October 1972

Bill W.'s Twelve Concepts for World Service

The Eleventh Concept-Part 2

While the Trustees hold final responsibility for AA's world service administration, they should always have the assistance of the best possible standing committees, corporate service directors, executives, staffs, and consultants. Therefore, the composition of these underlying committees and service boards, the personal qualifications of their members, the manner of their induction into service, the systems of their rotation, the way in which they are related to each other, the special rights and duties of our executives, staffs, and consultants, together with a proper basis for the financial compensation of these special workers, will always be matters for serious care and concern.

NEXT TO BE CONSIDERED will be our active service corporations, AA World Services, Inc., and the AA Grapevine, Inc. Their activities probably represent nine-tenths of our direct Headquarters [now General Service Office] effort.

The General Service Board owns the stock of these entities. [AA World Services, Inc., became a membership corporation late in 1962; its members are the Trustees.] Therefore, the Trustees yearly elect all of their directors, seven (at present) in each corporation. [AA Grapevine, Inc., now has nine directors.] This means that so far as the routine direction of our established services is concerned, the Trustees have fully delegated their executive function in these constantly active service areas.

The directorate of AA World Services, Inc. (including the AA publishing division), is traditionally composed of two Trustees for custodial oversight, three non-Trustee experts in the work to be done, and two executives, the general manager of the World Office [now GSO] and one of his staff assistants, who are president and vice-president respectively. The two Trustee directors usually have seen past service on the Board as non-Trustee experts, and one of them is customarily named treasurer. AA directors thus are those thoroughly experienced with these operations.

[The following concept of Grapevine structure is valuable in an historic context, but experience and growth have brought necessary changes.

Today, the Grapevine Corporate Board assumes the role of publisher, and the chairman of the Corporate Board is president. Two members of the Board serve as General Service Board Trustees on the basis of their over-all Qualifications; neither is necessarily an ex-editor or a finance person.

Production and management of the Grapevine are given over to a full-time paid editor and managing editor. They are members of the Corporate Board; they direct the staff and share authority and responsibility equally.]

The Grapevine situation is similarly structured, with two exceptions. The two Trustee directors of the Grapevine are: (1) an ex-editor of the Grapevine; (2) a finance man who has previously served on the Grapevine Board. The latter Trustee traditionally is made its chairman, and he presides at corporate meetings. This is because neither the editor, who is traditionally the Grapevine president, nor his staff member director, the vice-president, ordinarily will have the needed business experience to chair the Grapevine corporate board. This arrangement also places the chairman in a favorable position to mediate differences that may arise between the editorial and business departments of the enterprise. The Grapevine also has an Editorial Board which names its own successors, subject to the approval of the corporate Board.

The Editorial Board assists the editor and his staff in determining the editorial policy, slant, and content of the magazine. It relieves the editor of some of his work load. It surveys and makes recommendations respecting Grapevine promotional material going to the groups. It gives our makeup men, artists, and writers both status and coherence in their joint efforts. And it is a training ground for future editors. Our Editorial Board therefore is the chief guarantor of the magazine's quality and editorial continuity.

[The Editorial Board advises and evaluates; it does not make policy.]

Every new generation of workers will raise certain questions about these two corporate boards: "Why can't both of them be consolidated into the General Service Board?" or "Why can't the Grapevine be merged into AA World Services, Inc., thus placing all active Headquarters operations under a single management?" These questions have already been discussed under previous Concepts. We have concluded that the General Service Board is an unsuitable vehicle for an operating corporation; that, because the Grapevine is such a dissimilar operation and because we ought not concentrate too much money and executive authority in a single entity, there should be no merger of AA World Services and the AA Grapevine. Upon these points we seem well agreed — at least, as of now.

But this question has some other variations. It will often be asked, "If it is desirable to separately incorporate dissimilar enterprises, why then shouldn't the AA publishing division of AA World Services be separately incorporated and managed by a board of directors specially skilled in book and booklet publishing?" Offhand, this looks logical.

Today, however, AA publishing is mostly a business operation. Unlike a commercial publisher, we do not have to ensure the selection, writing, and publication of a lot of new books each year. Most of our AA books are already written, and it is probable that not many more will be published. Of course, we shall issue new pamphlets now and then, and revisions of older material occasionally are desirable. But this relatively small amount of creative publishing work can be handled easily by the Literature Committee. Hence, the operation of the AA publishing division of AA World Services, Inc., is now mostly a matter of printing, distribution, accounting, and finance. For management purposes, there is therefore no present need for a separate corporation; it is only required that the books of AA World Services, Inc., show a separate accounting for its AA publishing division. Only in the highly unlikely event of a large and protracted entry *into the new-book business* would we really ever need a separate corporate management.

Another question will be this: "Why don't we merge AA publishing [of books and pamphlets] with the AA Grapevine, so placing all of our literature under a unified management?" The answer here is based on the complete dissimilarity of the two enterprises. The Grapevine has to produce a brand-new quality product every month, on the dot. By contrast, AA publishing [by AA World Services, Inc.] success largely depends upon what has already been written.

In the Grapevine, the paramount activity is therefore the creative. The Grapevine requires several paid staff members and the constant aid of a large number of specialized volunteers without whose help it could not operate. Why, then, should we load up these people with a lot more straight business activity? Obviously, we should not.

Another question often is posed: "Why should AA World Services, Inc., not take over *all* the Grapevine's accounting, finances, promotion, and distribution? Would not such a consolidation of financing, employees, and routine business be more efficient and economical? Would not this relieve the Grapevine of all business headaches?"

This plan, too, looks reasonable at first glance. Nevertheless, the chances are it would work poorly. It has serious structural defects. It would violate the basic good-management principle that whoever has the responsibility for a given task must also have the needed authority, funds, personnel, and equipment to carry it out. The AA Grapevine, Inc., unquestionably holds full responsibility for its own solvency, promotion, and policy and the management of its circulation. It is supposed to have four business directors, expert in these phases of magazine operation. The Conference and the General Service Board will always hold them accountable. If, therefore, any large part of the Grapevine business functions is transferred to a completely different corporate management over which the Grapevine has no authority, what then? This certainly would be double-headed management and a source of continuous conflict. The Grapevine Board would become virtually impotent.

Such a situation also would tend to demoralize the editor, his staff, and the Editorial Board of specialized volunteers. This group now has a representation of three directors on the Grapevine Board. In such a corporate body, it is now possible to reconcile the editorial desire for excellence in the magazine with the financial realities of the Grapevine situation. But if the business function of the Grapevine was transferred to AA World Services, Inc., the status and influence of the GV editorial people would be reduced to almost nothing. World Service directors would be mostly interested in business efficiency and solvency, while the GV editorial representatives would still be looking for quality and magazine improvements. There would be no practical way of reconciling these differences. The business directors of AA World Services, Inc., would dominate the editorial workers and therefore the editorial policy. The editorial group would find that they had become a mere committee, taking directions from AA World Services. "Who pays the piper calls the tune" would become the actual working arrangement. Having so split the management of the Grapevine in halves and having abandoned the principle of "Participation," it is doubtful if we could make this setup work at all. We might save some money, but we probably could not save the magazine.

Joint arrangements between the AA Grapevine and AA World Services for routine operations such as billing, mailing, etc., are not necessarily precluded, though to a lesser degree the same kinds of friction above described can be expected to develop unless there is the clearest possible understanding of "Who controls what and when."

We who now work at AA's Headquarters are pretty much in agreement on the foregoing operations. They are recorded in some detail for whatever future benefits they may provide. We deeply realize that we should be on guard always against structural tinkering just for money-saving purposes. These departures can often result in so much disharmony and consequent inefficiency that nothing is really saved, and there can often be a real loss.

To be continued in the November issue