



CEO Report

AUGUST 2014



WHERE LEADERS
ARE MADE

“Happiness does not come from doing easy work but from the afterglow of satisfaction that comes after the achievement of a difficult task that demanded our best.”

– Theodore Isaac Rubin



From the CEO



What is our primary objective?

If you're reading this report, it's nearly certain that you are a longtime Toastmaster. You are, or have been, a member of the organization's leadership hierarchy. It's likely that you've served as club officer many times, have been an area governor, lieutenant governor and district governor, or perhaps even a region advisor, international director or the international president.

Each of those roles bears specific responsibilities that we're familiar with. The lieutenant governors marketing, for example, are responsible for ensuring that new clubs are formed and that membership in all clubs continues to grow. Club vice presidents of education ensure that the club's programming is scheduled in advance and that each member's experience is successful and fulfilling.

These roles and responsibilities haven't always existed; they were developed to support our primary objective.

Let's start at the beginning. Ralph Smedley initiated club meetings to provide men with a vehicle to develop speaking skills. From his writings, it's clear that providing a rich member experience through quality club meetings was the primary objective. All else was secondary to this objective and was developed to support it.

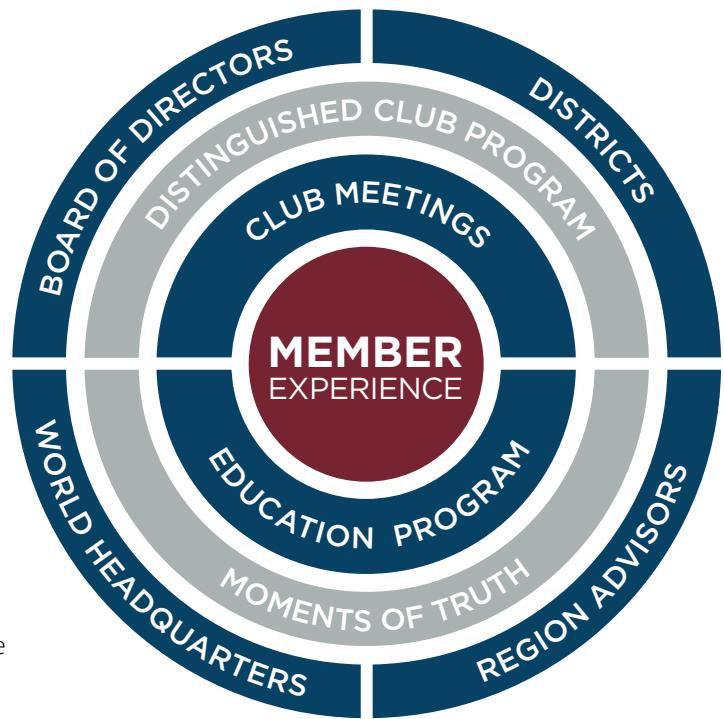
As more clubs formed, it became apparent that the consistent delivery of a high-quality member experience was a challenge. Smedley began the difficult process of identifying and recording the evolving and expanding collective knowledge. Concepts, practices and materials were developed and shared with the goal of supporting a consistently delivered member experience.

The education program in which today's members participate, the Distinguished Club Program, which measures quantitative indicators of club quality, and the Moments of Truth, which gauges qualitative factors, are the evolved descendants of those original concepts, practices and materials.

The ever-growing organization demanded additional effort to support the primary objective (a rich member experience delivered through a quality club meeting) and additional entities were developed – the Board of Directors, the district (including divisions and areas), the district recognition program, World Headquarters and region advisors.

It is worth emphasizing that all of us exist to support a rich member experience delivered through a quality club meeting. In many Toastmasters leadership roles our responsibility may not put us in immediate, direct contact with a member. But let's always remember:

A rich member experience delivered through a quality club meeting – that is our primary objective.



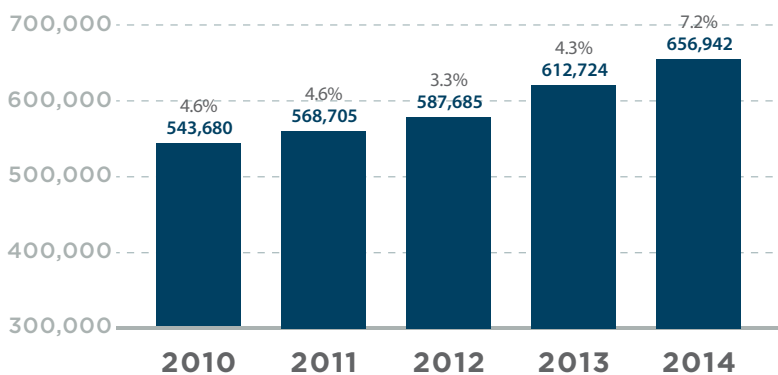
By the Numbers

Membership Growth

Membership rose significantly during the 2013–2014 program year to 313,786, an increase of 7.3% over the previous year. The results mark 21 consecutive years of growth and exceeds the 5.5% annual growth established in the 2010 strategic plan. This chart reflects membership as of March 31, 2014, and includes all membership types: new, renewal, charter and dual.



MEMBERSHIP PAYMENTS



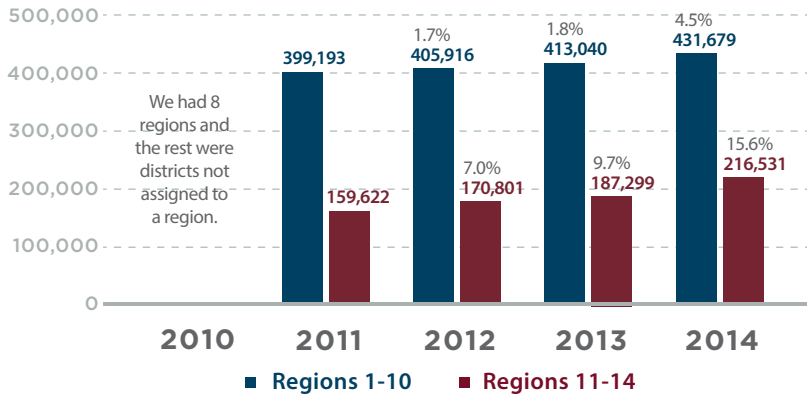
Membership Payments

Membership payments increased by 7.2%; a substantial increase over payments in 2012–2013. As of June 30, payments totaled 656,942. Membership payments are one of the primary measures of the District Recognition Program.

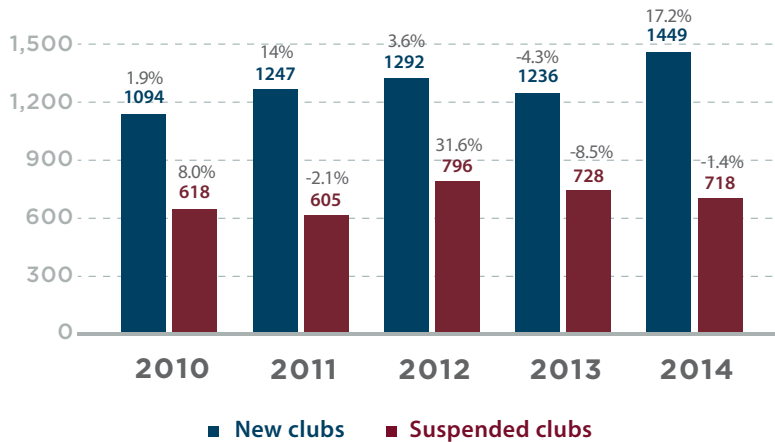
Payments by Region

Regions 1–10 represent districts within North America and regions 11–14 comprise districts outside North America. In the 2013–2014 program year, membership payments increased by 4.5% in regions 1–10 and by 15.6% in regions 11–14.

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



NEW AND SUSPENDED CLUBS



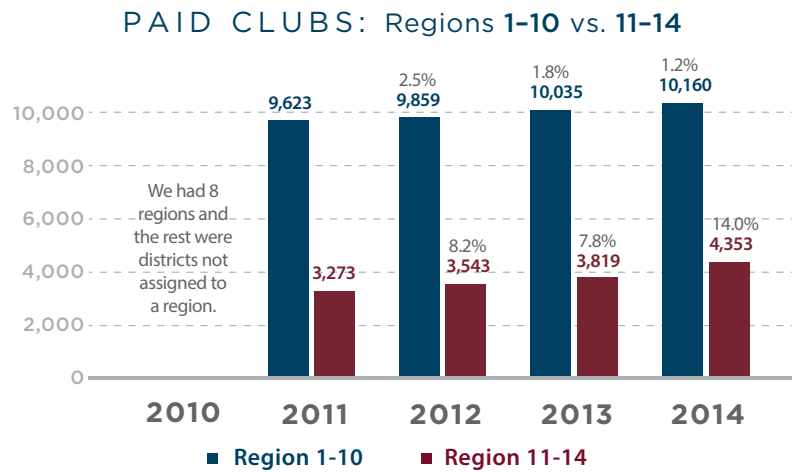
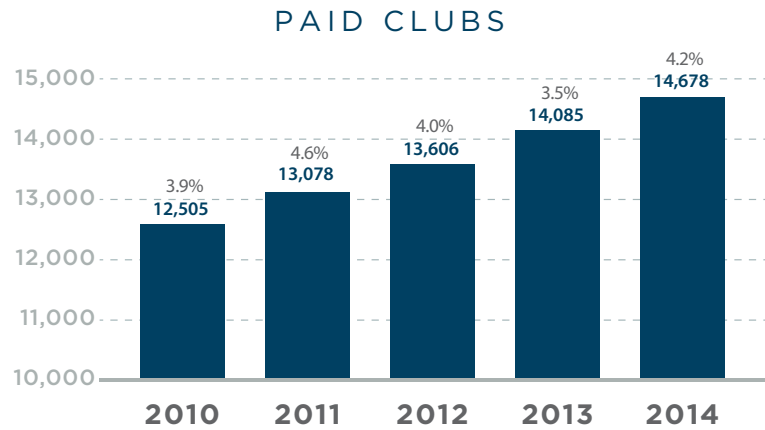
Club Growth

Toastmasters experienced a surge in new clubs with 1,449 new clubs chartered during the 2013–2014 program year. This reflects an increase of 17.2% from last year. Also noteworthy is the reduction of suspended clubs, down by 1.4% from the prior program year.



Paid Clubs

The number of paid clubs also increased in 2013–2014. Total paid clubs climbed to 14,678—a 4.2% increase over the previous program year. In regions 1–10, paid clubs increased by 1.2%, to 10,160, and in regions 11–14 the number increased by 14%, to 4,353.

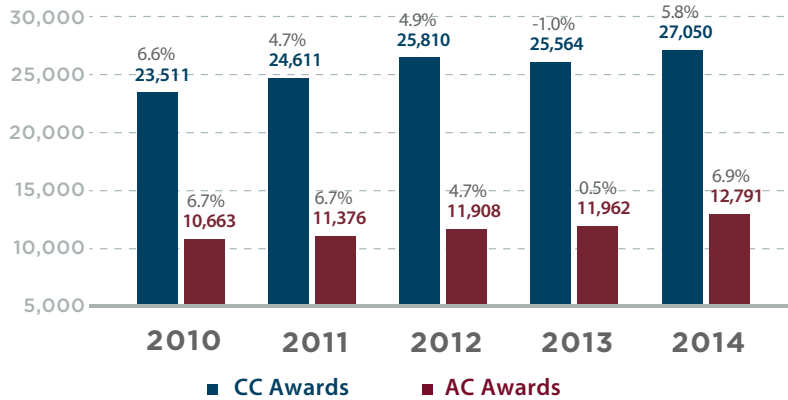


The District Reformatations

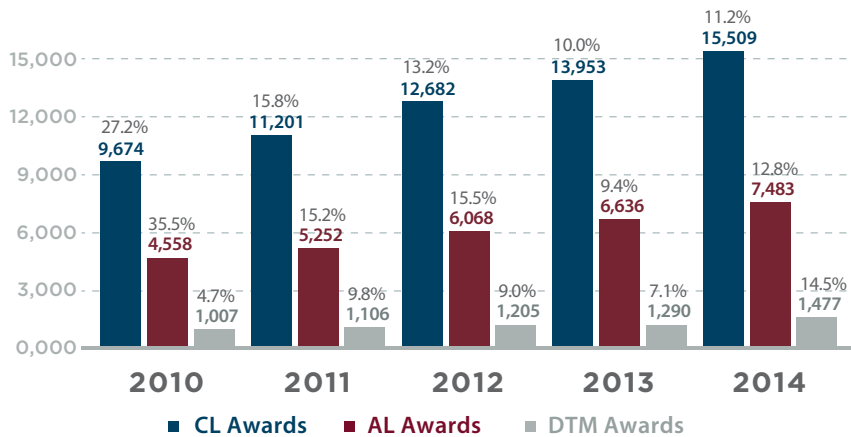
To foster continuing district performance and club support, the districts listed below reformed on July 1, 2014. As a result of continued growth in membership and clubs, two additional districts will reform as well; districts 41 and 70 are in transition this year, and will reform on July 1, 2015.

DISTRICT	REGION	EFFECTIVE DATE OF REFORMATION
21 / 96	British Columbia, Canada	July 1, 2014
59 / 95	Europe	July 1, 2014
71 / 91	United Kingdom, Ireland	July 1, 2014
82 / 92	India	July 1, 2014
80 / 97P	Singapore, Cambodia, Laos, Myanmar, Thailand and Vietnam	July 1, 2014
41	India	July 1, 2015
70	Australia	July 1, 2015

COMMUNICATION AWARDS: JULY-JUNE



LEADERSHIP AWARDS: JULY-JUNE



Education Awards

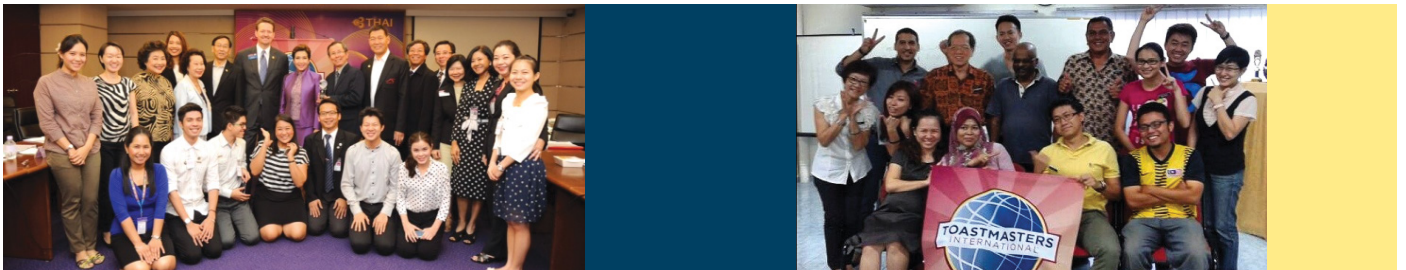
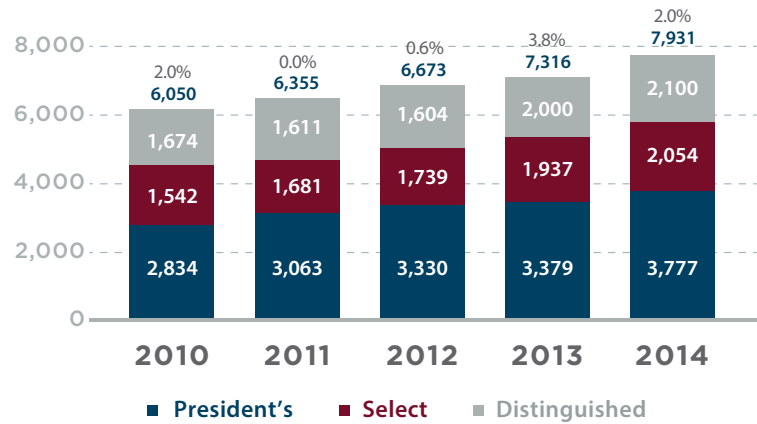
The number of education awards earned by members increased in all categories in 2013–2014. Competent Communicator awards grew by 5.8% while Advanced Communicator awards increased by 6.9%. The number of Competent Leader awards increased by 11.2%, Advanced Leader awards by 12.8% and DTM awards by 14.5%.



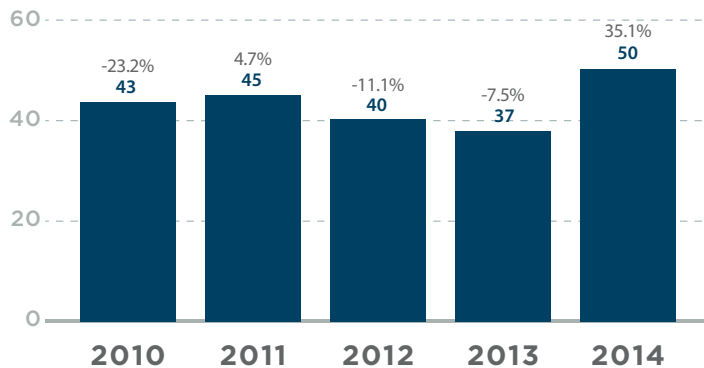
Focus on Clubs

A record 7,931 clubs received Distinguished recognition in the Distinguished Club Program (DCP). This represents 54% of all paid clubs and is a 2% increase over the number of clubs reaching Distinguished status last year. This increase indicates that more clubs are improving overall club performance and quality, and creating an enhanced member experience.

DISTINGUISHED CLUBS: JULY-JUNE



DISTINGUISHED DISTRICTS



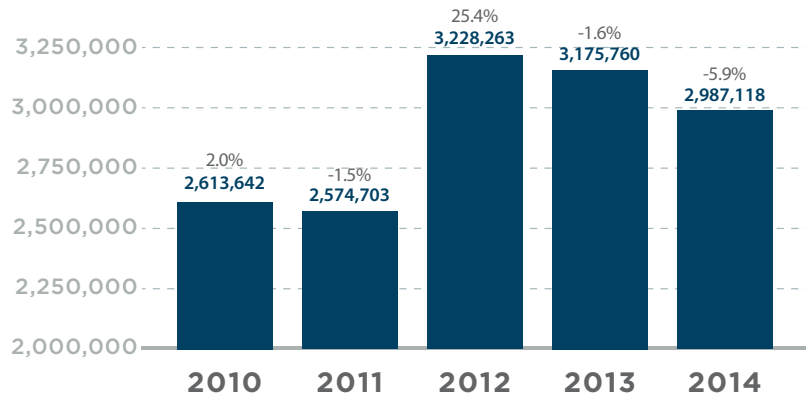
Focus on Districts

This year, 50 districts achieved Distinguished status or better in the District Recognition Program (DRP), exceeding last year's results by more than 35.1%. The DRP focuses on growth, club quality and member satisfaction using the Distinguished Club Program as its foundation. The program helps areas, divisions and districts to develop and support quality clubs and enrich the member experience.

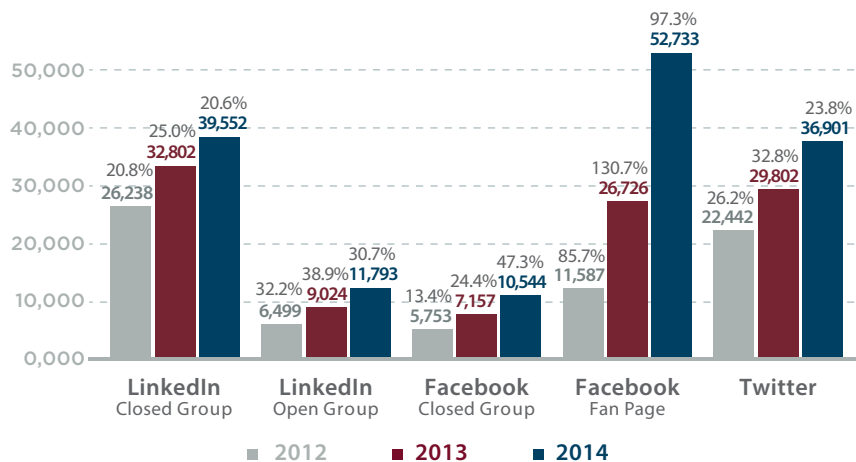
Education and Product Sales

In the 2013–2014 program year, the organization’s education and product sales totaled \$2,987,118, a 5.9% decrease from the previous year. This is lower than the 7% annual growth goal from the 2010 Strategic Plan. The decrease is a result of an increased offering of free digital resources and a reduced quantity of rebranded items. However, sale of items such as ribbons, pins and promotional products increased by 2.7% to \$389,226 from \$378,931 the previous year.

EDUCATION AND PRODUCTS SALES



SOCIAL MEDIA



Social Media

Toastmasters maintains a presence on a number of social media sites to facilitate conversations and interactions between members around the world. The Facebook fan page and closed group have experienced exceptional growth in 2014 of 97.3% and 47.3% respectively; this can be attributed to a more robust and tailored communication strategy. Growth on Toastmasters’ Twitter feed has slowed but engagement has increased through retweets and favorites from fans. The LinkedIn group activity was steady. Toastmasters launched its Instagram program in March 2014, and to date, nearly 1,000 individuals are following the pages and responding to the images posted daily.

Global Support

Website 2.0

The organization will soon unveil a new website. The new toastmasters.org will be more interactive and engaging than ever before, with an improved user experience, more accurate Find a Club features and a more easy-to-use online store. Its responsive design will be easily accessible by tablet and smartphone users.

Revitalized Education Program

The revitalized education program, which was announced in 2013, is the largest project the organization has ever undertaken and the deepest revision to the education program in our history. The program will enable members to develop communication and leadership skills that are relevant to their real-world goals and aspirations. The new program is being designed to help members succeed outside of Toastmasters in many ways.

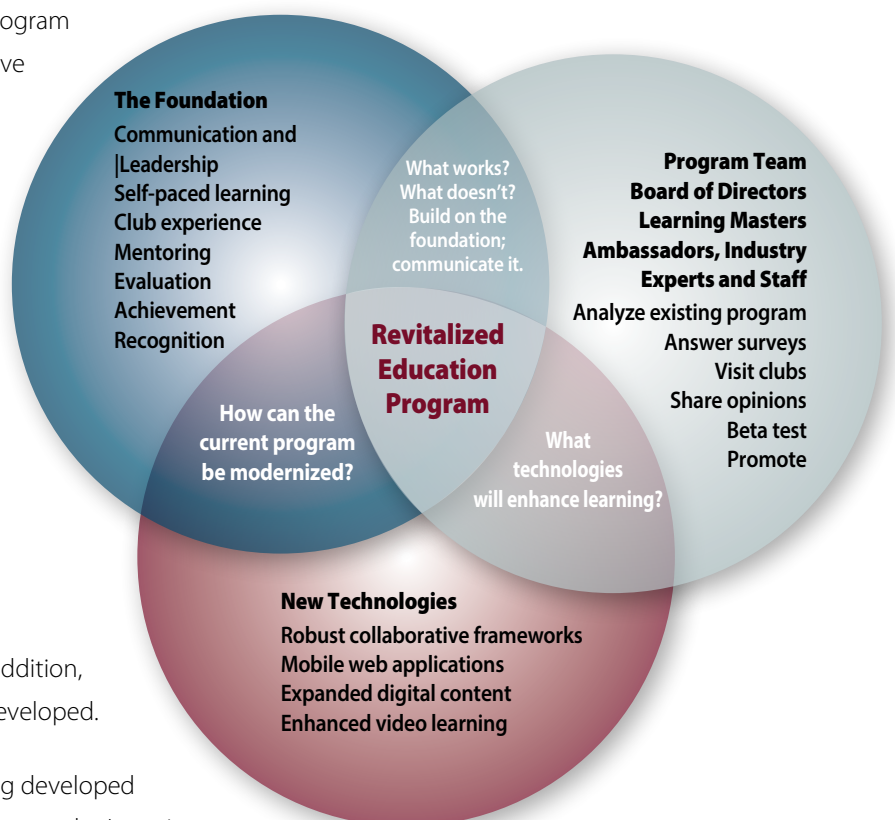
The foundation of the revitalized education program is based on the four guiding principles that have been a part of the Toastmasters experience since 1924:

- ▶ Experiential Learning
- ▶ Self-paced Program
- ▶ Peer Feedback
- ▶ Mentoring

The revitalized program will have 16 tailored learning paths, each one containing five levels of achievement, building progressively in complexity. Each path will include 12 to 15 projects, all of which will help members build specific competencies and subcompetencies related to communication and leadership. In addition, a standardized mentoring program is being developed.

The supporting educational materials are being developed with recommendations from the Board of Directors, the Learning Masters and industry experts. All materials will eventually be translated into eight languages.

Core Elements at-a-Glance



The revitalized program is scheduled to launch in the second half of 2015. After the launch, the current and revitalized education programs will run parallel for at least two years.

Global Logistics & Distribution

Toastmasters International uses four distribution points to supply products to members worldwide.

- ▶ Toastmasters World Headquarters (TIWHQ) distributes web orders, education certificates and various monthly mailers
- ▶ Walsworth distributes New Member Kits and *Toastmaster* magazines for USA destinations
- ▶ Asendia distributes New Member Kits and magazines for non-USA destinations
- ▶ Six Toastmasters volunteers distribute New Member and Charter Kits for specific non-USA destinations

To improve delivery, TIWHQ has implemented an address correction process and several package tracking tools to facilitate timely delivery of Toastmaster products.

Publicity

In the last six months, the organization has received high-quality, valuable publicity in major international media outlets, including television, magazines, newspapers, news websites and radio. Prominent examples include *Business Insider*, *The Huffington Post*, *Mashable*, *Men's Health*, *National Public Radio*, *USA Today*, *Yahoo! Voices*, *The Malaysian Insider* in Malaysia and *The Hindu* in India.

Wo Leader gemacht werden WHERE
Où se forment les leaders 打造杰出领导者之所在
Kung Saan Hinuhubog ang mga Pinuno LEADERS
जहाँ नेता बनाये जाते हैं 孕育领袖之摇篮
Donde se hacen los líderes ARE MADE
නායකයින් ඇති කරන තැන
حيث ينشأ القادة **Waar leiers gemaak word**
リーダーが養成される場所
Di mana para pemimpin dibentuk

Translations

During the second half of the 2013–2014 program year the Translation Review Program was launched. This new initiative was developed to further improve the quality and consistency of materials translated into Toastmasters' official languages (Arabic, Simplified Chinese, Traditional Chinese, French, German, Japanese, Portuguese and Spanish). The Translation Review Program represents a renewed partnership between the Toastmasters International translation staff and local members. For each language, a chief reviewer leads a team of up to 10 reviewers. These review teams ensure that all translated materials correctly portray

Toastmasters International customs and practices regardless of language. Team members were selected through a competitive application process for their education and/or work experience related to linguistics, localization or translation in one of the eight target languages. The Club Leadership Handbook, Distinguished Club Program and Club Success Plan were updated and printed in English as well as all eight translated languages. The Club Officer Kit mailing was distributed to all clubs, including those that requested translated materials in their preferred language. Additionally, the newly translated Moments of Truth manual is available in Arabic, Simplified Chinese, Traditional Chinese, French, German, Japanese and Spanish.

District Leader Training

In August 2014, all district governors and lieutenant governors will come together in Kuala Lumpur, Malaysia to prepare for a successful year. They will build trust within their teams, learn tactics for engaging in conflict in a healthy and constructive manner, identify goals and create strategy and financial plans. With opportunities to network with district leaders from all around the world, the training program promises to be a fulfilling learning experience for all attendees.

Club Officer Training

In May, all districts received updated training materials for use during district-sponsored club officer training. The new program is designed to complement the District Leader Training programs in August and January. The materials provide a more consistent and practical training experience for all attendees.

2013-2014 Milestones



AC Awards
12,791



Memberships
313,786*

*as of March 31, 2014



Leadership Awards
24,469



Distinguished Districts
50



Active Clubs
14,918



CC Awards
27,050



Countries
126



Distinguished Clubs
7,931



**WHERE LEADERS
ARE MADE**