YP Playbook

Developing Young Professionals Programs for TMA Chapters
Why a YP Program

Why should you establish a young professionals program?

Developing a Young Professional (YP) program in your chapter is an excellent way to develop and expand both your network and grow your chapter membership. The TMA has set a national goal to focus on developing membership in the young professionals demographic. Establishing a YP program in your TMA chapter will allow you to broaden your professional network, take a leadership role among your peers in the restructuring industry and gain exposure to new and diverse opportunities, both professionally and personally. In addition, you will have the chance to work closely with the leadership of your TMA chapter who are experienced and respected professionals in the restructuring community.

Why is a YP program good for your TMA chapter?

Establishing YP programs nationwide is a TMA national organization goal to encourage diversity, grow membership and facilitate new leadership in TMA’s numerous networks. A YP program will enhance your TMA chapter by providing:

- Increased membership
- Heightened visibility in the community and in the restructuring industry
- Expanded business development and networking among future leaders
- Enhanced leadership and involvement of motivated young professionals
- Organized and planned succession opportunities

By diversifying your chapter’s programming to include young professional programming, your chapter will cater to a broader group of the restructuring/turnaround community, which will grow and expand the chapter as a whole. For example, within six months of starting a YP program, the TMA-Toronto Chapter noted that of the 29 brand new members during that period, 20 were a direct result of their young professionals program.
Activities hosted by a TMA chapter for young professionals are needed to create the momentum necessary for a successful YP Program. This section outlines possible activities that a TMA chapter can do, as well as some lessons learned from other chapters with YP Programs.

Which activities should we start with?

There are many ways to start, but here are some things to consider when deciding how to kick off your YP Program.

- **Why does your chapter want to start a YP program?**
  Understanding this will help you create events that both serve the young professional community and guarantee local board support by aligning YP goals with that of the Board/Chapter. A YP program could be set up to drive membership, to ensure diverse chapter succession, or to provide value to firms involved in your chapter by offering education and networking opportunities for their up-and-coming professionals. There isn’t one answer, but understanding the rationale can help you tailor your events to meet these needs.

- **How large is your chapter?**
  Be practical about the number of young professionals you can get to your first event. If your chapter has over 1,000 members, it may be easy to get 50-100 participants at the first event. If you have a chapter of 150, you might be challenged to get 30 people to attend. The key is to show new young professional prospects that the group is vibrant and growing.

- **What types of events will build momentum?**
  A good place to start is a social networking event at a local bar or restaurant. This creates visibility for the new YP Program, is generally inexpensive, and builds some credibility with the young professionals and your TMA Board by pulling off a successful event.

- **Is your TMA chapter willing to subsidize the first few YP events?**
  It is very difficult to launch a new program and immediately be cash-flow positive. Secure a budget or a sponsorship to fund the first few events. Some chapters view this as a marketing expense to drive new membership. As this is a significant part of your planning, below you will find a full section devoted to funding your program.
Activities

- **Should you make the event YP-only or invite the entire TMA chapter?**
  Most TMA Chapters invite the entire TMA Membership who quickly opt-out of the YP Program. It is a good idea to get a few TMA Chapter board members to attend, so the young professionals attending can meet some senior players in the industry at the YP Programs. This will go a long way in building support from your TMA Board as well.

- **Are you willing to market the YP event?**
  You don't need a big marketing budget here, but you have to market the event. Viral and social marketing techniques i.e., email, LinkedIn, Facebook, etc., can make a big difference. Also, ask the TMA Chapter Board to forward the event invite to the young professionals in their companies. This is a very powerful marketing tool that is easy and inexpensive to use. Below you will see an entire section devoted to marketing your YP Program with additional ideas.

**Example first events**

<table>
<thead>
<tr>
<th>Chapter &amp; # of Members</th>
<th>First event(s) details</th>
<th>Results &amp; Cost to Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern California (189 members)</td>
<td>Networking social at local bar in financial district. First social free, second one $10/person. One drink and appetizers provided.</td>
<td>First event: ~45 attendees, $650 cost. Second event: ~60 attendees, $350 cost.</td>
</tr>
</tbody>
</table>
| Toronto (316 members) | **First** Cocktail social at high-end restaurant in financial district (entire restaurant). Registration $20. Open bar and appetizers. Live jazz band. **Second** Poker tournament at local pub. Registration $40 TMA members/$60 Non-TMA members. Registration limited to 50, then expanded to 70 and then 80 due to strong demand. | **First** 110 registered, 90 attended Cost $4,550  
**Second** 77 registered, 55 attended Profit: $2,400 |
Activities

Other lessons learned

- Consider hosting events held by the TMA or other associations.
- Create some events that are familiar and some that are different. Familiar events make people comfortable, because they know what is expected of them, but different events keep people interested and in attendance.
- Successful events allow people to mix comfortably, but do not put people on the spot.

When should we schedule the events—which day of week; how often?

- **What is the travel schedule of your target young professionals?**
  Holding events on Wednesday nights will mean you won’t get the traveling practitioners. Holding events Friday morning could mean you miss the social crowd who prefers a cocktail party. Holding events Friday night will miss many of the young professionals with families. You can’t make everyone happy, but think about the demographic of your target market and pick a time that will best suit the largest group. Consider rotating the time once you have built some positive momentum.

- **Should we have multiple small events or a few large events?**
  Young professionals have less control of their time. Different young professional groups have addressed this constraint in different ways. Consider what works best for your chapter:
    - More, but smaller events (6-8/year including both education and networking): allow members to miss events at the last minute due to work constraints, but be able to attend future events. These events tend to be smaller because the increased supply of events lowers demand.
    - A few, large events allow members to allocate their time for just a few events without infringing on their time. If there are only a couple of events, members are more likely to make the time and attend the event.
    - The number of events for young professionals in your area will affect whether more small events or fewer large events are more appropriate. Also consider the needs of your planning committee so you don’t create an unsustainable workload.
• When can young professionals get away from work to attend an event?
Evening events get better turnout than half or full day events as it is more difficult for junior staff to leave the office during the day. Lunch and/or breakfast education events can be effective if kept to a preset amount of time (1 to 1.5 hours) so members can manage their work responsibilities. Turnout for a weekend event can be good if it is something young professionals want to do on a weekend anyway (e.g. sporting events, etc). Keep in mind that Friday night and weekend events will usually lose young professionals with families, if this is a consideration for your chapter.

Examples

When did you host a successful YP event?

<table>
<thead>
<tr>
<th>Wednesday afternoon</th>
<th>Thursday Night</th>
<th>Friday Breakfast</th>
<th>Friday Night</th>
<th>Weekend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto Community Outreach 3:00-8 P.M.</td>
<td>Northern California 5:30-7 P.M.</td>
<td></td>
<td></td>
<td>Toronto SIPS 8 A.M.-5 P.M.</td>
</tr>
<tr>
<td></td>
<td>Toronto 5:30-9 P.M.</td>
<td></td>
<td></td>
<td>Bus ride/Football game</td>
</tr>
</tbody>
</table>

Where should we hold the events and how much should we charge?

• Where do most people work in comparison to where the event is being held?
In many cities, attendance at an event will decrease the further you are from the financial center. Consider how young professionals will get to the event and what transportation options are available to them when planning the type of event.

• Should we go to a high-end restaurant/bar or to a low-key hang-out?
Both have been done with success. It depends on your target demographic and what they have come to expect from TMA and competing organizations in your area. In the end, you are competing for the young professional’s time, but need to balance this with the cost/value.
Activities

- **How big should the room be?**
  Most young professional groups use a private room for the event. It is best that the room size be big enough to fit everyone comfortably, but small enough to seem quite full. Make sure you use a pre-registration/RSVP to help you size your room vs. your planned attendance.

- **How much should we charge for events?**
  Again, it depends on your demographic. Some young professional groups in the largest cities can charge substantially more than other groups. Some groups make the first few events very inexpensive (or even free) and then increase the price for later events. In the end, this is a discussion with your TMA Board and sponsors to determine the right subsidy, cost, benefit trade-off. There isn't one answer and you will likely have to do some trial-and-error to determine the best approach. Below you will find more information on funding YP Programs.

**Now that we have built some momentum, what other types of events could we host?**

- Below are some suggested events where other YP groups have gotten good turnout:
  - Poker tournament
  - Sailing regatta evening
  - Golf tournament (requires individual skill so may make some people uncomfortable, but is at least familiar)
  - Cocktails/patio (not different, but at least familiar)
  - Community outreach (Habitat for Humanity, Dress Your Best, Credit Smart programs and teaching, etc.)
  - Sporting events, concerts

- The following items were NOT as successful as the events above:
  - Sporting activities (e.g. volleyball, rock climbing)
  - Beach day
Activities

What types of educational programs for young professionals could we consider?

In developing an educational YP program, consider working directly with the existing TMA education committee to develop programs focused for young professionals. Specific programs that can be developed include:

- Lunch and learn series
- Practical aspects of preparing and reviewing cash flow forecasts
- Judges panel: Advice from the bench
- Practical application of recent legislative amendments
- Mock negotiation panels
- Speaker series—“Stories from the front lines”

Other considerations

- Consider the time and cost to develop an educational program solely for the YP group. It may make more sense to piggy-back with an existing TMA Chapter Program/Educational Session and co-sponsor it.
- Consider differentiation of your program from other offerings in your area (e.g. local CPA or bar association, other restructuring organizations, etc.).

In the end, the young professional activities that work well for your Chapter will be driven by your target audience. There is not a one-size-fits-all approach for every chapter, so set the proper expectations for your event, study the results, and then make any needed course corrections.

Don’t forget about your TMA Chapter Board of Directors. They have a vested interest in seeing this program be successful and so you should lean on them to send the young professionals in their firms to your events. Once the YP Program shows value to the young professionals and their firm management, then the next conversation, about joining TMA, becomes much more straight-forward.
Building young professionals membership

It is necessary to develop a strategic and organized plan to reach potential members. The target for a YP group is individuals new to the industry; therefore, identifying and targeting the proper demographic is critical in developing a strong YP group. This can be a time-consuming process to develop, but will pay off when you connect with your target audience.

Successful development of a young professional's membership database can be accomplished by identifying the appropriate audience in the following ways:

- Searching various online resources such as company websites, LinkedIn, and other online networking sites which provide useful information, including an indication of seniority, such as titles and the year a lawyer passed the bar.

- Using one's personal relationship network to get in touch with young professional candidates. Reach out to these personal contacts through emails, phone calls, meetings or other conversations to solicit them in spreading the word, or to direct you to the appropriate candidates. These personal contacts may include clients, other TMA Chapter Board members, or other interested, but non-competing organizations.

- Using colleagues and other personal relationships and networks is essential. As an extension of your own network, the people you work with in your firm and those on the TMA Board have key contacts, including senior people at other firms. They can provide you with potential candidates as well as encourage their own staff to attend your events. While you may plan a great event, nothing builds attendance like a message from a senior executive in the firm encouraging staff to attend.
Maintaining a database

Once you have identified your target audience, maintain the information for these potential members and event attendees in a contact database.

Use this mailing database sparingly to ensure individuals don’t want to be eliminated from it, or are apprehensive about adding their friends and/or other colleagues. In addition, this database should be updated continuously with new potential members through word-of-mouth, as well as all those that participate and attend a young professional’s event.

TMA headquarters national database

Other resources include the TMA Headquarters National database; a web-based association management software system will be installed in April 2010. This system will significantly improve every chapter’s ability to include prospects in their distribution lists, better determine the demographics of its chapter, and track participation in chapter events and/or national events. In addition, adding prospects will be much simpler for the chapter—anyone signing up online will automatically be incorporated into the chapter’s distribution list. TMA is launching TMAccess, a 24-hour online education resource. The programs cover the full scope of corporate restructuring, distressed investing, and turnaround management related topics. Since it is geared to address every stage of a career, we anticipate more and more young professionals will be logging into the system. Work with your local TMA chapter administrator to use this database.
Marketing Your Event

Getting the word out and having strong attendance is essential to the success of the event. It is important to consider your audience when marketing YP events. It is often the case that young professionals heed the advice of their more senior colleagues, mentors and coworkers. Accordingly, getting the support and assistance of senior restructuring professionals and having them encourage young professionals in their offices to attend is critical. As noted above, nothing boosts attendance like a call from a senior partner or supervisor.

Successful promotion of a YP event can be accomplished by marketing the event in a variety of ways. The following is a list of ways other YP programs have promoted their events:

- Circulating special written invitations to the target membership and contacts who work with other young professionals. Save-the-date cards and reminder emails are extremely helpful.
- Personal touches to the target membership group such as personal calls and emails inviting young professionals to attend can help generate attendance and make the young professionals feel like they were personally invited and included.
- Contacting restructuring group leaders at firms or businesses asking for their support and assistance in promoting events to young professionals in their firm and/or business.
- Enlisting the assistance of other young professionals to lead the event or be on the host committee for the event to generate support amongst their peers.
- Plan ahead and promote event in TMA newsletters, website and email blasts.
- Joint programs with other restructuring organizations that have young professional groups can help promote both organizations and generate attendance and membership.
- Informational booklets have been successful in educating restructuring professionals as to the organization programs, benefits and membership opportunities.

Samples of invitations, informational booklets and save the date cards can be found on TMA’s Leadership Web. If you need login information, please contact the TMA Headquarters’ office at 312-578-6900.
Structuring a local young professionals program

Developing support for and structuring a committee in your local TMA chapter is an important component of starting a YP program. The structure of your committee will determine how you work with your TMA Board, who is both the key supporter and ultimate beneficiary of a YP program. How the committee is set up is a decision of your local TMA leadership.

In many chapters the YP committee is established as either: 1) a new committee of the board of directors, or 2) as a sub-committee of another board committee. Often the scope of the YP committee overlaps with a number of other committees. Involvement of members of the YP committee on these other committees can be very helpful in coordinating activities.

Examples of some committees which may overlap with the YP committee’s mandate:

**Education**

Young professionals are often logical targets for continuing education activities. Partnerships with local academic institutions are also a good way for young professionals to get involved.

**Networking**

Most YP committee activities have a social and networking focus.

**Membership**

Young professionals can be a key area of focus for growing the local TMA membership.

**Community outreach**

Young professionals can bring energy and enthusiasm to community involvement activities for local chapter.

Ultimately, this overlap with other committees can influence how the committee is structured within the local chapter’s leadership hierarchy. But no matter how the YP committee is structured, it is important to assemble a strong group of committee members willing to actively volunteer and contribute to the development of the YP committee.
Funding

It’s a great idea, but how do we pay for it?

In order to run a successful and growing YP program, someone will eventually need to pick up the tab. This can either be a source of growth or a delay in the development of your local YP program. Chapters that have set up a predictable source of funding find it easier to plan their events further in advance, resulting in more successful activities, and ultimately growing their membership.

Most events are run on a break-even basis; each event should pay for itself. The funding that each local chapter receives from sponsorships and memberships can be used to pay for the costs of administration and event budget overruns. Accordingly, to run events for your YP committee, you will need to identify your costs then find the funds to pay for these activities.

How much will it cost to run my YP program this year?

- When getting your YP program started, your TMA chapter will want to know how much money is needed to make this new venture possible. Before you can tell them this information, you will need to set out your annual event plan as discussed above. Once you know the number, size and type of events that you will be planning, a summary of all your event revenues and costs can be prepared.

- Any overall shortfall will need to be made up from other sources, which may include additional sponsorship or coverage under the budget of another existing TMA committee.

- In order to build your annual budget you will need to figure out the budget (both costs and sources of funding) for each individual event. This is where the work really begins!
Different events will have different costs associated with them, but the following is a list of some of the common costs and rules of thumb that you should consider when budgeting for your events:

<table>
<thead>
<tr>
<th>Cost</th>
<th>Rule of Thumb</th>
<th>Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>Six appetizers per person is usually sufficient</td>
<td>Food that can be eaten cleanly and with one hand will be more popular. Chicken wings, mini-burgers and complicated hors d'oeuvres will be less popular</td>
</tr>
<tr>
<td>Drinks</td>
<td>2.5 to 3 per person</td>
<td>People usually drink 1 drink per hour up to 2-3 drinks. As these are professional events, consumption is typically not too high (although the occasional career limiting move will occur!). Longer events will have higher consumption levels. Except in formal events, beer is usually consumed 2:1 to wine. Cocktails are expensive and caps should be placed on quality of alcohol used.</td>
</tr>
<tr>
<td>Taxes</td>
<td>Varies</td>
<td>These will vary by State/Province or Country. Don’t forget liquor taxes are usually at a higher rate than normal sales tax.</td>
</tr>
<tr>
<td>Tip</td>
<td>15-18% for a group</td>
<td>Determine if this is built in to the estimate provided by the venue. Negotiate the tip when you pay if there were any concerns with the venue.</td>
</tr>
<tr>
<td>Room booking fee</td>
<td>Varies: ~$0-$5,000</td>
<td>This fee can be negotiated. It is usually automatically waived if the food/drink budget is large enough.</td>
</tr>
<tr>
<td>Marketing materials</td>
<td>Varies: ~$50-$100</td>
<td>This includes invitation preparation and printing and mailing costs. Often the firms of the organizers will cover this cost, but that should be considered and confirmed.</td>
</tr>
<tr>
<td>Administration costs</td>
<td>Varies: ~$0 - $100</td>
<td>Check with your TMA chapter administrator for their cost to administer your event. While this is usually not a cash cost for your event, it is part of the total TMA budget.</td>
</tr>
</tbody>
</table>
## Funding

<table>
<thead>
<tr>
<th>Cost</th>
<th>Rule of Thumb</th>
<th>Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speaker/Presenter</td>
<td>Gift bag: ~$25 - $50</td>
<td>If the Speaker is local, their cost can usually be donated for the exposure. High profile presenters can be very cost prohibitive. Consider providing a token gift from the TMA. This can include TMA promotional materials or a gift certificate.</td>
</tr>
</tbody>
</table>
| Prizes                | Varies: ~$50 - $500 | If prizes are required (e.g., poker or golf tournaments, competitions, etc.), consider donations from firms involved in exchange for recognition. Examples of prizes include:  
  - Sporting event tickets x 2  
  - Golf paraphernalia  
  - Gift certificates (Stores, restaurants, etc.)  
  - Televisions  
  - Firm promotional products (duffle bags, umbrellas, etc.) |
| Other                 | Varies        | Specialty events will have additional costs such as instructors, administration fees or additional materials (e.g., special playing cards for poker tournament, door prizes for large events, etc.) |

### Where will we get the money from?

As noted above, most TMA funding models provide for all events to be run on a break-even basis (e.g. admission covers event costs). However, this may not always work for new YP committees (programs) as they start up or for higher profile events (e.g. golf tournaments), which may not be able to cover their fees within the range of comfort for new professionals.
Funding

The sources of funding which YP committees typically use to fund their events include the following:

**Existing TMA Board/Membership Committee budget**

- It is often necessary for the TMA board to subsidize the first few events until the YP group has critical mass to be able to support its own events.

- As the Membership Committee is often the first to benefit from creation of a YP program, this committee may offer to contribute a portion of its budget to fund the start up of the YP subcommittee. This will differ from chapter to chapter.

**Sponsorship**

- Obtaining annual sponsorship for your YP committee can allow more flexibility in informal event planning. This funding option may not be available in all TMA chapters as the sponsorship structure at the local chapter level may vary.

- One-time event sponsorship (i.e. usually limited to annual sponsors) can be obtained to cover the short fall for large event costs. This would usually be limited to higher profile or more expensive events that would provide opportunities for sponsorship recognition and logo placement at the event.

- Excessive use of sponsorship, especially one-time event sponsorships, can erode the value of the annual sponsorships and make the fundraising committee’s task more challenging. If sponsorships are required, these should be set out in the annual budget so that the fundraising committee can include these in its annual funding drive.

**Registration fees**

- Larger and more formal events can be run at breakeven (admission = event cost). When attendance is large (e.g. greater than 50) or the event is formal (e.g. Speaker series, golf tournament, etc), people generally accept that it is not a free event and a registration fee will be charged.

- Where an event is clearly for professional or business development reasons (golf tournament, speaker series, etc.), most firms are willing to pay for the expense of their staff to attend. For informal events (pub networking, games or activities—poker, etc.) or not specifically development related activities (sporting events, ski trips, sailing regatta, travel, etc.), firms may be more hesitant to provide funding support for their staff at these events. Knowing your local market and the types of events that are acceptable will help with setting a reasonable registration fee.
Funding

• As can be seen, registration fees are an art, and may be different in each circumstance. Before finalizing your fees, ask the leaders of your TMA networking committee what level fee they would normally charge. Then consider the difference that at a normal TMA event, most attendees would approve their own expenses, whereas for YP events reimbursement typically requires firm approval.

CRRC

• TMA may be able to assist with funding through the Chapter Resource and Response Committee application process. The Chapter Assistance Fund is to a) assist chapters experiencing challenges in membership or b) provide funds for chapter programming that would otherwise be unrealistic due to financial constraints. Awards are based on available funds and higher priority is placed on requests that (1) meet the educational needs of chapter members not currently being met, (2) provide an opportunity to gain new members, (3) increase the visibility of TMA, and (4) add value to the TMA membership.

To learn more about this assistance, or to request an application, please contact the Director of Chapter Relations, Mike McCarthy, at mmccarthy@turnaround.org or by telephone at (312) 242-6038.

For more information on young professional planning, please feel free to contact either TMA Headquarters (312-578-6900) or a TMA Young Professional Committee member:

Jonathan Reimche, Chair
TMA-Toronto
jonathan.p.reimche@ca.pwc.com

Matthew English
TMA-Northern California
menglish@archbeam.com

Rachel Frishberg
TMA-New York City
rachel.frishberg@fticonsulting.com

Jennifer Meyerowitz
TMA-Georgia [Atlanta]
jmeyerowitz@epiqsystems.com

Chad Peterson
TMA-Illinois [Chicago/Midwest]
cpeterson@qorval.com