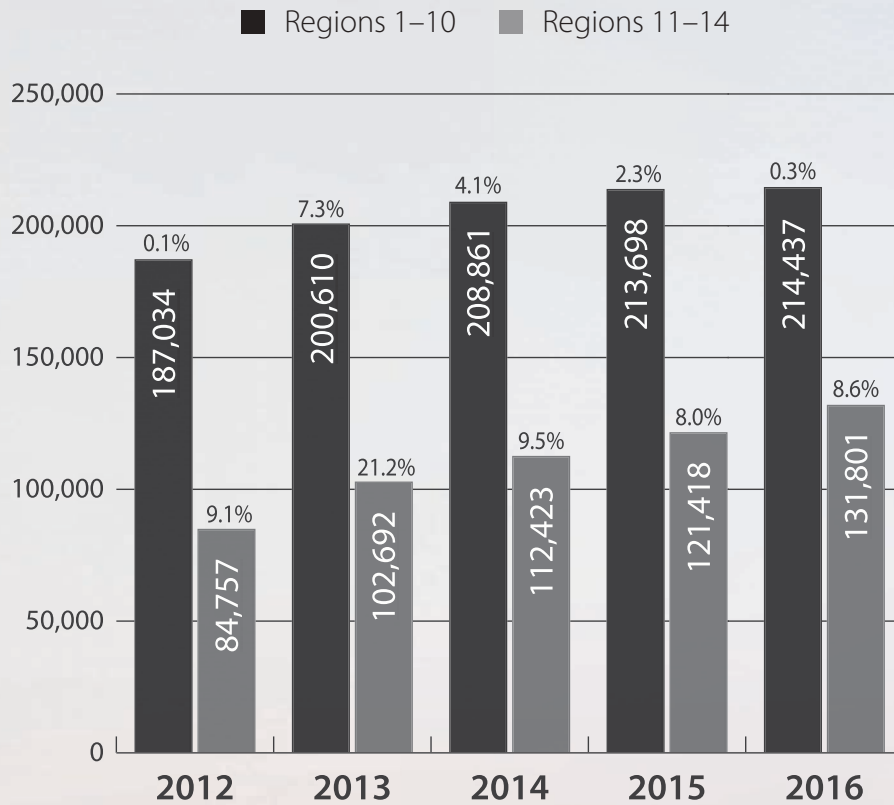


## Payments by Region

Regions 1 to 10 are comprised of districts within North and South America, and regions 11 to 14 are outside North and South America. For the first half of the program year, regions 1 to 10 increased membership payments 0.3% and regions 11 to 14 increased 8.6%. These payments do not include undistricted clubs.



NEW AND SUSPENDED CLUBS

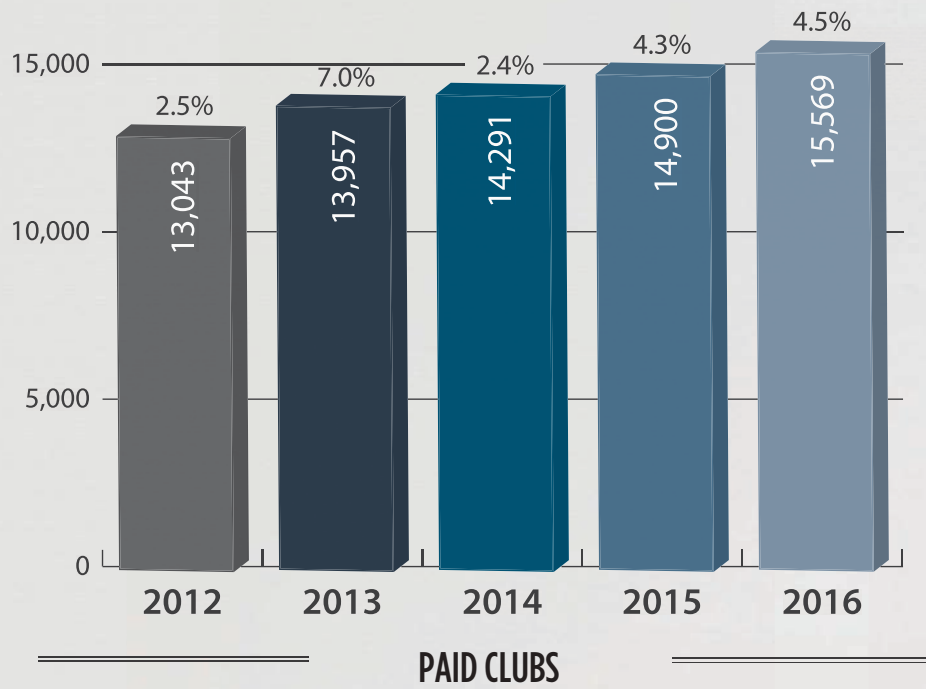


TOTAL PAYMENTS: Regions 1 to 10 vs. 11 to 14

## Club Growth

For the program year to date (July to December), the number of chartered clubs increased 23.8% to 587. Additionally, the number of suspended clubs increased 15.3% to 354 compared to the same period last year.

## BY THE NUMBERS



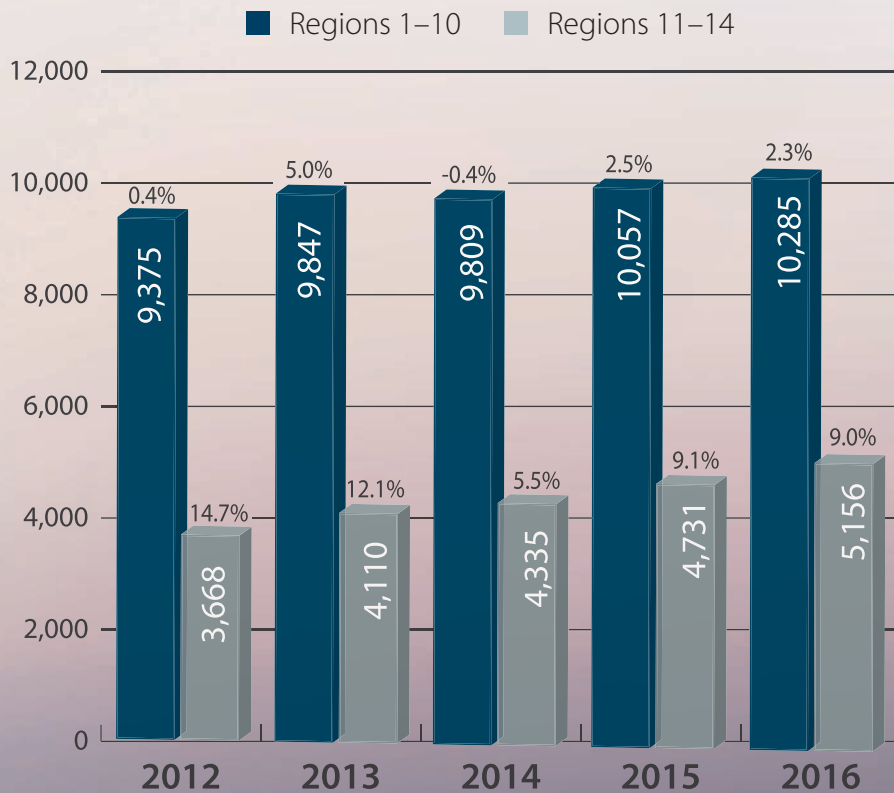
## District Reformations

On July 1, 2017, Districts F, 20, 30 and 79 will reform, creating Districts 100, 105, 103 and 104, respectively.

DISTRICT	NEW DISTRICT	REGION	EFFECTIVE DATE OF REFORMATION
F	100	Orange and Los Angeles Counties, California	July 1, 2017
20	105	Bahrain, Jordan, Kuwait, Lebanon, Oman, Qatar, United Arab Emirates	July 1, 2017
30	103	Chicago area, Illinois	July 1, 2017
79	104	Saudi Arabia	July 1, 2017

## Paid Clubs

For the first half of the 2016–2017 program year, total paid clubs increased 4.5% to 15,569. In regions 1 to 10, paid clubs increased 2.3% to 10,285. In regions 11 to 14, paid clubs increased 9.0% to 5,156. Undistricted clubs are not included in the paid clubs count by region.



PAID CLUBS: Regions 1 to 10 vs. 11 to 14

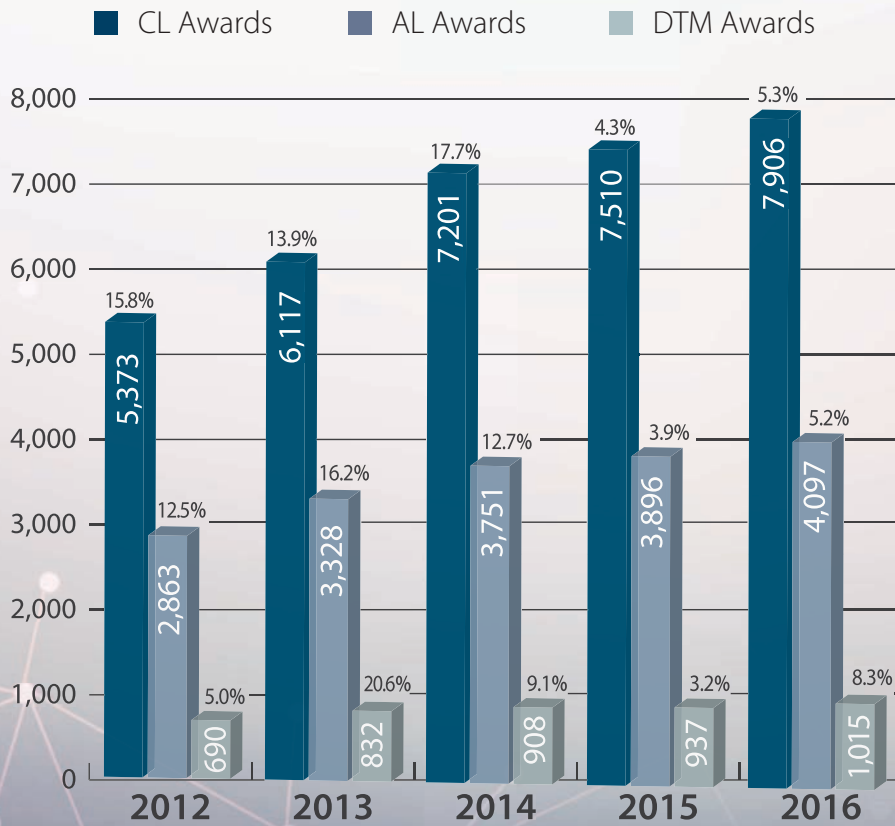
# BY THE NUMBERS

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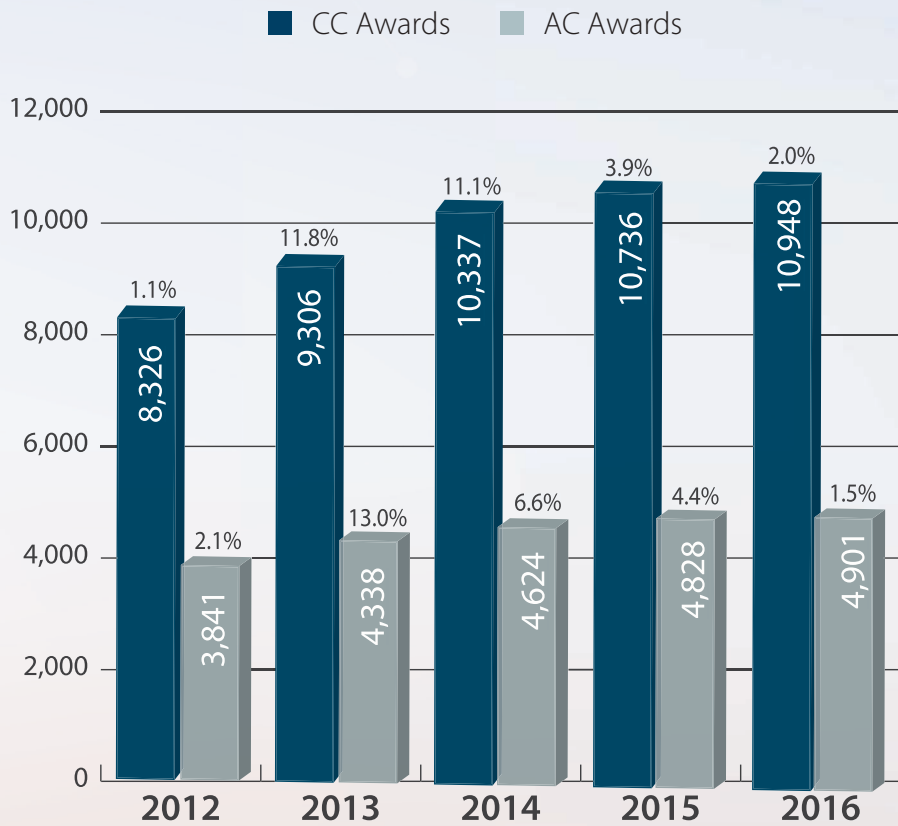
## Education Awards

The number of education awards completed by members continues to grow. From July 1 through December 31, Competent Communicator awards increased 2.0% to 10,948 as compared to the same period last year. Advanced Communicator awards increased 1.5% to 4,901. All communication awards increased 1.8% to 15,849.

Competent Leader awards increased 5.3% to 7,906. Advanced Leader awards increased 5.2% to 4,097, and Distinguished Toastmaster awards increased 8.3% to 1,015. Total leadership awards increased 5.5% to 13,018.



LEADERSHIP AWARDS



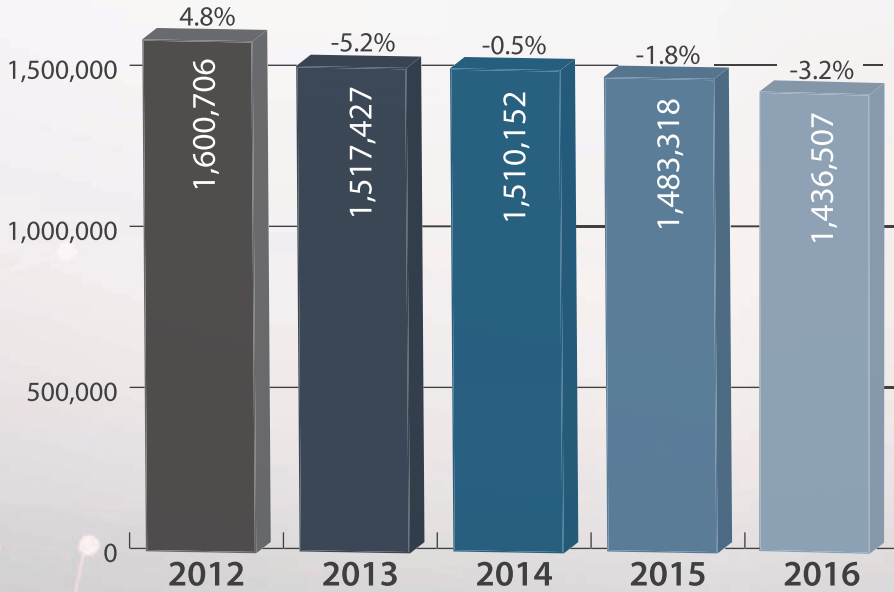
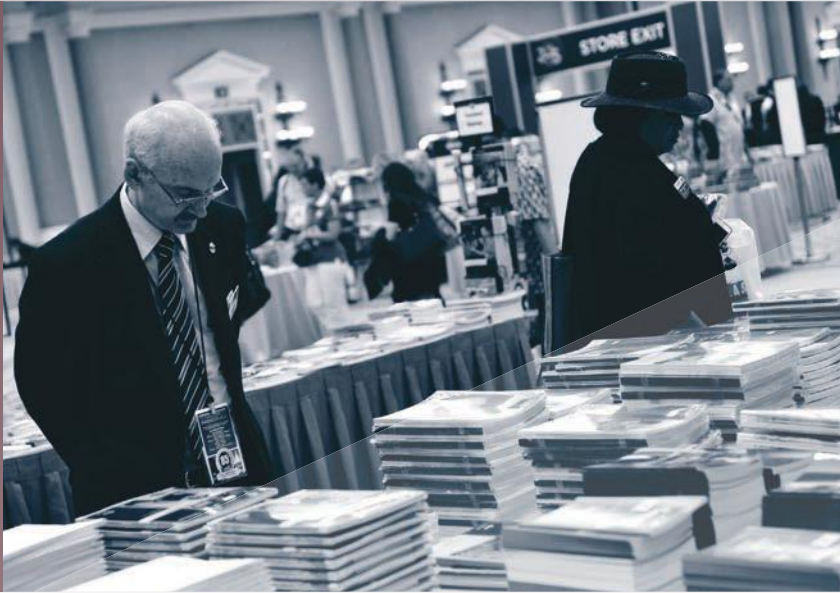
COMMUNICATION AWARDS



# BY THE NUMBERS

## Education and Product Sales

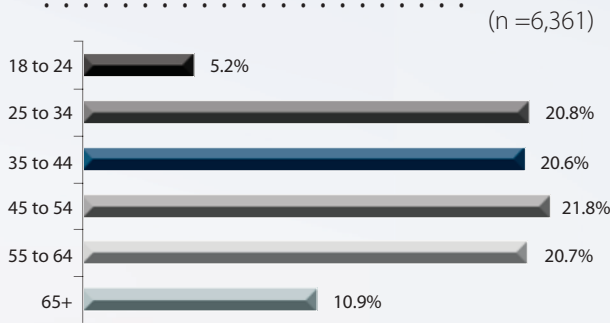
For the first half of the 2016 to 2017 program year, education and product sales decreased by 3.2% to \$1,436,507. These sales include education, marketing and promotional products sold through the online store, the store at World Headquarters and at the International Convention.



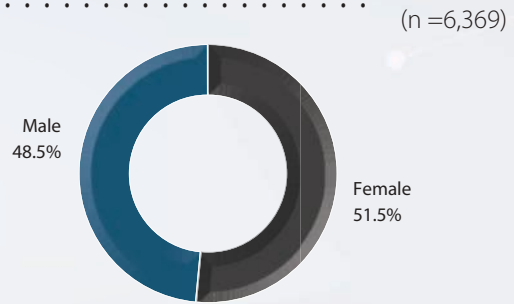


# MEMBER DEMOGRAPHICS

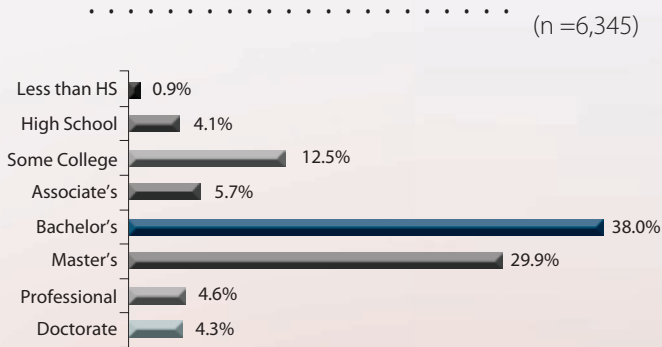
## AGE



## GENDER



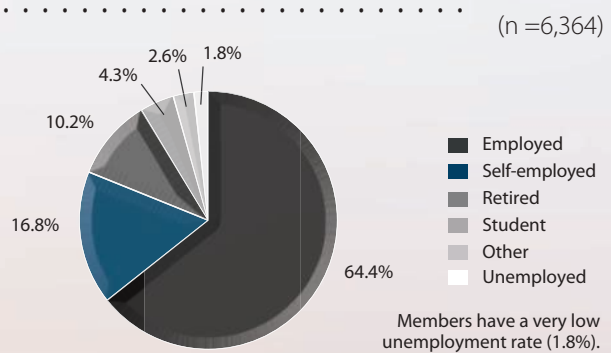
## EDUCATION



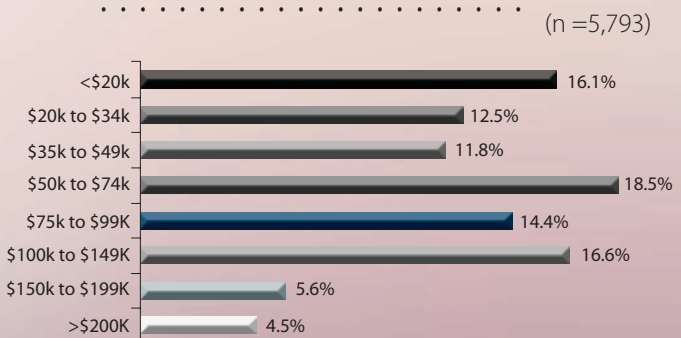
### Highly Educated

Toastmasters members are a highly educated population. Over 75% have at least a Bachelor's degree or higher and nearly all members (95.0%) have attended college.

## EMPLOYMENT



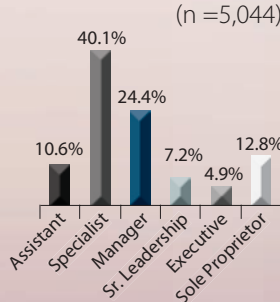
## INCOME



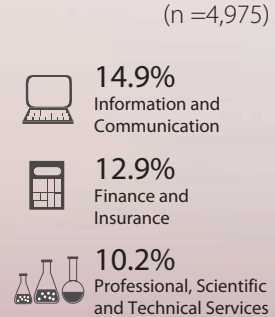
### High Earners

Approximately 26.7% of members earn \$100,000 or more and 41.1% earn more than \$75,000 per year.

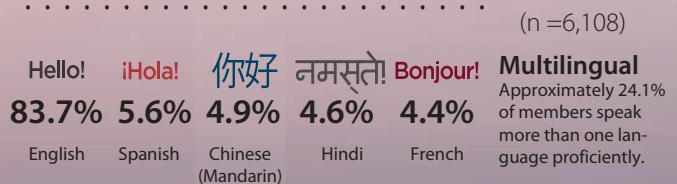
## Position



## Industry



## LANGUAGES



2.8 Average Household Size

21.6% Survey Reponse Rate

101 Countries Participated

### Sampling

A simple random sampling method was implemented to select a representative sample of Toastmasters members for the online survey. A total of n=6,150 members completed the survey, giving the results a +/-1.2% margin of error with a 95% confidence interval.

# WORLD HEADQUARTERS RELOCATION U

In August 2016, the membership voted to change the Bylaws, giving the Board authority to select the most appropriate location for World Headquarters. Soon after that, the organization announced its intention to relocate World Headquarters from Rancho Santa Margarita, California, to the Denver, Colorado, area. Toastmasters is confident this choice better aligns with our long-term goals, because doing business in Colorado is more cost-effective than in California and will place World Headquarters in a dynamic, growing area that attracts a young and talented workforce.

On October 17, 2016, the Board announced it had finalized the purchase of an office building near Denver. Features of the new site include:

- ▶ **Location** – The building, located at 9127 South Jamaica Street in Englewood, Colorado, is situated in a business park.
- ▶ **Footprint** – The four-story building encompasses 106,575 square feet, providing adequate office space for an estimated 25 to 30 years.
- ▶ **Lease** – World Headquarters will occupy the building’s top two floors and lease the bottom two floors, providing the organization with an additional source of income.

Renovations are underway to prepare the building for the first phase of staff relocation, anticipated at the end of 2017. World Headquarters departments will continue to transition to the new facility throughout the first half of 2018.



# UPDATE

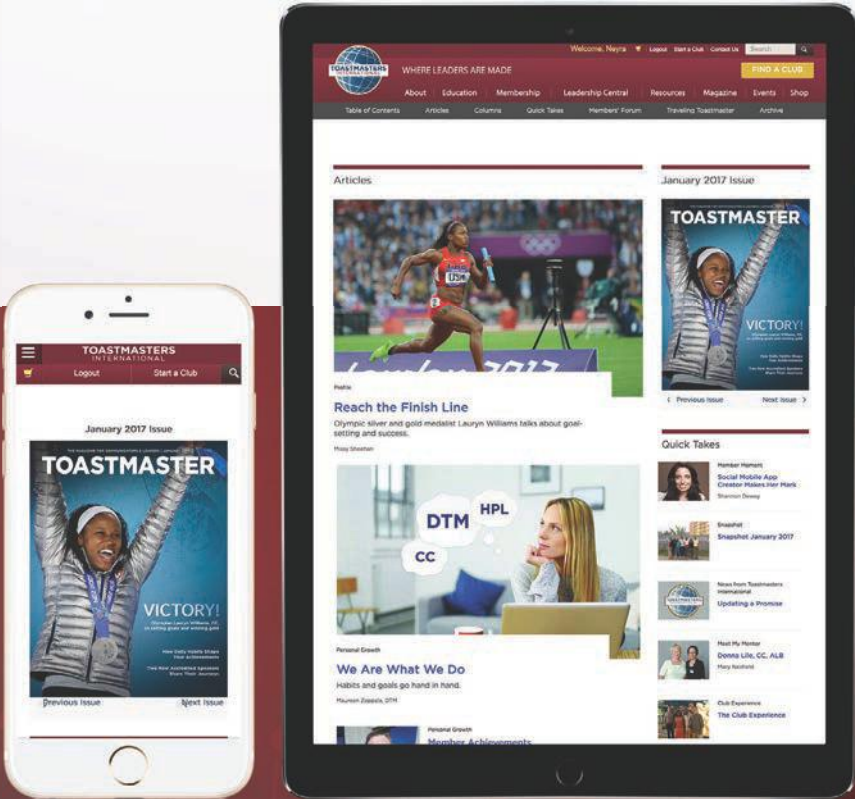
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# PUBLICITY

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In the last six months, the organization has received high-quality, valuable publicity in major international media outlets, spanning television, magazines, newspapers, news websites and radio. Prominent examples include *BBC World News*, *Business Insider*, *CNBC*, *CNN*, *Cosmopolitan*, *The Huffington Post*, *NPR*, *Yahoo! Finance*, *Arab News* in Saudi Arabia and *The Hindu* in India. Our widespread media coverage is repurposed on Toastmasters' social networks, helping to drive the number of fans and followers of the organization.

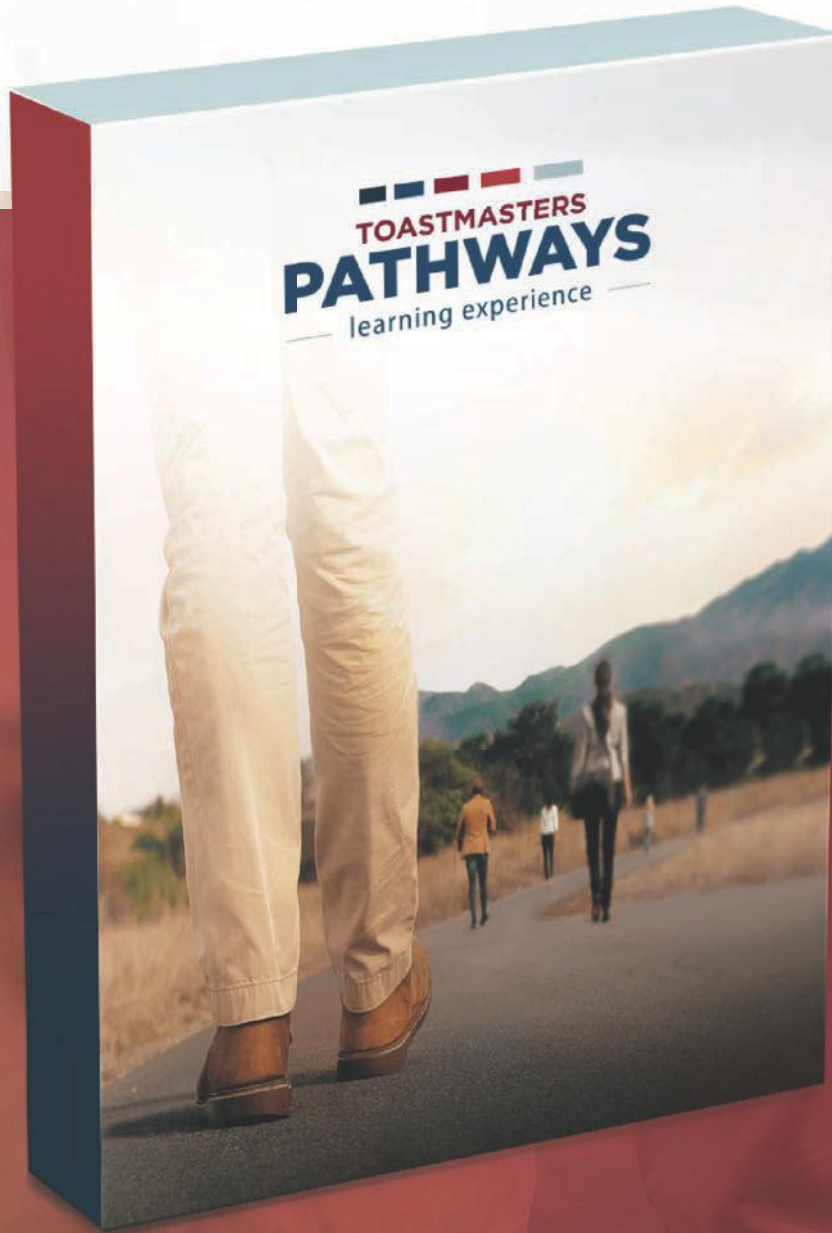




## ONLINE MAGAZINE

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A new, online edition of the *Toastmaster* magazine launched in October 2016, enabling members access to magazine content without having to wait for the arrival of their print edition or download an application to access a digital version. The new online magazine is mobile-friendly and allows the sharing of timely and interactive content not possible with the print edition. The online magazine is promoted via social media channels, thus attracting traffic to the Toastmasters website and promoting our subject-matter expertise to the public.



## PATHWAYS

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After more than five years of collaborative development, the Toastmasters Pathways learning experience officially launched on February 7, 2017. The first phase of the rollout is the three-district program pilot, whose first participants include the members of District 57 in Northern California, District 27 in the Washington, D.C., area and District 51 in Malaysia.

In the months prior to rollout, extensive testing was conducted. In December a cross-section of World Headquarters staff participated in alpha testing that simulated the user experience. Through this process, system bugs were identified and resolved in advance of the next round of testing. In January, nearly 500 Toastmasters leaders explored the features and functions of Base Camp (the learning management system).

To ensure a smooth rollout, local club support will be necessary. The Pathways Guide Program addresses this need. Pathways Guides will partner with Ambassadors to visit clubs, build excitement and educate members about Pathways. Each Pathways Guide will serve a six-month term, during which they act as the primary local point of contact for club leaders, answering questions and providing ongoing support. To date, Pathways Guides have been appointed for all three districts in the program pilot.

After the first phase of the launch is complete, the regional rollout is expected to begin with Region 14 in the May–July time frame.

City of  
Los Angeles  
State of California

SUBMITTUM

Toastmaster



## March 2017 CEO Report

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