



Frequently Asked Questions

Ver. 12.2

Methodology

Q. How does the SVR Tool work?

A. It's an Excel spreadsheet, serving four functions: as a database, a statistical modeling engine, a spreadsheet and presentation tool, in one. Lodge data has been adopted from a statewide database by the author, then key information outputted into a standard matrix. This matrix is checked when lodge numbers are inputted to provide the baseline projections for that lodge. Users then can create alternate scenarios from their lodge baseline by inputting "What If" numbers, to see how changes in member retention and recruitment would affect their future results. Several pages which do this work are hidden and protected.

Q. OK, functionally I get it. But how should I use it?

A. This depends on who you are and what you want to do. If you are a state officer or volunteer, you are in a position to help your lodges change course (if necessary) and fix operational problems like retention, recruitment and difficulties with dues/finances. Your familiarity with this tool will help you alert your lodges to any looming crisis they may face, and to set goals. You may be called on to speak at a lodge; for this I'd recommend you input reasonable numbers on the Input page, and print out copies of the "Short Printable Review". If you want a more in depth look at the numbers, go to the State Officer Detailed Summary. You can use the SVR Tool with an overhead projector. Finally, to show how the 5-year averages were determined, show or print the "What If" Page. Other supporting documents include this FAQ, the Introduction, the essay "Dues in Years Past", and the "Other Lodges" page, which shows a snapshot of the rest of the lodges in the state.

If you are looking at this tool for use at your home lodge, you'll find that once you experiment with different scenarios on the Input page, you'll see several ways to get to solvency and then, viability. You might decide that your retention is just fine, but that your recruitment is lagging. If so, assume no change in Demits and Stricken/NPDs, but bump up your raisings a few more to see what that will do. Find a plateau point first, then see how many men it will take to level off next year. Next year's Master can add two or three to that goal. Once you get comfortable with the recruitment and retention goals, then see how much of a COLA you have to adopt in order to beat inflation. Typically this will be the rate of inflation, 3.5%, plus your attrition percentage. If you are able to bring in more members than you lose annually, still keep that COLA in place so you don't lose buying power. Here's the key: people are far more likely to achieve a goal if it is written down and publicized, than if not.

Q. Why did you develop this tool?

A. My home lodge was reasonably successful in terms of member retention and recruitment, but we had no idea what membership would look like five or ten years out. I knew we were falling behind in buying power because of inflation, but had no objective, verifiable evidence to use in pursuing a dues hike or other method of fund raising. Simply, without such projections it was difficult to perform any strategic planning with year-over-year goals. Looking elsewhere for ideas, I realized most lodges do not attempt to perform this kind of planning, as we tend to focus on single year blocks of time due to our progressive-chair leadership structure. Hence, I resolved to change this head-in-the-sand approach. I expanded the tool statewide, convinced that year-over-year strategic planning and using predictive models of our future to set reasonable "stretch goals" will result in more likely *attainment* of these goals, the survival of many more of our lodges and, hopefully, revitalization of our fraternity. Our gaining solid financial and operational footing will allow us the luxury of getting back to the business of Freemasonry: Making Good Men Better.

Q. What is "LodgeBuilder?"

A. The website, www.lodgebuilder.org, is a discussion forum I developed where leaders from the Fraternity can discuss workable strategies to improve their lodges. It highlights excellence in events or overall programming that have been proven to support lodge revitalization. Content is free. I believe the solutions to lodge revitalization have (in most cases) already been discovered. Our job now is to share these ideas at the right time with the right leaders of struggling lodges. Lastly, I believe we should share these ideas freely, because we are NOT in competition with one another. When one lodge improves we all improve.

You assume inflation is 3.5%. Our members on Social Security only received a 2.2% COLA last year. The Consumer Price Index for 1998 - 2000 grew at 1.7%, 1.6%, 2.7%, 3.4% and 1.6%, each year, respectively. Why

Q. the difference?

A. The CPI is for individuals, thus, isn't directly comparative for fraternal groups. 3.5% is the historical average for inflation, over 100 years. During the past 50 years it's been 4%. The range of inflation has been between 1.8% and almost 12%. It can vary by region, by metro/rural, and by neighborhood. I picked the national figure most often cited by economists. The inflationary assumption used by the SVR Tool can be adjusted upward or downward, and I consider this each time an annual revision is published. Thus far, no change has been warranted. It's important to note too, that our buildings often endure higher costs-of-operation increases than do individual persons, as governmental entities may tax them differently. It is not uncommon for a lodge hall's expenses to rise 5 to 8% in a year. Read more about the CPI and inflation in the next question...

Can you explain more about the assumptions you make about inflation? Members of my lodge quote

Q. statistics from a variety of sources, some claiming more aggressive inflation and some less.

A. This becomes a touchy subject. Put twelve economists in a room and you'll have 15 opinions about what is really going on. I believe the CPI, America's most widely-used standard for measuring *individual's* cost of living, is inaccurate for our purposes. As I alluded to in the previous question, its fundamental flaw is that it does not track an individual's governmental (tax) expenses, which are up dramatically as a percentage of real income compared to decades past. Today, taxes are a higher burden on the average individual's income than food and shelter *combined*. Further, as I said, in many communities there are limits on the ability of government to raise individual and property taxes, but no limits to the increase of *commercial* (fraternal) property taxes. This is why big rental complexes often raise annual rents 5% or more per year. They have to, in order to meet their costs. Here's another fact: Between 1950 and 2002, the value of a dollar dropped by 87% according to the CPI. This gives us an average annual inflation rate for the past 50 years of 4%. It is only because the rate has been trending low over the past ten years that I don't assume a 4% rate looking forward in the model. If inflation kick back into gear though, I'll adjust the rate up accordingly.

Q. Why are we in such trouble today? Did our brothers in the past handle lodge finances better than we do?

A. You tell me. We're out of the habit of paying dues at a level our forefathers paid. Yes - today we pay more *dollars*, but the value of our money in Real Dollars (compensating for inflation) has dropped. To be fair, inflation wasn't as impactful for previous generations, prior to 1930. Between 1800 and 1929, inflation occurred, but prices dropped as often as they rose. When the US went off the gold standard we started experiencing inflation as we do today with notable surges in the 40s and 70s. During the big Masonic building boom of a hundred years ago Masons routinely took out (and paid off) mortgages, they paid higher dues (in real dollars) and used commercial property to leverage their buildings against any ebb and flow of membership. Across the country, lodge halls have fallen into ill-repair because of deferred maintenance and lack of capital improvements, and many lodges rent their buildings to commercial tenants for a song. For decades we have let inflation eat into our dues and initiation fees when we should have increased our fees each year to compensate. Few lodges could now build the great buildings they once did, because we no longer pay, in today's dollars, what our forefathers paid in annual dues or initiation fees.

Q. So what do we do now, financially speaking?

A. We can only look forward. By addressing the problem, we are on the road to fixing it. In order to gain back the ground that we lost, lodges should first educate their members to the problem of inflation. Masons are good men, and I've often found it helpful to show a chart of lodge dues in Real dollars. Use the inflation calculator at www.westegg.com/inflation to create one. The argument that explains how a dues increase will help us catch up on what our Masonic forefathers paid is helpful, because it appeals to our sense of fairness. You'll also need to understand what you want to do with the money. Solvency and stability are the first goal, and it makes sense to "stop the bleeding". What next? Fixing the lodge hall to improve conditions for tenants is a reasonable goal, but as part of that you should also consider raising rents to a point where your space is comparable to other local rental property, all things considered. If you've got a plan to stabilize membership, then a building fund may be in order. In my opinion, the two issues, membership and finances are inseparable, thus the reason I combined them in the SVR Tool. Lastly, you may find the essay "Dues in Years Past" helpful in your efforts to discuss this issue with your lodge.

Q. With finances such a looming problem for most lodges, is there any good news?

A. Absolutely. Glad you asked - as a leader, it is crucial that you keep your head in the game. The fact is, the younger generations are very hungry for what Freemasonry offers. Generation X and Generation Y, men under the age of 40, are increasingly interested in the traditions of their grandfathers. Especially those under 22 (Generation Y), a group sociologists think will be the next great "civic" generation in a rejection of the me first attitude of the baby boomers. We have an opportunity to seize this pent-up interest on the part of these young men and give it an outlet in our lodges. Those lodges that embark on a solid outreach program for recruitment are finding success and raising some very dynamic young members. This trend is happening all over the country and can happen in your lodge. Regarding finances, a commitment to a dues COLA can free your lodge from the pain of budget shortfalls and the need to pass a dues increase each year. Finally, remember that most of our great buildings were built at a time when our jurisdictions had LESS members than we do today. It's not quantity that makes for a good lodge - it's quality and commitment.

I looked up my lodge. Even if I put zeros into all the "what if" fields, my baseline membership hits a plateau

Q. and never drops to zero. Why not?

A. The "What If" numbers only impact the green and red lines - that is, what if you improved your retention, and what if you improved both retention and recruitment. The blue baseline numbers are unaffected. As to the plateau, in most cases this shows a prediction that your current level of recruitment and retention will find a balance point against assumed mortality at some point higher than zero. That's a good thing. Some lodges will taper to zero members, following their five year averages, and are at present a Last Man Standing club. Once you have a plateau established, you can then consider strategies to bring the plateau level higher and higher. Some lodges whose average age is older may experience a dip in membership even though they will eventually increase in size. For them, the SVR Tool offers hope; a light at the end of the tunnel. I'll save one more point on this for the next question.

The numbers don't add up. My current raisings/affiliates are about 6 per year, and my demits/stricken/NPDs are about 5.5, that is, roughly equal. Yet you show that my lodge will taper from 143 men to about 120 over

Q. the next twenty years and then reach a plateau. I'd expect mortality to take a bigger toll.

A. Bravo. Your lodge is finding some success, and you've already got a solid foundation from which to build. First, mortality of course occurs as a factor of age. Lodges with older brothers will lose more of them in a given year than lodges with younger brothers. The SVR Tool accounts for exactly how many men of each age you have (... , 25 years old, 26 years old, ..., 51 years old, etc., -- essentially 18 thru 100+). It also accounts for the average ages of your raisings, affiliations and restorations, and assumes that you will continue to raise men of similar ages to those you are raising now. Demits and Stricken/NPDs also follow certain historical curves for occurrence, and happen more often at certain points in a man's Masonic career. In other words, this isn't simple addition and subtraction. The SVR Tool assumes that raisings are generally a function of the active officers and members, and for the most part do NOT decrease proportionally with the general decrease in lodge population. The converse is true for demits and Stricken/NPDs, where we can assume a certain percentage of total lodge membership will leave each year. As membership declines, demits and Stricken/NPDs will decrease proportionally.

I got some very strange results when I tried entering numbers in the What If column that were ridiculously

Q. different than my baseline. Why?

A. The SVR Tool is built to accommodate reasonable changes in the What If column. The way the math works, if your What If suggestions exceed your current performance by a factor of 20x or 30x, your results will skew dramatically. Instead, try to stay in "the realm of the possible." If what you are predicting is reasonable, and the results don't look right, call or write to me and I'll review your work and see where the error lies. You'll get far more accurate results if your What If suggestions are reasonable - "stretch goals" perhaps, but reasonable.

What if we break with our current trend of raising one or two men in their 50s each year, and along with them, add five more per year that are in their 20s? --Like if we made a concerted effort to bring in our grandsons? I

Q. tried noting this on the Input page, but the numbers didn't move much...

A. Good catch. At present, the spreadsheet assumes that your potential raisings and affiliations will match your recent history in terms of age. That is certainly a likely assumption, but what you are proposing isn't impossible. In your case, the "better retention" line (green) should then plot significantly higher on the chart. It will, once you've notched a couple of years in doing what you propose. The way to force the SVR Tool to show this better prediction *now* is to manually adjust the distribution of additional raisings and affiliations toward the lower end of the age spectrum on the "What If" page. Normally, fields on this page are locked, but contact the author for tips on your particular scenario and I'll send you a printout of how things would look if you achieved this significant change in recruitment.

So, lodges with the same number of members and same input/output statistics may have vastly different

Q. projections?

A. Yes, based on the age of their members, the age of persons they raise or affiliate, and other factors.

Q. How accurate are these predictions?

A. According to users, very accurate. Each subsequent version of the software is improved by virtue of all the suggestions and comments that come in. Also, the approach is reasonable and responsible. A statistician might say we are "directionally correct", that is, even if the results are off a bit, we are going in the right direction. Where might errors occur? First, results are as accurate as the baseline data; if a lodge has not kept accurate records, the numbers can be off. If your lodge had, say, 207 members at the beginning of the year, and the SVR Tool says 205, statistically, that's nothing to worry about. However, if you are missing 40 men, please let us know! At each annual revision to the tool I check to see that results match the annual reports by lodge. Accuracy can vary by sample size. Lastly, over time, the margin of error will increase. Hence, the five-year projections are more accurate than the ten-year projections. I've found generally, these predictions are very good to at least 20 years, and directionally, they tell the right story. In 20 years if lodge leaders have set goals and attained them based on these scenarios, you will see results close to those predicted here.

Q. I entered a lodge number in the Input section of the SVR Tool, and it came back and said "N/A" in the results.

A. The lodge number you entered is for a lodge that has closed or never existed in your jurisdiction. Also, check which version of the software you are using. It should be for your state, and the latest edition, typically released once per year. Check Lodgebuilder.org for details.

Q. Do our members have the same mortality as the general population?

A. Interestingly, no. Masons are a relatively long-lived bunch, probably because we tend to be married and generally clean-living. Therefore to compensate, I've added a modifier to the mortality table, adjusting the likelihood of mortality downward a bit, and checking each year to ensure that that assumption remains valid.

Q. Where do I input or review deaths that have occurred?

A. You don't. This projection takes into consideration the actual lodge demographics at the end of the most recently-completed year, considers the past five years of history in terms of members coming in and members going out, and predicts what the lodge will look like in years to come. We're looking at the future, which hasn't yet been written. We predict mortality based on actuarial tables, like those used by insurers.

Q. You make no provision for One Day Class Masons. Shouldn't these be treated differently?

A. The arguments pro and con about ODC or Grand Master's Class Masons will continue on for some time. The short answer is, yes, these men are accounted for, and no, they shouldn't be treated differently because statistically, retention seems about the same as masons raised through traditional classes. Of course; if a lodge experienced a higher drop-off rate because of ODC masons such drop-off would show up in the 5-year averages and negatively impact the viability chart. Readers of this FAQ may have widely varying opinions on the One Day model. Sticking to the facts, these classes have been in place in some jurisdictions for perhaps a decade. The best information we have is that ODC masons exhibit the same retention rates as other masons. I will note that some jurisdictions do a better job at One Day classes than others, employing a variety of means to educate and accommodate the candidates families, to encourage bonding with the sponsoring lodge, and to perform exemplary degree work. Time will tell whether such high-quality ODC programs will result in better retention than poorly executed programs. I would assume so.

Improving member retention

Q. Is there a rule of thumb for how many members I should retain, without being unrealistic?

A. Yes, but it is very rough. Each year, a "normal" lodge can handle about one Demit AND one Stricken/NPD PER HUNDRED members, with no worries. Some very stable lodges have even less Demits and less Stricken/NPDs; a testament to their solid culture. Alternatively, lodges under stress experience higher than normal Demits and Stricken/NPDs. Try strategies to decrease such loss. Stricken/NPD trouble is an indicator of more serious culture problems in the lodge than Demits. With a Demit, at least the man is considering joining another lodge in the future. Once you decrease Demits and Stricken/NPDs to a manageable level you can focus most of your energies on recruitment. Please note, "carrying over" non-paying members doesn't count. Lastly, your actual numbers will vary based on the age of members and the average ages of new recruits.

We just dropped 30 members for non-payment, which we'd been carrying for years. I don't think we'll lose any more except to death for awhile, but now our statistics are all messed up and the chart shows an average

Q. Stricken of 5.2 per year. We're a 40-man lodge. Doing the math, we're done in a decade. Help!

A. In your case, it will take five years for your on-paper average to drop back to where it ought to be. In other words, your retention looks poor artificially, and your results can be discounted a bit when you look at them with a critical eye. If you plug in 4.5 or 5 for What If numbers on the Input page "Stricken" line, you'll show a net retention closer to what you think will happen (the red line). Ignore the baseline (blue bars) for now. Then, plug in just one or two more raisings per year to see how much it will improve things (green line). Remember, small lodges can see huge improvements with just one or two new recruits per year.

Q. Where can I learn more about strategies to improve retention?

A. First, you need to know your members; what motivates them to continue their membership? A survey may be a good start. Secondly, if retention is a priority of your administration, others will adopt that priority. Talk it up! Make the lodge actively discuss how to keep members. Third, recruit your existing members: Give everyone a job, and make the lodge a welcoming place for all. Fourth, reduce or eliminate cliques, which are a turn off to new members and prospective members. This includes allowing the younger members to take a turn leading a committee or managing a project. Fifth, thank your members and call them out with public praise. This will encourage volunteerism and involvement. Sixth, build retention around what your members want to do. If your members have at least three points of attachment to the organization, they will be far more likely to continue as members. This is just a few basic ideas. Your lodge secretary or an education-minded volunteer can certainly steer you toward a number of books that can help you strategize further toward this goal. Lastly, take a look at www.lodgebuilder.org, where lodge leaders can discuss programs that have been successful in other good lodges around the nation.

Increasing recruitment

Q. Is there a rule of thumb for how many new members I'll need to stay even?

A. Yes, but it is very rough. A "normal" lodge will need about five raisings or affiliates PER ONE HUNDRED members at a sustainable plateau. This figure assumes that there is a healthy spread of raisings among the younger ages, and that demits and stricken members are within the normal range - see the question on a rule of thumb for retention. Many things can skew results, so look at your numbers with a critical eye. Actual numbers will vary based on the age of members and the average ages of new recruits.

I'm depressed; we've had very slow recruitment for many years, and to stop our decline and make a plateau

Q. the SVR Tool says I need 25 men per year! How do I reach that goal?

A. This is very important: You likely will not turn things around overnight. HOWEVER, you can set the stage for an eventual return to the size you are now, and larger. You must set stretch goals and make their attainment a major lodge priority. Once you achieve a goal, say 5 raisings in a year, ask for 8 or 10 the following year. Keep ratcheting it upward. Make every lodge function a recruitment event. Recruitment breeds more recruitment, and your newest members can often be the most successful. Explain how important they are to the process. They may not know all the answers like the Ole Tyler, but they have the interest and excitement - and a circle of outside friends. I'll also note that yours must be one of the bigger lodges in the jurisdiction, at between 400 and 500 men. The larger lodges will have the most difficult time in turning on the recruitment machine, but when they do, they have the most resources to build success. It will be important to manage attitudes in a lodge so big; your group likely has been a proud opinion leader in your grand lodge. Don't let the annual drop in members and revenue sour the attitudes of your brothers. A multi-year plan can fix your situation.

Q. Where can I learn more about strategies to improve recruitment?

A. I'll give you a few hints here, then refer you to the many other sources available to lodge leaders. First, you need to know your members; why did they join? A survey may be a good start. Secondly, people respect what you inspect -- if recruitment is a priority of your administration, others will adopt that priority. Keep asking your members about their potential candidates and keep it top of mind. Third, make every event possible a recruitment event. Fourth, reduce or eliminate cliques, which are a turn off to new members and prospective members. Fifth, use the energy of your newest members to drive recruitment. Sixth, build recruitment around what your members want to do. For example, if you have a group of golfers, charge them with inviting one or two prospectives each outing. Your lodge secretary or an education-minded volunteer can certainly steer you toward a number of books that can help you strategize. Lastly, take a look at www.lodgebuilder.org, a website I've developed where lodge leaders can discuss the programs that have been successful in other good lodges around the nation.

We raise 5 candidates per year. I've looked at what it would do if we doubled or even tripled our raisings, but it doesn't change the green line much. It only bumps our projected plateau by 40, and that's not enough. You

Q. just said that we need about five raisings per hundred, to maintain our size. This doesn't add up.

A. Check the average age of your current candidates. The older they are, the older the SVR Tool assumes that any NEW candidates will be. --Past performance indicates future performance. If you begin bringing in younger candidates your average candidate age will decrease, your baseline will improve, and your members will be assumed to remain as members longer than they do now.

Adaptation to my home lodge

Q. I'd like to adapt the SVR Tool to my home lodge in another state. How can I do this?

A. The best way is to recommend to your home jurisdiction that they adopt the SVR Tool as a goal-setting device statewide. Your lodge's demographic data has to be "fitted" to the tool, to ensure accuracy. If you are a statewide officer or volunteer please write the author, e-mail: tom.jackson@ideabuilder.com or call (612) 928-9090 for more information and to determine if it is right for your jurisdiction. Another way to benefit from the SVR Tool is to look for similar lodges on the demonstration model and use them to show how changes in retention and recruitment affect them, and would affect you. Please note, like a book you might buy, many hundreds of hours of work have gone into development and refinement of this tool and therefore the spreadsheet and related functions are not public domain and cannot be altered, hacked or adopted to new use without permission. It is for sale, at a reasonable price, from a brother Mason.

Q. Can the SVR Tool be used by other types of organizations, for example, my Star Chapter or Lions Club?

A. Yes. Absolutely. Certain changes would have to be made to the assumptions, for example, inputting a male & female mortality table in place of the male table, and evaluating and changing the logic for member inputs and outputs as they occur in the new organization.

Q. Do you provide any other tools for lodges or chapters?

A. Yes. The most important is a free website, available to fraternal volunteers as a place to share their good ideas. The current term around the office for this is "best practices". There are a number of great lodges around the nation that have turned the corner and are growing and thriving. Along the way they picked up good ideas that other lodges can emulate. Even the best lodges out there can learn from their peers nationally or from the lodges around them. **Go to www.lodgebuilder.org for more information.** In addition to the website, to support lodge financial management I've created tools for building operations management and presentation materials to help lodges pass dues increases, set goals and develop strategic plans. Lastly, I am available to speak at fraternal events in support of goal setting, and to help train volunteers on use of the SVR Tool.