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The Association is financially healthy, asset rich, and dedicated to responsible management.

While the movies told us that the 1980's was the decade of Greed, everywhere we turn in the 1990's the message is being flashed to us that this is the decade of Anxiety.

As a country we are starting to realise that you cannot get away with spending more than you earn for very long. So we are seeing, in the corporate sector, a move back to the fundamentals—focusing on strong cash flows, paying bills as they come in, and pulling back to core business.

'Strategic vision' has become virtually the slogan of the decade, and time and again it is demonstrated that those companies that succeed are those companies with a bias for action in line with such a vision.

Continuous pursuit of any ideal requires a vision of something more desirable than our current state. It also requires the courage to pursue it—the willingness to make short-term sacrifices for longer-term progress.

In our private lives we understand this, we understand that it is a source of the drive to create a new and better life. So we save, do without things so we can have other things, pay off mortgages and contribute to superannuation schemes in order to be sure we will maintain our preferred lifestyle.

We accept that it would be irresponsible to live in such a way that we reduce the range of options available to those who come after us, whether that means not degrading the environment or not taking on debts our children will have to repay, and we never seem to regard money put aside to paint the house, money paid into superannuation schemes, or even the money we owe on the mortgage, as debt. In our

private budgets, these are investments.

Yet I am hearing concern from some members about the fiscal health of the Association as a result of the Association's budget adjustments last year, and the budget this year. These concerns seemed to focus mostly on the 'deficit' (by the end of the year we had achieved a balanced budget).

Over the past few years the Association has become more sophisticated in its management and its budgeting. This sophistication is reflected in a budget which includes depreciation (a fancy way of ensuring that there is money for maintenance and/or replacement of fittings and equipment).

Like any individual with money in the bank the Association was hit by the drop in interest rates, and took steps to 'draw in its horns' to compensate.

There are four different and unequally effective ways of dealing with problems: absolution, resolution, solution, and dissolution.

Absolution consists of ignoring a problem and hoping that it will go away or solve itself.

Resolution consists of doing something that yields an outcome that is considered to be good enough.

Solution consists of doing something that yields what is currently considered to be the best possible outcome, one that optimises.

Dissolution consists of redesigning the entity that has the problem or its environment so as to idealise: eliminate the problem and enable the entity to do better in the future than the best it can do now.

The Association is instituting measures that will position it better to provide services to members.

Some of those measures amount to redesign.

Specifically, the elimination of the Conference Secretariat is a measure which pulls us back to core business. When the Secretariat was set up, it was intended to be run as a trial for two years after which it was to be assessed with the grounds for continuance being that it was returning a healthy profit.

It is always difficult to dispense with the services of people who are striving to contribute to the goals and objectives of the organisation, but it was equally clear that to achieve its goals and objectives within a balanced budget the Association had to refocus.

The reason for starting the Conference Secretariat in the first place is still valid. As we know from our private lives we have two options (and not necessarily on an either/or basis) in improving our financial position. We can reduce expenditure and we can increase income.

The strategic approach to increasing income has to be to increase our membership base. We all know librarians and library technicians who are not personal members of the Association, and some members work in libraries that are not full institutional members. General Council is working through changes to the package of services and benefits offered to members to ensure that what we offer is attractive and beneficial to members.

The Association is financially healthy, asset rich, and dedicated to responsible management. Sometimes this means making hard decisions, sometimes it means reducing expenditure, but General Council is committed to ensuring that it will not mean reduction in services to members. ■