



Oral History of Mark Roberts

Interviewed by:
Glenn Bugos

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Mark Roberts

Conducted by Software History Center—Oral History Project

Abstract: Mark Roberts was recruited to become the General Counsel of NACCB in the late 1990s after working as a Congressional Grants and Projects Coordinator and then practicing law in Atlanta. After two years, he was selected to be the COO of NACCB and then two years later became the CEO. He describes the reorganization of the Association recognizing the changes in the climate from focusing on fighting Section 1706 to providing education and support for the growing number of members from throughout the country. After phenomenal growth in the late 1990s (fueled substantially by the expected Y2K crisis), membership took a dramatic plunge in the early 2000s, but has been recovering over the last four years. Roberts reviews the Conference planning process and discusses the various benefits of membership including a new insurance subsidiary that they have established. He points out some of the differences of NACCB from other trade associations (geographic chapter based and more focused on smaller companies, although he has recently introduced special programs to attract larger companies as members). Roberts concludes by describing some of the current issues and future plans that NACCB is addressing.

Glenn Bugos: My name is Glenn Bugos. I'm a historian with Moment LLC in Redwood City, California. I'm interviewing Mark Roberts, the Chief Executive Officer of the NACCB, the National Association of Computer Consultant Businesses. It's the 30th of March, 2007. We are doing this interview at the Computer History Museum in Mountain View, California, and it is part of an effort by the Software Industry Special Interest Group of the Computer History Museum conducted in conjunction with a meeting on the history of the NACCB.

Education and Initial Work Experience

With that, why don't we begin at the beginning. Why was it that you joined the NACCB? What skills and interests did you bring to the position? Maybe we could actually start with your family background and education, and your law career.

Mark Roberts: Okay, very good. First, in terms of family, I grew up in Queens, New York, and I have one sibling, a sister. I grew up in a very loving family in suburban New York City. My dad was an entrepreneur; he owned a men's clothing store in downtown New York City. So I was sort of around an entrepreneurial environment from the very beginning. In school, I was always interested in politics and policy and law. I attended Haverford College just

outside Philadelphia, Pennsylvania. And then went to work on Capitol Hill before law school. I spent four years on Capitol Hill.

Bugos: You worked there with Congressman Benjamin Gilman (R-NY)?

Roberts: Yes. I was his Grants and Projects Coordinator. I worked for four years for him. I was in my mid-20s by the time I was done. It was a very heady experience. You know, all these older people, in their mid-40s, calling me, asking for the congressman's assistance on things. I just had a wonderful time. I also participated in a couple of his campaigns. I really enjoyed that.

Bugos: Were you doing anything related to labor relations or labor law?

Roberts: Not specifically labor relations. Benjamin Gilman was a very interesting person. He was a moderate Republican, sort of a dying breed these days. And so he had very good relationships with labor, but was also very supportive of business. I was mostly focused on satisfying various constituencies within the district, and making sure that he got credit for things that happened in the district. I dealt with some of the more politically sensitive issues as well. That was kind of my role--facilitating things, and being sensitive to making sure certain constituencies were taken care of.

Bugos: And looking back on that experience, did you make contacts or have experiences that affected how you approach your job today?

Roberts: Absolutely. Had I not been there, I would not be where I am. My congressional experience partly attracted the organization [NACCB] to me. That, combined with my subsequent employment law background.

Bugos: Which, I guess, is the next step in your resume, Emory Law School.

Roberts: Yes, I attended Emory Law School in Atlanta, Georgia. I had the option of going to work for a number of different firms, and elected to practice with Steel, Hector and Davis in Florida. It had a very major, sophisticated practice, and it was just a wonderful place to live. And so I went down there, and I think I was there nine-and-a-half years.

Bugos: Doing labor relations law? Did you have a specialized practice?

Roberts: It wasn't really labor relations. I started off in general litigation for the first year or so. But then I focused on employment law, distinguishing that from labor relations, which is more union focused. Employment law is more about dealing in contracts and sort of the various

rules that apply to employers. And we represented a number of very large companies, Fortune 50 companies, that had facilities in Florida. I did both counseling and litigation.

Becoming General Counsel for NACCB

Bugos: During your career there did you have any contact with the NACCB?

Roberts: No contact. I had no contact with the NACCB until I decided I wanted to return to the Washington, DC area, where I had spent four years.

Bugos: So how did the opportunity present itself for you to become NACCB General Counsel?

Roberts: As often is the case, serendipity. One of my college friends was working at the U.S. Chamber of Commerce. Someone he worked with had met Don McLaurin, then CEO of the NACCB. And they said they were looking for a General Counsel, they wanted someone with some Hill experience, and either an employment or tax background. I fit two out of three. I didn't have a tax background, but I had employment law experience, and also the congressional experience.

Bugos: You had just made partner at the law firm a few years before.

Roberts: Yes, I had a couple of years earlier.

Bugos: But you were so interested in moving back to Washington DC that you considered the possibility?

Roberts: Yes. I had a wonderful practice, wonderful colleagues, very sophisticated work. But there were a couple of reasons that drew me back to Washington. One, a litigator's life is not a balanced life in terms of sort of work/life balance. I looked around at some of my colleagues that were in their 50s, and most were divorced, and worked as hard, if not harder than I was working, which was weekends all the time, and the like. So that was one element. The other was I realized that I missed being in the center, in the thick of it. West Palm Beach was not in the thick of policy and policy making, and I really missed that energy. So I wanted to return to Washington for those reasons. There was a lot going on in Washington in the mid- to late-1990s.

Bugos: So Don McLaurin had spoken with a friend of yours, and you then made the next contact.

Roberts: Yes. Actually, the information was passed on by my friend's colleague, and so I was interviewed on the phone, and Don is a wonderful individual. Don is a Southerner, and knows how to carry on a conversation. We spoke probably for an hour, which is much longer than my typical telephone conversations. We just connected--from different backgrounds--but both at that time, and still today. We're so aligned on so many issues. It was just a wonderful working relationship, and still is.

Bugos: So how was it that he presented the General Counsel position to you? That there was a vacancy? Was there was a general job announcement? Was he was just out looking for people who could help the organization?

Roberts: Well, Don is an old headhunter, a recruiter. So Don didn't want to just place an ad. I learned subsequently that he interviewed a number of folks, but he basically was using his old recruiting skills in finding someone. It was finding someone with the right background, but also the right chemistry to work with him. Harvey Shulman had moved on to another role. He was going in-house with his brother at Aetea, which was one of our member companies. Because Harvey went with a member company, he couldn't continue to serve in the role of General Counsel. Not merely because of the time commitment, but because of the potential conflict. Anyone working at the association can't be aligned with "a" particular company. We're supposed to serve the entire industry. So that vacancy was created by Harvey, who was the first General Counsel. There had never actually been a full-time general counsel. Harvey basically operated as the General Counsel while a partner in a law firm, and did it as part of his practice. He also served many of the members in that role. So that's how the position--and it was really a brand new position--was created. It was seen as being a more efficient way than continuing to use outside lawyers at their "very reasonable" billing rates [smiles].

Bugos: As you were having this conversation with Don McLaurin, how did he generally present to you what your career might look like ten years later, and what the NACCB might look like ten years later? You were replacing a half-time General Counsel. Clearly he envisioned that there would be more work for you than that.

Roberts: Absolutely. There was more work. I think Don also wanted to change the focus somewhat, while still retaining some emphasis on lobbying. You know, I think he wanted to take a more business-like approach to the association. Things had continued to evolve. Some of the issues that were burning issues in the early days of the association had waned.

Working at NAACB

Bugos: Can you just give a quick overview of your resume at the NACCB since you joined, the positions you went through and when.

Roberts: I was General Counsel, I think, until January 2001. As General Counsel, because we're a small organization, I wore many hats. What really excited me was going more over towards the business side. In addition to serving as the General Counsel and performing the role of the lawyer, I was involved in a lot of the other aspects of the Association. I would often travel with Don on these matters. Of course, when I came in, it was a very heady time. It was 1999. Our industry, as you heard folks discuss yesterday--people were just minting money. So it was a pretty heady time to be associated with the Association. When I first joined, Don had mentioned the possibility that I might be able to assume the primary role, the CEO role at some point. Of course, it wasn't his to promise, and he wasn't going to make a commitment for years hence, but at least there was a discussion of that early on. In January of 2001, he basically told the board he was making me the COO. I would take over day-to-day management. One of the challenges Don had was that he was located in Columbia, South Carolina. He did not live in the Washington D.C. area. It was a little hard managing some of the activities of the Association from Columbia, certainly some personnel matters. He would travel up regularly, but still, he wasn't there the entire time. So in the fall of 2002, and it may have been even earlier than that, Don made clear that he had served longer than he had promised to serve. He had sold his company, been a very successful entrepreneur in our industry; had served on the board, and had been president of the Association, and had served in the CEO role for close to four years. He was ready to move on. And again, while he couldn't promise me, he would certainly make the recommendation to the board that I be selected as the CEO. And that took place at the February board meeting of 2003 where I was excused from the room, and there was discussion, and I was selected as the CEO of the organization.

Bugos: Was there any information they requested from you about the organization at that time? Anything about what your plans were for the Association or how you would hope to change it?

Roberts: No, there really wasn't. It was an interesting time, too, to take over. Because, as you know, February of 2003 was a very, very rough time to be affiliated with anything in information technology. But they didn't ask for a strategic plan. I think the board felt that Don's stewardship had been strong, and the organization was in good financial shape. We were losing members because of the downturn, but we had a strong balance sheet, and had managed the organization well. So I think there was a sense that they should continue with his legacy. I did do a presentation on strategic plans though there wasn't a big discussion.

Bugos: So over the course of your career you, to some degree, absorbed the functions done by Harvey Shulman and done by Don McLaurin. What about Peggy Smith? Are there any others?

Restructuring NACCB

Roberts: Yes. What actually happened is that before Don took over there was a dramatic change in the structure of the organization. The structure prior to Don joining had been for staff to report to committee chairs. Don had been the CEO of a very sizeable company. Having been the CEO of a sizeable company, that structure was not suitable for him. He was not interested in taking over under circumstances where he would report to a committee chair. What they did through the development of the Carver documents, which preceded my arrival, was that they created a strong CEO, in terms of the nature of the role. They did consolidate all of the roles, all of the executive director roles in a single individual. And they consolidated what had been an operation in South Carolina, and an operation in Washington DC. That decision was actually formally made a little later when Peggy Smith decided that she wasn't going to continue on.

Bugos: So the Carver Documents were prepared in 1999. They were formalized by the board at that time. Do you know how long it had taken them to develop this?

Roberts: Again, this is second-hand. I think it had been at least a year-long process, because basically what the board was doing was giving up power, and pretty significant power in terms of the structure. If you look through the older minutes, the board basically decided everything. I'm exaggerating a little bit, but not much-- how many paper clips to buy. That's not a very efficient way of doing things, and it's less efficient by a board that only meets four times a year. Peggy had performed some executive functions and had her staff in South Carolina. And there was a government affairs staff in DC. But what they wanted to do was further strengthen the position, and that was also a requirement for Don taking on the position. So in April of 1999, they approved the Carver Documents, creating this strong CEO role, which basically pushed the board out of the operational aspects of the Association. While they had monitoring responsibility, obviously monitoring the finances, they were supposed to focus on the strategic issues. That was a dramatic change for an organization that had been a volunteer-driven organization up until that point. Even though there was professional staff, it was really the board that was driving most major decisions.

Bugos: And over the, almost, decade that you've been using these Carver Documents how have they worked out for the Association?

Roberts: Phenomenally well. I think early on it took the board a little time to adjust. The board then, was exclusively owners, presidents, CEOs. Today, although there are some non-owners, owners still predominate on the board. Well, owners like to manage. It's just a reflexive action; they see something and they want to manage it. It took some time for the board to adjust--that it was not their role to manage the operations. They had fiduciary obligations. They had to manage the finances, they had to make sure that laws were obeyed, and set general good business parameters. They set the strategic direction, and did that

through the development of “end statements,” which are the 50,000 foot level goals, and fit on a single page. The whole philosophy behind Carver was to make the CEO more accountable. If you tell someone how to do something, then all they’re accountable for is how they do it, not whether you actually achieve the goal. What Carver attempts, by giving a CEO a 50,000 foot level goal, is that the folks on the ground dealing with the organization day-to-day decide what is the best path. The board doesn’t micro-manage those decisions. And the only thing you measure is whether they’ve achieved the goal; not whether they’ve just followed the path that you’ve set for them. That’s worked very well.

The other aspect of this is that only I report to the full Board of Directors when it sits as a board of directors. We have what could be described--not reflecting on the individuals--as a weak executive committee. It has a limited role. The idea of Carver is that it’s the full board that makes the decisions, and I report to the full board. No other staff member is supposed to take direction from a board member. And that’s a problem in a lot of other associations. You have a number of influential board members, many of whom may have conflicting agendas, who’re giving direction to staff below the Chief Executive Officer. And that creates conflict. The other problem you have is that volunteer presidents change from year to year. So one president wants to go one way this year, and then his successor wants to go a different way. You’re constantly shifting direction. That’s not an efficient model. Carver tries to address that, by copying the corporate world, where boards are supposed to have a limited role in operations. They do more of a monitoring role, a fiduciary role, but not in micro-managing the company. It’s more difficult. It’s easier, sometimes, to make operational decisions, but it’s much tougher to focus on the strategy of the organization, and its role in an industry. And looking out--what does this industry look like in five, ten, fifteen years. That’s the tough stuff. Carver is designed to get them to focus on that. Do the monitoring, but focus on the strategic stuff. I think it’s worked extremely well. I tell folks you get two people in a room, there’s politics. But this is an organization that is remarkably devoid of political in-fighting among board members and the like. We’ve had our moments, but it is by the standards of most non-profits, I think, just phenomenal in terms of how smoothly it runs.

NACCB Operations and Organization

Bugos: So in terms of how well the Carver Documents have worked for you over the years, and how you’ve adjusted your relationships with the board, I have three interrelated questions: What other trade associations and non-profits do you benchmark yourself against or look at as analogs? Second, the NACCB is all about a business model, that of empowering independent contractors. How has that fundamental belief in that business model affected their relationship with you as a CEO? And third, when you’re dealing with board members, does it matter whether their companies are private or public? Do they have their own board to CEO/chairman relationship to think about when they’re thinking about your role in the NACCB? Start with how you benchmark.

Roberts: I think we're very unique. We certainly benchmark ourselves, just like we do in our operating practices survey. But I think we're very different from a lot of associations in our space. With ITAA, the Information Technology Association of America, there was a little overlap. The ASA, the American Staffing Association--that was formerly the National Association of Temporary Staffing Employees--is somewhat similar, but still very different organizations. We're really a federation where chapters send representatives. Only CEOs or presidents or senior executives can serve on our board, so it discouraged large firms from participating. So, getting to the question, our organization always was very entrepreneurial at heart, and had very little large firm participation until fairly recently, by its structure. Other organizations like ASA and ITAA were heavily influenced by the larger players. They generally are the dominant influence in those organizations. Very different for our organization. The American Staffing Association has the full panoply of staffing verticals, and everything from day labor to temporary physicians under their umbrella. We're just so different in personality and structure. So I don't really benchmark us against them. There's very little overlap between the two organizations, in terms of members, even though they have technical and IT verticals within their association. Same with ITAA, more heavily dominated by larger firms. If you read their mission, it would look very similar to us in terms of the types of companies they are attempting the service. But we're very different organizations. So the organizations that are closest to us in membership profile are so different that they're not appropriate to benchmark against.

Bugos: Okay. Some questions about your relations with your staff. How have you structured your staff? How has the number of staff grown since 1999? What do you generally ask them to do? And how avidly do you rely on independent contractors for the professional needs of your organization?

Roberts: We do have independent contractors. Actually, Don was a big fan of independent contractors, having come from that industry. So our accounting was outsourced, our conference logistics was outsourced. And we've moved between having things outsourced and bringing them in-house. Actually we're now looking at bringing in the accounting. Staff has grown. We have ten staff members who're either full time or part time. Some of the part-time staff people are just phenomenal. They are basically mothers caring for younger children, and we give them flexibility and they produce full-time work in part-time. I'm always amazed at how they're able to schedule things, and they just get it done. We really work in a very collaborative way. A little different style than Don had. Don had come from an organization that was hierarchical. It was very clear that when he issued an edict, it was followed, and although he welcomed discussion it was much more hierarchical in execution. Ours is a little more collaborative. There's no question that I'm the final decision-maker on virtually everything, but it rarely is ever put that way, because we get together as a senior staff and we discuss things. And I welcome discussion. This comes from my Socratic method of being a lawyer. I feel uncomfortable if there isn't debate and challenging. And they challenge me, and I think it's great, because I want to be challenged internally, and not have something blow up externally.

And I trust them, and I think they trust me, and so that's worked tremendously well among my three directors.

Bugos: Why don't you name some names? Who are some of the people who've been with you a long time?

Roberts: Sure. Susan Donohoe is my Director of Programs, which really doesn't do justice to what she does. She does public policy with me. She is the primary lead on the conferences, in terms of organizing the content. And Julie Price-Shehan, who's my utility infielder. Her title is Director of Marketing, but she really does everything. She's just a wonderful facilitator of just pushing things out. Some of us like a little more precision, but she'll keep things moving. It's just a great combination of skills and strengths and weaknesses that complement each other. And then Kim Grever, who's my Director of Membership and Member Services. Kim is a very experienced association person. When I came into this I never had run an association before. Kim has been in the association world for so long and has many contacts within the association world, which have often been of help, and has a very good perspective on things. We are just so comfortable. We'll debate things and there'll be a few raised voices, but it's all in trying to do the best for the Association and for the members.

Bugos: And the presidents that you've served with since you've been CEO, how much heavy lifting did they do? How much day-to-day sort of work do you expect from them? And again, if there's any particular projects that they've taken on.

Roberts: Well, Amy Vasquez was very influential in changing the membership structure, and was just a phenomenal individual. Day-to-day is not a fair assessment of what any of them have done; they're really focusing on the quarterly board meetings. The first president I served with was Matt Moore, and Matt did a number of things though there wasn't a tremendous amount of heavy lifting on his part. There've been all sorts of different styles, but it's all centered around initiatives of the board. Another role of the board is negotiating my contract, and things of that nature by the executive committee. The primary role of the president is to lead the board. They're not technically my boss. I think the change in the membership structure under Amy, which preceded my taking over as CEO, was one of the watershed moments for the Association.

NACCB Membership and Benefits

Bugos: Can you just generally describe that restructuring of the membership?

Roberts: As you heard yesterday, a lot of the members viewed it as a competitive advantage to be a part of NACCB. And at the chapter level some of them had a little more restrictive membership criteria. So we had to work through the various membership rules, and

open them up. What made this possible was the economic downturn, because we were losing members. We held our core members, but we were losing a lot of members. We saw a tremendous surge leading up to Y2K, and then came the hangover of the Y2K aftermath, the dot-com bust, 9/11, and the general economic downturn. All of those things just collided to change the whole financial picture for the organization, and the whole membership picture. So we really needed to open up membership, and we didn't want it to be as restrictive as it was. I always find it funny, but the New York chapter's reason for why they couldn't admit any more members is they had been going to the same restaurant for a decade, and that room-- this is in New York City-- couldn't hold any more people. And that was the reason why they couldn't admit any more members. That frustrated Don to no end, because one of his mandates was to grow the association, and to also improve its financial position. Northern California was another chapter that would keep out these \$50 to \$100 million companies, because they just didn't want them in. It really took that downturn to pave the way for us to change the rules.

Bugos: And how has membership grown over the past decade?

Roberts: Well, you really have to kind of split that up, because we just bled members after those four events-- Y2K, the dot-com bust, 9/11 and the economic downturn. The organization had grown slowly since its founding, and then started to grow modestly, and then in the late 1990s, it just surged. There was a whole host of reasons for that. Folks were just making tremendous amounts of money in this industry. We also had some very special deals associated with job boards so it just made financial sense to join. And then the downturn hit. It was probably 2002 when we lost 120 members in a single year, and 90 the next year. Not on a net basis, but the addition of new members dropped to like 35 a year. So it wasn't until 2004 that we stabilized, that we basically stopped losing members. Then in 2005, we started to grow. In 2006, we grew, but it was modest growth. It's sane growth, I would say, on a net basis. Every year we'd lose a certain percentage of members, no matter what we do, because members, for a variety of reasons, choose to leave the organization.

Bugos: So when you have to explain to potential members the benefits of joining the NACCB, what do you normally say, and how has that explanation changed over the years that you've been there?

Roberts: In hearing the discussions yesterday, the organization has changed dramatically in terms of focus. We still do lobbying, but we're much more opportunistic in lobbying, in terms of when we weigh in on issues. In the early days, the whole focus of the organization was the lobbying, and the legislative challenges to the industry. We still do that, and we monitor and report to the members on legislation. But we're much more focused on the business side, of helping them in their business. That became particularly clear during the downturn. At our Bellagio, Las Vegas conference, we had in our session on Government Affairs Update, 600 people. That next year, I don't think we had 40 people in that session. Their focus was, "How do I survive?" As time went on, we kept tracking the interest in legal sessions. We used to

have an entire track of legal, and we'd be in sessions with seven people. You know, two of them would be the law partners of some of the speakers. And so we said, "Okay, our customers are telling us something here. They're telling us this isn't what they want us to focus on." So we did some consolidation of legal sessions, and really tried to focus more on the business side of things. There had always been some of that at the conference, but that really became the more significant focus.

Networking continues to be one of the most significant benefits. You see in some of the founders, some of the pioneers, just this tremendous bond. And while some of that bond was forged in some very special times, in terms of the legislative climate, that bond still continues to this day. Our members have this tremendous culture of sharing, and it started in the very early days. It absolutely floored me when I first came into the organization, because I operated in the world of legal with confidentiality being paramount. And here were these business people in an intensely competitive industry who were sharing-- sharing financials, sharing information on compensation. They were just sharing, and the philosophy was, "If you give, you get," and that continues to this day. It's really a remarkable thing. It's now moved from the chapter meetings, which were always a big networking environment, to an annual conference, to online, to a listserv, where folks can network and share ideas electronically. That's been tremendously successful. I think we launched that in 2003 or so. That's been a tremendous benefit. We keep asking the "what if" question. You know: "What if we did this for the members?" and trying to think very entrepreneurially. "What would benefit the members?" Because what they're interested in is how we can help them run their businesses better, more profitably, more efficiently. We launched the "IT Services Update," which is a client-ready newsletter of information that members can share with their clients, put their logo on it, get their name in front of the clients. We've also done what's called the "IT Index," which tracks employment in the IT area, and we use that both in terms of getting PR for the Association, and also the members can share it with their clients. We just want to be seen as a resource for information, and a place folks go to.

Bugos: You mentioned an increasing focus on the business side of the organization, helping members do their business better, and on networking. In terms of how you and your staff spend your time day-to-day, of all those member benefits, what seems to be the ones that occupies most of your time?

Roberts: We're on West Coast time now, and this morning I answered a lot of emails. I can't tell you how many different topics I addressed by email this morning. We move between so many different topics in a day. I guess if I had to land on something, it's responding to member inquiries, whether by email or telephone, and acting as a clearing-house of information, putting people together, putting information and people together. I see that as our biggest role, and that takes many forms-- through the networking opportunities we create, through folks just calling the office, asking through the online listserv, and through any number of vehicles.

NACCB Conferences

Bugos: The Conference. How big a deal is that for the organization and for you?

Roberts: It's a tremendous deal. It's the one time where a good number of the member companies get together. And it's a phenomenal event. We do a survey afterwards, and on the question of, "Would you come again?" 98 percent say they would come again. It is so full of content. Twenty-five breakout sessions, four different tracks in its current form-- two executive tracks, a sales track, and a recruiting track. Two keynotes. Usually one is an industry expert, or someone coming from the industry, and another is usually a business speaker, or someone who's written a book. Also the networking opportunities are just phenomenal, and then we have a trade show. In the late 1990s these were just huge parties. No expense was spared. Then we had to sharpen our pencil as we went into 2001. We went from a Conference in Miami in 2000 that had probably 1,000 attendees. It was starting to trickle down a little bit after the Bellagio Conference in 1999, which was my first, to 2001. I am sure we had no more than 250 attendees. And of course, it was right after 9/11. The industry had already started tracking down, but with 9/11, people just weren't traveling. I had long-time folks who had never missed a conference, whose spouses wouldn't let them fly. So that changed dramatically. We've slowly climbed up out of that. Last year in terms of total attendees we had 600-plus, and I'm expecting another boost this year, given the state of the industry and the economy. It's such a phenomenal event, and we've continued to try to enhance it. One of the things we did is we realized that we weren't necessarily serving larger firms, other than the legal and legislative sessions. A lot of the things we were doing were of greater value for smaller firms. So we created a large firm chapter a number of years ago to try to bring the large firms together where they can talk with their peers. And then we created a large firm event in the spring, and then one associated with our Conference--basically a conference within a conference, where they can be in a smaller, more intimate group and talk about issues that are relevant for them. I tell folks who have never been to a conference, you just need to come to one, and you'll be back.

Bugos: Who decides on the program for the Conference?

Roberts: We have two volunteer co-chairs. In the early days, they actually went out to the hotels, and kicked the tires to the hotels. But their role now is to serve as our sounding board on content. Our goal is to make the information relevant to our members. Because my staff and I are not operating one of the businesses of our members, we want to make sure we're on target, and that we're providing relevant information. Though the staff, including myself, has a major role in developing content, when I go out and talk to members around the country, when I speak to folks on the phone, when we see things on the listserv--all of those become potential ideas for conference topics. And then what we do is run it by the co-chairs, who will come to the table with their own ideas. There's certain content that's kind of core content, and you see year-after-year. And then we always rotate a certain percentage of the content to keep it new and fresh and relevant to what's going on in the current business environment. You can tell how

things are going by some of the sessions. For example, in the downturn, it was all about sales. You went into the sales session and it was standing room only. As talent becomes more scarce, it's all about recruiting. There's always some interest in the other sessions, but you can definitely track how the industry is doing based upon attendance in the various sessions.

Bugos: Where do you find the speakers?

Roberts: A variety of places. Our conferences always had a large number of speakers that come from the membership. We do a tremendous number of panels where people share their experiences, and tell folks how they did it. We're always identifying people that have done certain things successfully, and folks are just remarkably willing to share their stories. We have subject matter experts on certain topics. Legal is a good example of an issue that is more appropriate to come from a subject matter expert. We do an operating practice survey, which we've really enhanced over the years, and is of tremendous benefit, and we have the person who designed the survey speak. It's standing room only. We really show folks where they stand relative to their peers. It's a benchmarking report. Tremendous, tremendous value. So [the speakers come] from a variety of sources.

Bugos: Is there a written component to the Conference? Is there a curriculum that you produce? Are there training materials that arrive after the Conference that sum up what was discussed in them? Does the training continue after the Conference?

Roberts: We're getting better at that. We actually just partnered with Blue Sky Broadcast, which is a group that records the Conference with higher quality equipment. Previously, we made tapes, but they weren't very high quality tapes. This comes on a CD-ROM with the PowerPoints that folks can use afterwards. So we're just starting to get into that, where we make that content available. I also neglected to mention that a couple of years ago, we started sales and recruiter training. So we developed content for those people, other than owners, and we did that successfully last year, and we're doing it again this year.

Bugos: And what about vendors? When you said networking, I presume you also mean firm to firm. Are there also people trying to sell services to your members?

Roberts: Oh, absolutely. We have a formal trade show and we have sponsors. Again, you can tell how successful the industry is doing by how many vendors are present at the conference. Probably at the height, we had 90 vendors and hundreds of thousands of dollars in sponsorship revenue. At our low point, we probably had 22 vendors. Just a dramatic difference, and we've slowly improved that. I think this year we're expecting 35 to 40 vendors will exhibit at the Conference, and a number of others will sponsor.

Bugos: And what sort of firms are those?

Roberts: Merger and acquisition firms, which help our members buy or sell companies. Software firms who have specialized software for our industry, job boards, background checking services, things of that nature.

Member Communication

Bugos: What are the other ways that you communicate with your members? You mentioned the listserv and the emails on a personal level. Are there other publications that are significant?

Roberts: Well, the operating practice survey, which I mentioned in the context of the Conference, is just a phenomenal document. It really gives a roadmap for anyone who wants to figure out how to become more profitable. And we've really improved that over the years by moving to our current vendor, who does this for over 100 trade associations. Then last year we launched for the first time a specialized in-depth sales and recruiter metrics survey, and a compensation survey, which are part of the operating practice survey. Just a treasure trove of information on what I refer to as the industry income statement and balance sheet, but drilling down into activity levels of employees. Then what we do is we breakout the top quartile, which we call the high-profit firms. So our companies can look and see how they compare against those firms that are delivering more to the bottom line. So just a phenomenal tool, and it's free to members who participate in the survey. They get that and they get a profit improvement profile, which is their specialized document comparing their company to their peers, and then they also get an online toolkit, and an Excel spreadsheet that allows them to play "What if?" scenarios.

Bugos: And members say that this survey is working well for them?

Roberts: Phenomenally well. They don't like doing it, because it is time-consuming, but they love the results. We're usually pretty good at getting a high-level of participation.

Bugos: I've seen mention of NACCB TechServe insurance. What exactly is that?

Roberts: We launched that two years ago. One of the things we wanted to be able to do was provide, initially, property and casualty insurance to the members. The insurance markets don't fully understand our businesses, which are very low-risk enterprises, and our folks are paying too much in premiums. So we launched this as a member-owned insurance entity. The ultimate goal is to turn that into a captive insurance company, where you actually assume risk in return for a portion of the premium, as opposed to merely being an agency receiving a commission. And we're very excited about that. There was very positive response from the membership when we first launched it.

NACCB Issues

Bugos: Are there other initiatives like that to provide services that your members need?

Roberts: None of that scale, because we literally created an insurance agency, and then partnered with someone. But there are other things that we're certainly considering and looking at. We used to have a number of partners-- what we used to call strategic partners. Some of these were such small relationships that they weren't worth the time. They didn't appear to be of great value to the members, and they weren't worth the time for the staff to administer. I mean, we used to have partnerships with DHL, and in a lot of ways that diluted the other benefits when folks would see it in a list. So what we did is we said, "We're not going to have any strategic partners unless it is core to what's important to our members. If we're going to do it, we're going to do it in a big way." Now our only strategic partner-- well, it's not even a strategic partner. Our only operation of that nature is TechServe which the Association owns in whole.

Bugos: Now another member benefit is that you follow legislation and judicial decisions. Since you've been there, what would you consider to be the top five, top ten decisions or legislative issues that have come across your desk?

Roberts: Well, one is the Microsoft case. That was a very significant decision. I mean, there've been a number of decisions, but that's one of the central issues. The Microsoft case dealt with whether clients were going to be responsible for the benefits of staffing firms. The way Microsoft was decided-- and most member consider wrongly decided-- is that individuals who were employees of staffing firms, because they were deemed a common-law employee of the client, the clients were obligated to provide those employees with benefits. One of those benefits was a stock purchase plan which, as you can imagine--Microsoft in the 1990s was a pretty good plan to have. So Microsoft wound up having to pay, I think it was \$97 million. What that did is cause a lot of Fortune 500, Fortune 1000 companies--which are the typical clients of my members--to reevaluate how long a contractor could be at a client location. So what has resulted is these consultant rotation policies where—and there seems to be no agreement as to what the magic time period is, because there are six-month policies, nine-month policies, twelve-month policies, eighteen-month policies, two-year policies--where a consultant can be on the premises for that length of time. Then the consultant must move off, basically leave that engagement. That's had a pretty significant impact on my members, because some contractors could be on a project for years, and it created a bit of annuity for them. When you have these rotation policies, it creates more churn in terms of the consultants.

Bugos: Did NACCB submit amicus briefs, or did you just explain to your members, after the decision was handed down, the impact it would have on their businesses?

Roberts: The initial decisions leading up to that actually predates me. I think the key decision was a 1999 decision. I think we did weigh in and provide amicus briefs prior to my arrival, or joined others that did. Afterwards we created a white paper that was client-ready, saying, "Why this isn't as much of a problem as you think." They could share it with their clients. It has actually turned out that in most respects, subsequent decisions have been favorable in terms of the industry. So a lot of folks overreacted to it, and the white paper basically explained how they overreacted.

Bugos: So what other decisions or legislation?

Roberts: One of the most significant issues that we weighed in on while I was there was the L-1 issue. The L-1 is inter-company transfers visa. When used properly, it's used by multinational companies to transfer their employees who have specialized knowledge into the United States. What it does is it circumvents the H-1B, which has some very strict requirements, both in terms of quotas, and prevailing wage. There's a whole set of procedures you need to go through to bring in an H-1B. And at various points in time, there have been no H-1Bs, including now. There've been no additional H-1B allotments available. So what the L-1 does is it allows a multinational, a DuPont chemist, for example, who's in the Netherlands, to come over to the United States, because he has specialized knowledge of DuPont's processes, and it circumvents all those requirements. Under the old rule, they only had to work for that company for six months if it was what's called a group visa; or a year if it was an individual visa. So what was happening is large offshore firms, mostly Indian firms were using the L-1 to circumvent the H-1B. They were hiring folks in India, putting them on their payroll, for example, in India-- and it wasn't only India, and then after six months or some fairly short period of time, transferring them into the United States, circumventing all the requirements and protections of the H-1B. Well, most of my members are domestically based, and so it was placing our members at a competitive disadvantage. These individuals were often, because they were being paid in their home country, paid significantly lower rates. So we took up the issue as something we needed to fix. We needed to level the playing field.

Bugos: What was your strategy for doing that? How did you weigh in on the issue?

Roberts: We tried to approach it as the reasonable middle. On the one hand, most of the business community was saying, "Don't touch it. Leave it alone, we don't need more regulation." Then on the other hand, you had labor, big labor, which was saying, "Let's eliminate the L-1 visa completely." So our approach was, "This is an important visa. In a global economy, you need to be able to move people into the United States." And it also allowed us, under reciprocity, to move people into other countries. But this visa was not intended to be used for staff augmentation. Our approach was to stake out a position in the reasonable middle. We wound up testifying before the Senate subcommittee, working with Senator Saxby Chambliss. We had one of our smaller members talk about how her folks were basically pushed out, and very shortly thereafter, a whole number of individuals from one of those large Indian consulting

companies would be moved into the same positions. So we testified at that hearing, and worked on the legislation that was ultimately adopted, I believe in 2004. Our bill was actually incorporated verbatim into an omnibus bill, and was signed by the President. So that was one of our major victories since I've been at NACCB. We're very proud of that accomplishment.

Bugos: Did you lead that effort? Or outside counsel, outside lobbyists?

Roberts: I led the lobbying effort, but used outside resources. I'm not an immigration lawyer, and it's a very technical area. So certainly we used outside technical resources, but both myself and Susan Donohoe were involved in it on a day-to-day basis.

Bugos: Was there a white paper that came after that? And how did you describe that as a member benefit?

Roberts: I guess that wasn't so much a member benefit, but an Association accomplishment. I mean, we certainly sent out an alert, informing folks that what we called the "L-1 Loophole" had been closed.

Bugos: What else was there in the way of legislative accomplishments, judicial decisions?

Roberts: Well, an issue we've continued to work on is the clarification of the computer professional exemption. The Association was actually originally responsible, prior to my arrival, in creating the computer professional exemption. The language actually goes back to the early 1990s before a real Internet, and some of these IT occupations that no one even contemplated. So we had been looking to update and clarify. We actually were successful in getting it through the House of Representatives in 2000. Then unfortunately, the bill it was attached to died. We've continued at various points in time to continue to push for that, but we've not yet been successful in getting the computer professional exemption clarified. We were successful in getting some regulatory clarification. We also continued to supply members with information on how to comply with it, but getting the legislative change has been elusive.

Bugos: Is it something you'll continue to push for?

Roberts: Something we are definitely continuing to push for. In terms of other issues that we're working on is we've continued over the years to work on the H-1B issue. The mood of the membership on the H-1B issue has shifted depending upon the business climate. There has not been relief in a number of years. We're currently seeking an increase from 65,000, mostly as part of coalition efforts, broader business efforts. Same--in terms of part of a coalition--for getting some relief from ever-increasing health insurance premiums. That's a huge issue. If I had a benefit which lowered the health insurance premiums of my members, both for their

consultants, and for their internal staff, I mean, that is probably the most sought after benefit. But it's very elusive until there are some legislative changes. There are, of course, a huge number of companies and trade groups focused on that issue. So we're one of many voices weighing in.

Bugos: What sort of legislative change would open the door for some sort of change?

Roberts: Small business health plan legislation, which is unlikely. It had passed the House when Republicans were in control a number of times, but had never passed the Senate. It's unlikely to be successful. Different alternatives to that are being proposed. They haven't fully evolved, but what they intended was allowing trade groups to allow their members to band together to create greater leverage with the insurance industry, basically pooling arrangements. Health insurance is largely controlled by state law, and California has much more generous mandates than, let's say, Georgia. So you have to have plans that are different in every state. Well, that makes it very difficult to have an effective pooling arrangement. What this legislation was intending to do was create some general rules nationwide, and facilitate the pooling of buying of health insurance. It'll be interesting to see what happens. This is continuing to evolve, but small business health legislation in its current form is unlikely to pass, because of the change in Congress.

Bugos: You had mentioned the importance of legislation on the state or local level. How much of your effort is devoted to helping your members deal with legislative issues on the state and local level, compared to the federal?

Roberts: On the state level, we supply them with information, we keep them updated on what is happening on the state level. We will support them in their efforts on the state level. We usually won't take the lead, but we will provide technical guidance, and general support of their efforts at the state level. The resources required to effectively lobby on the state level, in multiple states, is just vast. Even very sizable organizations are usually not able to lobby in all states. So we're somewhat opportunistic. We'll sometimes financially support an effort if we believe that it is worthwhile for the entire membership. Actually we've done that for some California issues, like the California Computer Professional Exemption. I've attended lobby day in Sacramento, and made our services available. So we've done it on a case-by-case basis, but don't generally lobby in the 50 states.

Bugos: Yesterday, we were hearing that in response to the 1706 legislation that the NACCB and its member chapters adopted a grass roots mentality. That it started lobbying on the local level to effect national change. Do you think there's still a heritage of local involvement amongst the members?

Roberts: Probably not to the same extent, but yes. We still have a lobby day, which is coming up at the end of April, where members come in to Washington, and it's a grass roots

lobbying effort, where they meet with their representatives. We set them up with their schedules, and brief them on the issues. So there is still that heritage of the grass roots element, but it's not as significant as it was in the early days of NACCB.

Bugos: Do you think that's the way the industry has gone, national legislation has gone, or the way the membership has gone?

Roberts: I think a number of things. First, 1706 was seen as a threat at the time to the very existence of the membership. It was this "We fight this or we die" kind of issue. We haven't seen a lot of those of late. You know, there are things that folks care deeply about, but not as passionately as folks cared about 1706 in the early days. There have been no issues since I've been there that are literally, "This is about my survival." And the other thing was the business challenges became paramount. It used to be the legal and legislative challenges that were the primary focus of members and therefore of the Association. What became more important were the business challenges, and that's highlighted by attendance at legal and legislative sessions in the Conference. It just completely dropped as the market turned down, because that's not what folks were concerned about.

NACCB Directions

Bugos: A few years ago a chapter in Toronto started up, which would be the first international chapter for the NACCB. Can you tell me something about how that happened, and is that a trend for the future?

Roberts: No, actually, it never started up. An effort was made to start a chapter in Toronto, and that ultimately proved unsuccessful. That was prior to my taking over as CEO, but some folks in Canada wanted to do their own thing, and didn't want to be led by folks sitting in Washington D.C., in the United States.

Bugos: So the NACCB likely will remain a national organization?

Roberts: Well, it's interesting that you say that. During our board strategic planning this past February, for the first time the board really started discussing having a global emphasis. And it hasn't yet been fully defined. But I think the board has really come to the point where they now recognize--whether they're using offshore resources, such as offshore recruiting, or they're competing against folks that are doing work offshore—that our industry is going to be significantly impacted by global forces. So I don't know what the future holds. There could be NACCB members in India someday. As Tom Friedman says, "The world is flat." And we're in IT, so we're more susceptible to that than virtually any other industry. And so I think we're going to see more focus on what presence we should have globally.

Bugos: You represent IT firms. So in terms of the IT infrastructure that you've developed for the organization itself, how is that managed? What sort of technology are you using? Who does the actual programming for you? Have you structured it so that you could expand as the world becomes more flat?

Roberts: Being a big fan of outsourcing, and knowing what we're good at, and what we're not--we have an Association of professionals, lawyers, and we don't have IT folks. In the early days, when I first got there, we had a server in the office, and our backup system was to run the backup tape once a week and someone would take it home with them in their pocket. That was not a good system, especially for an IT organization. We used to be down constantly, and have to call in a consultant. Sometimes it would take a day for that individual to come in. So we actually moved to an outsourcing arrangement that has now morphed into another provider. We use a Citrix environment, where I have full access to my desktop anywhere in the world, as long as I have a broadband internet connection. I don't have to be sitting in my office to have full capabilities. Everything I'm doing, I'm literally doing on a remote server. I'm not actually performing any of those functions locally. And that's been a great solution for us. So they take care of it for us. They're our help desk, and we're focusing on what we do well, and allowing someone else to take care of our IT needs.

Bugos: And what about web-enabling the organization? Are you going to become more of a virtual organization, where more of the networking happens online rather than in person?

Roberts: Yes, we continue to look at that, and we don't know exactly what the next step is. We have not landed on the next step after the listserv, but there're all these tools that are developing, and we're in the process of evaluating those. The number one benefit, aside from the legislative efforts at the beginning of the organization, is networking. We need to look for those virtual ways of networking, realizing that we're spread out across the country and maybe someday internationally.

Bugos: When you became CEO, the web still would've been fairly new. Do you remember being involved in conversations about how that should go, how you should present yourselves on the web, what value it could have for you?

Roberts: You know, I think websites have evolved. What's remarkable is that so much of our communication is email now. In terms of our web presence I think we've evolved through a number of different site redesigns and the like. I think we're just now kind of seeing some of these new tools come out. We have some listservs reasonably -- by internet standards -- old technology. Now we're just starting to see how we can use the web to facilitate networking.

Bugos: So it's still primarily a person-to-person type of organization? I think we saw that over the past couple days. There's still a lot of value in people getting together and talking about their common problems and solutions.

Roberts: Absolutely. The chapters serve an important role in that, because they provide that regular person-to-person touch that a national organization can't have. I do visit chapters, but usually can only do that with major chapters, once a year. Some chapters, I'm not able to get to. I see them at the Conference. Then for some, at lobby day. The chapter meetings, which are used for regular networking, are sometimes monthly, sometimes quarterly, where members get together. We see strengthened membership where we have a strong chapter.

Bugos: To look at the chapters, which are the ones that're sort of paradigmatic of what you would like a chapter to be? What're the ones who really serve as a model for all the chapters in accelerating the networking?

Roberts: The chapters all take on the personalities of their geographic area, but I think the mid-West chapter is a particularly strong chapter. Very supportive group, and they do great programming, and they get together on a regular basis, and they have strong attendance. And the New York chapter, I think, has been a particularly strong chapter. They get together on a regular basis and have, preceding their meetings, roundtable discussions on a topic of the day. And so I would highlight those two chapters as very strong chapters. Some chapters have been strong, and then other chapters have taken their place in terms of their strength.

Relevance of NACCB History

Bugos: So, in closing, let me ask some questions about the history of the organization, specifically how the history of the organization is perceived today. We're here at a session on the history on the NACCB and I've heard some great stories about the 1706 days and how that helped unify the organization. You came in after that. How was the history, the heritage, the corporate culture of the organization presented to you?

Roberts: Well, you really see a divide between those who were there in the early days of 1706. Until I attended this workshop, I didn't have a full appreciation of what they all went through. I had picked up little bits over the years but never the full story. So there is a big divide between those who were there then and those who have come afterwards. I remember it was very controversial as we reduced our focus on 1706. Around the time I arrived, there were some folks that were outraged at that. For members who are newer to the organization, which is overwhelming majority of them, it's a much less significant issue. I think if you asked members, that weren't around at the time, to explain Section 1706, a very small percentage could. It's a very technical issue and if you didn't live through it, you just wouldn't be familiar with it.

Bugos: So how do you define the corporate culture of the NACCB today?

Roberts: I think the culture is about how we can help them improve their businesses. And one of sharing, that has continued to this day. A tremendous sharing among competitors and folks from around the country.

Bugos: The first generation...are they still working to make sure you understand where the organization came from, and the battles that were fought, and why this history should be important to the current members?

Roberts: Early on in my tenure at the association, before I took over as CEO, yes. They were pretty vocal about that. We had some lobby days where there was some heckling from the audience. But as the years have gone on, I think there's less of that. Even with some of the members that were there then it's waning in importance. But some still press. Actually, Harvey [Shulman], within the last two months, said "I think I have a vehicle for Section 1706 repeal." I think he considers it something that remains undone. Even though I don't think it has a significant business impact on our members, it's something that has not yet been fixed. I know in his heart, he's certainly one individual who would like to see it addressed. But I don't think I've received a call from someone pushing for it in several years, so it really has waned as an issue.

Bugos: You've got a big anniversary coming up, and you're concerned with recruiting the third generation of NACCB leaders. So when you present the anniversary history to the membership, what sort of issues are you going to emphasize so that they can understand where the organization has come from and where it's going?

Roberts: I think we do need to share the history. You have to understand the history of where we came from. There are so many things that I look at and ask "Why is it structured that way?" I think we want to share with that third generation where we've come from, where we are now, and try to paint the vision of where we're going. Without understanding that history, a lot of aspects of the organization don't fully make sense. We're looking forward to doing that at the 20th anniversary celebration.

Bugos: Part of the story the second generation needs to tell, as we discussed over the past couple of hours, is the shift from legislative and judicial issues to making members more profitable. What would you consider to be the big points in that story and specifically your personal role in those?

Roberts: I think what's most significant is that the business model continues to evolve and change and our members continue to adapt. Our whole industry is about flexibility and flexibility on the way up is a great thing. Flexibility on the way down is painful. I think we want to just share that the Association, like the businesses that our members run, is flexible and that we're going to adapt to their needs. We listen to what our members say, and we're going to adapt. What we focused on in 1987, 1988 and 1989 is different from what we focused on in 2001 and I

think it's going to be different again. This is a very fast changing industry. Maintaining that flexibility and maintaining that entrepreneurial spirit. Right now it is the focus on business. But if tomorrow there was a legislative issue threatening the industry, we're here to be able to respond to that challenge. So none of us fully knows what the future holds but I think what we want to communicate is we're going to remain agile and flexible to respond to those challenges.

Bugos: Do you think we've covered everything about your tenure with the NACCB? At least as a start?

Roberts: In an overview, yes, I think so. I think it's all about the people and it's just a phenomenal group of people. It's been my honor to serve and to work with them and it's just been a great experience for me