



# **Association Management Models and Their Impact on Financial Performance**

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# Executive Summary

The table below summarizes the relative financial performance of associations managed by an association management company (AMC) vs those independently managed. Green reflects a higher value for associations managed by AMCs, while red reflects a lower value. Data was culled from IRS form 990s of 501c3 and 501c6 organizations. A random sample was drawn of 167 associations. The low budget category was between \$0.5 and 2 Million. The high budget category was between \$2 and 7.5 Million.

Measure	ALL	c3	c6	Low\$	High\$
Net Total Rev Growth	More	More	More	More	More
Net Income Growth (surplus)	More	More	More	More	More
Avg Percent Surplus	More	More	Less	More	More
Net Asset Growth	More	More	More	More	More
Revenue Diversity in Products	More	More	More	More	More

## KEY FINDINGS

- In general, using AMCs is associated with stronger financial performance.
- Regardless of tax status and budget size, growth in Net Income, Net Revenue, and Net Assets are stronger for associations using AMCs.
- The only organizational context in which using AMCs did not lead to higher performance was with regards to average percent surplus for 501c6 organizations.