

Chamber of Commerce Leaders: How aligned are they for their organization's success?

By

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A chamber of commerce is an association of businesses working together to influence issues relevant to their community for greater business success. Within the group of associations, there are chambers of commerce. Chambers are in over 190 countries around the world. In the United States, they govern under a "Private Law" system. This system mandates all membership in the chamber is voluntary, and they are self-governed except for any rule or law prescribed for any other business entity.

This research focuses on the leadership of a chamber of commerce in the United States. Chambers have led communities since the Colonial period in U.S. history. They have negotiated treaties on behalf of their city to underwriting new industry programs to strengthen their economy. They once were held up at the benevolent commerce directors for a town. Fast forward to today, and the view of the local chamber of commerce varies if there is an opinion of any kind. The chamber of today needs leadership working together for the success of the community and the success of the organization.

There are over 7,000 chambers of commerce in the United States. Most are led by a paid staff Executive who serves for multiple years as a fulltime employee. They are also driven by a volunteer Chairperson who, typically, serves for one year. Working together is critical for organizational success.

One interesting discovery of this research was the reality that there is little scholarly research available on chambers of commerce in the United States. The most current research is by one author in Great Britain who is known for his chamber research.

Bennett notes in one of his studies he conducted that, "less attention was focused on the challenging role of the locally based bodies as chambers of commerce. (Bennett, 1995, p. 253). The motivation for this research was to examine how aligned chamber of commerce leaders are when asked to identify the factors influencing the chamber of commerce leadership.

This alignment is vital to the planning and development of the organization and how they will measure their impact and success. Through a series of interviews, chamber of commerce Executives and Chairpersons were asked their perceptions of what the factors influencing effectiveness are, what hinders or helps their effectiveness, and, equally, how they define effectiveness for their organization. These interviews were gathered over a four-months from March through June 2019. Chamber Executives and Chairpersons from

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12 chambers across the United States were interviewed. Each interview was recorded, transcribed and coded to identify the factors influencing effectiveness. The research questions for this study were:

RQ1: What are the perceived factors influencing the effectiveness of chambers of commerce in the United States?

RQ2: How do these identified factors impacting effectiveness vary between the Executive and the Chairperson of a chamber of commerce in the United States?

Findings

The three rounds of coding of the interviews identified a total of 35 factors influencing the chamber of commerce effectiveness, according to the chamber of commerce leaders interviewed. After organizing the list of identified factors in order of the number of times it was mentioned, the top five most mentioned topics were studied for more detail. There were 722 factors mentioned from the interviews with the chamber leaders. Of these factors, several were consolidated due to a similar topic or the discussion about the subject. The consolidation resulted in 35 factors reduced to a total of 20 factors. The ranking of the factors resulted in the top five factors representing over 56% of the total number of mentions from the interviews. Most comments confirmed that the factors were essential to the chamber leaders for their organizations to be effective.

Conclusions

The five factors identified for chamber of commerce effectiveness are Leadership, advocacy, convening, competition, and self-promotion. These factors, in order of mentions, were identified by both the chamber of commerce Executive and Chairperson as the factors most influencing effectiveness for

their organization. Each factor had slightly different views from the of why each factor was essential to the chamber's influence.

One factor that was not mentioned by anyone interviewed, but was expected to get referenced, was the importance of a mission statement, strategic plan, or any operations plan. Mission statements received no mention, and plans were only mentioned in any way a total of five times. The lack of a plan or identified mission statement was a surprising discovery. There was mention that chambers are struggling to have an impact, but there was no mention of identifying a plan of action or adherence to the chamber's mission. The author noted this as a potential indication of chambers not being as effective as they could be due to a lack of clear, focused purpose for the organization.

References

Bennett, R. J. (1995). The logic of local business associations: An analysis of voluntary chambers of commerce. *Journal of Public Policy*, 15(3), 251-279 <https://doi.org/10.1017/S0143814X00010047>.

Where to Find Out More

For more information on this study and on other topics related to chambers of commerce, contact Bob Rohrlack, DBA, CCE, at rjr2@mail.usf.edu or 813-610-6442.

Review

This article was accepted under the *constructive peer review* option. For further details, see the descriptions at:

<http://mumabusinessreview.org/peer-review-options/>

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Robert (Bob) Rohrlack is the President and CEO of The Tampa Bay Chamber of Commerce, a past Florida Chamber of the Year, and is a U.S. Chamber of Commerce 5 Star accredited Chamber. Bob has served as the Chairman of the Florida Association of Chamber Professionals (FACP) and is a board member of The Association of Chamber of Commerce Executives (ACCE). He is a past recipient of the FACP Florida Executive of the Year. He received his Doctor of Business Administration degree from the University of South Florida, Muma College of Business in 2019. He is a faculty member at the Institute of Organizational Management, a program of the U.S. Chamber of Commerce, at the University of Georgia.