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THE CONSOLIDATION OF THE BOY SCOUTS OF AMERICA  
IN MONTANA: AN EVALUATION

by

L. Dell Hayden

B. A., University of Montana, 1976

Presented in partial fulfillment of the requirements  
for the degree of  
Master of Public Administration  
UNIVERSITY OF MONTANA  
1983

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## INTRODUCTION

Prior to 1973, the administration of the Boy Scout program in Montana was accomplished by four separate councils: the Western Montana Council with headquarters at Missoula, the Vigilante Council with headquarters at Butte, the North Central Montana Council with headquarters at Great Falls, and the Yellowstone Valley Council with headquarters at Billings. While each council was successful in many aspects of program management, by the early 1970's each was having difficulty in raising revenues to pay expenses.

During the latter part of the 1960's, the national organization of the Boy Scouts of America, through its regional divisions, began to consolidate councils around the country. Consolidations were viewed by national and regional leaders as an implementation of the most "modern management methods." Such methods were intended to promote "the business of Scouting" by realizing the "most value for every dollar and every hour invested by both volunteer and professional."<sup>1</sup>

The intent of consolidation was to improve services and to reduce budgetary pressure on individual councils by taking advantage of savings due to economies of scale. These savings, brought about by the reduction of duplication by key services, i.e., auditing, bookkeeping, computer systems, budgeting, etc., would allow

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<sup>1</sup>Montana Scouting Interim Committee, "Management Concept for Montana: A Master Plan," p. 1.

combined councils to operate effectively within a balanced budget. In compliance with national policy, the four councils in Montana were consolidated into a single Montana Council on September 1, 1973.

Many Scouters in Montana were not in favor of the dissolution of the four councils. Other Scouters, however, accepted the idea of consolidation as the only practical way to continue an effective Scouting program in Montana. After much discussion and controversy, authorized representatives of the four councils approved the plan.

The performance of the Montana Council over the past ten years, however, has not reflected the positive hopes of national or local leaders. End-of-year budget figures show deficits ranging from \$11,000 to \$125,000 for eight of ten years. Registered youth decreased from 18,000 to 10,000. Chartered cub packs, scout troops, and exploring posts decreased by over 200. Total numbers of adult volunteer leaders decreased significantly. In response to so many negative indicators, many Montana Scouters have questioned the wisdom of the consolidation and the future effectiveness of a single Montana Council.

The declines in performance of Scouting in the state may be attributable to causes other than the consolidation. Organizational and social factors relative to the Scouting program on a national basis may have some bearing. In addition, it is possible that factors separate from the consolidation but within the Montana Council have contributed to its performance decline. The effectiveness of the consolidation can be determined only by isolating the effects of consolidation from the effects of all other factors.

The purpose of this paper is to evaluate the 1973 consolidation of Scouting in Montana. Due to the many conflicting versions of actual

events before, during, and after the consolidation, particular attention will be given to an accurate reconstruction of relevant historical information from 1963 through 1982. It is felt that this recapitulation of pertinent events in the ten-year period preceding and following the consolidation will provide reliable information on which to base an analysis. Further insight will be gained by comparing and contrasting the consolidation in Montana to the 1974 consolidation of Scouting in North Dakota. Using data obtained from available documents and performance reports, as well as interviews with key Scouting leaders, the necessity for the consolidation will be considered, its goals will be determined, and its accomplishments will be evaluated. The paper will contain five basic parts: first, a consideration of the status of the original four councils prior to 1973; second, a look at the consolidation process itself and how it was accomplished; third, an evaluation of the progress of the Montana Council from its creation to the present; fourth, a comparison of the consolidation in Montana to a similar consolidation in North Dakota; and fifth, a summary evaluation with recommendations for the future.

The operational objective of a council in the Boy Scouts of America is ". . . to provide leadership and supervision of all program activities within the territory covered by its charter in such a manner as to ensure compliance with the provisions of the Charter and Bylaws of the Boy Scouts of America."<sup>2</sup> Like administration in other public organizations, accomplishment of council goals requires the successful solving of ". . . human, social, technical, economic, and political

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<sup>2</sup>Boy Scouts of America, "The Council," 1977, p. 1.

problems of all kinds."<sup>3</sup> Initially, the consolidation of Scouting in Montana appears to be a matter of technical adjustment to increase organizational efficiency. The achievement of its operational objective, however, requires the active support of over 4,000 professional and volunteer leaders. The successful management of the human, social, and political aspects of its organization thus adds a critical dimension to the success of any major organizational change.

This paper will culminate with recommendations to improve council operation. It is hoped that the suggestions will prove helpful in future planning for Scouting in Montana. Although an evaluation of the Montanan consolidation is complex, this study may at least result in an improved understanding of the problem.

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<sup>3</sup>John C. Buechner and Eugene J. Koprowski, Public Administration, 2nd ed., (Encino, California: Dickenson Publishing Co., Inc., 1976), p. 18.

## CHAPTER I

### THE FOUR ORIGINAL COUNCILS

#### Geographical Organization

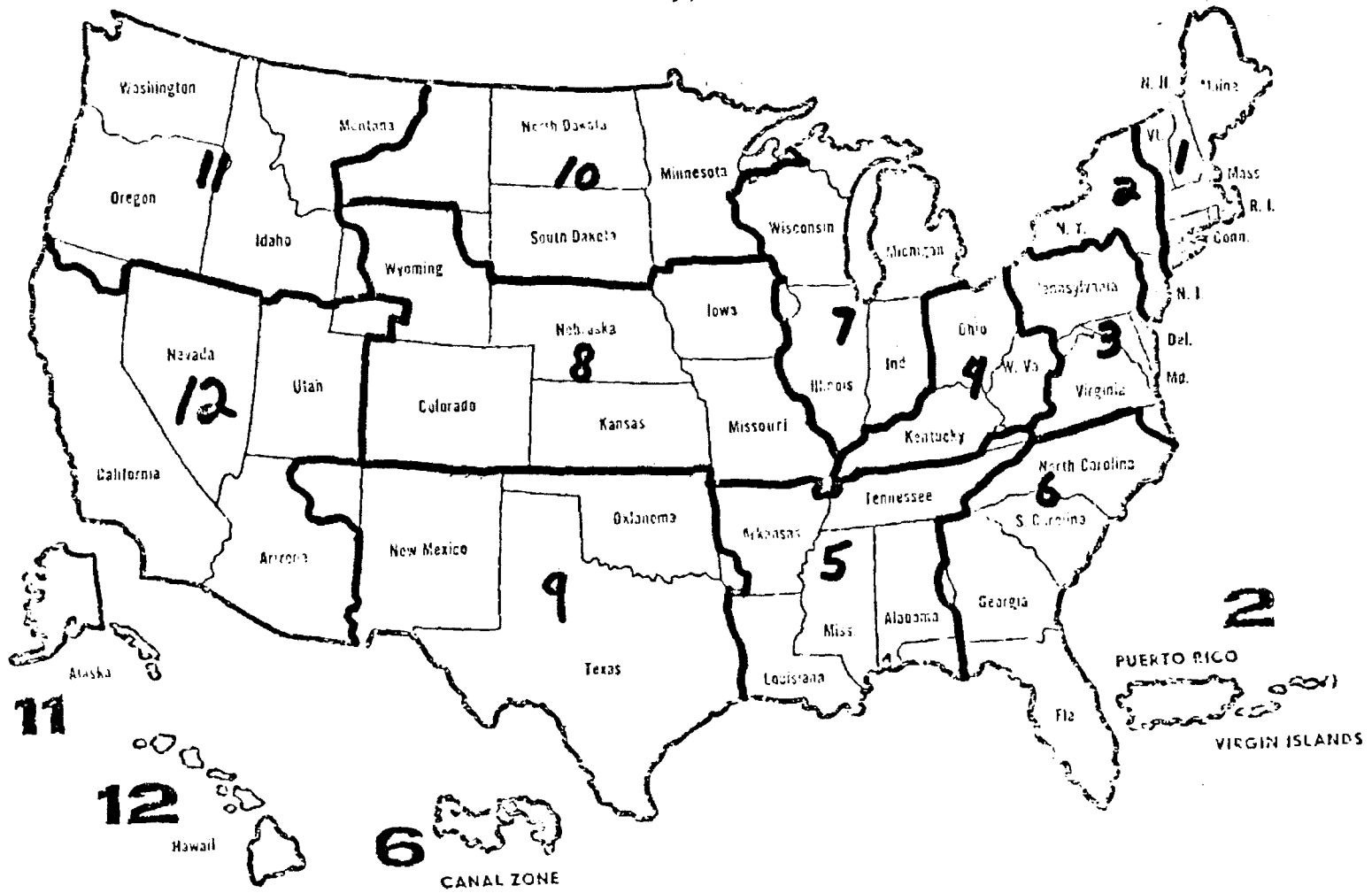
During the 1960's and early 1970's, Scouting was administered in Montana by four separate councils. As shown in Figure 1, the Western Montana Council centered at Missoula included six counties in the northwestern portion of the state. The Vigilante Council with headquarters at Butte contained seven counties in the southwestern corner of Montana. Seventeen counties in the north central portion of the state were included in the North Central Montana Council centered at Great Falls. Twenty-three of Montana's eastern and southeastern counties were grouped into the Yellowstone Valley Council with headquarters at Billings. The far northeastern corner of the state, including Daniels, Sheridan, and the eastern end of Roosevelt counties, were not included in the four Montana councils but were grouped into the Great Plains Council of North Dakota.

Until 1972, the national organization of the Boy Scouts of America supervised its over 485 councils through twelve existing regional divisions. As shown in Figure 2, the Yellowstone Valley Council was grouped into Region 10 with headquarters at Minneapolis, while the other three councils of Montana were grouped into Region 11 with headquarters at Portland. Since each region had separate organizational





Figure 2. Regions of the Boy Scouts of America  
Prior to 1972



Source: U. S. Congress, House, Annual Report to Congress - Boy Scouts of America, H. Doc. 92-263, 92nd Congress, 2nd session, 1971, p. 63.

meetings as well as somewhat different traditions and objectives, the Yellowstone Valley Council had more direct ties with its regional counterparts out of Montana than it did with the other councils in the state.

### Membership

As shown in Table 1, the Yellowstone Valley Council centered at Billings had the largest number of registered Cub Scouts, Boy Scouts, and Explorers in 1972.<sup>1</sup> While Billings demonstrated a 7 percent increase in registered youth since 1963, the Western Montana Council centered at Missoula led all councils with a 21 percent increase. The nation as a whole reported an increase of 23 percent in youth membership over the ten year period.<sup>2</sup> North Central Montana Council centered at Great Falls and Vigilante Council centered at Butte showed a decline of 13 percent and 20 percent respectively. Numbers of chartered Cub packs, Boy Scout troops, and Explorer posts in the same period are indicated in Table 2. They demonstrated a similar relationship with Missoula and Billings showing an increase and Great Falls and Butte showing a decrease.

Table 3 shows the number of youth eligible to register in Scout units within the geographical boundaries of each council. Both Billings and Great Falls indicate slight increases in available youth since 1963 with Missoula showing the greatest increase at 28 percent. Available youth at Butte declined 8 percent over the period.

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<sup>1</sup>Note: The four Montana Councils may at times be designated by the names of their headquarter cities.

<sup>2</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1963-1979.

TABLE 1

## TOTAL YOUTH MEMBERSHIP IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	5890	6300	2762	3462	18,414
1964	5868	6181	2779	3548	18,376
1965	6345	5928	2299	3787	18,359
1966	6846	6004	2318	4009	19,177
1967	6871	6272	2047	4093	19,283
1968	7115	6654	1888	4188	19,845
1969	6542	6418	1471	4201	18,632
1970	7002	5823	1751	4537	19,113
1971	6385	5449	2168	4667	18,669
1972	6280	5464	2213	4200	18,157

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 2

## TOTAL UNITS IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	202	219	104	130	655
1964	210	210	100	122	642
1965	221	200	89	131	641
1966	235	204	91	135	665
1967	237	213	73	136	659
1968	230	223	71	147	671
1969	220	222	64	158	664
1970	241	213	71	167	692
1971	237	204	81	172	694
1972	233	201	89	168	691

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 3

## TOTAL YOUTH POPULATION IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	20,813	19,959	8,170	11,976	60,918
1964	22,255	20,972	8,664	12,642	64,533
1965	22,255	20,972	8,664	12,642	64,533
1966	22,276	20,972	8,664	12,642	64,554
1967	23,126	19,123	8,361	14,826	65,436
1968	26,001	19,123	8,361	14,826	68,311
1969	26,550	19,520	8,525	15,134	69,729
1970	23,634	21,969	8,240	15,812	69,655
1971	23,670	22,002	8,253	15,835	69,760
1972	22,938	21,323	8,003	15,346	67,610

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 4

## PERCENTAGE OF YOUTH SERVED IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	28.3	31.6	33.8	28.9	30.2
1964	26.4	29.5	32.1	28.1	28.5
1965	28.5	28.3	26.5	30.0	28.5
1966	30.7	28.6	26.8	31.7	29.7
1967	29.7	32.8	24.5	27.6	29.5
1968	27.4	34.8	22.6	28.2	29.1
1969	24.6	32.9	17.3	27.8	26.7
1970	29.6	26.5	21.3	28.7	27.4
1971	27.0	24.8	26.3	29.5	26.8
1972	27.4	25.6	27.7	27.4	26.9

SOURCE: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

The number of registered youth members is shown in Table 4 as a percentage of the numbers available from those age groups. These percentages indicate how well the respective councils were doing at attracting the eligible youth into the Scouting program. Table 4 indicates that by 1972 all councils had decreased in their ability to attract and hold youth as members. The statewide average in 1972 of 26.9 percent, however, still ranks higher than the national average of 25.5 percent.<sup>3</sup>

#### Program Quality

One measure of quality of each council's program is indicated by the number of top unit leaders receiving the council's basic training course. Table 5 indicates that all councils since 1963 had increased in the percentage of leaders receiving training. This could indicate an increase in the quality of council programming.

One other measure of quality, the number of advancements made by Cub Scouts and Boy Scouts, is shown in Tables 6 and 7. Both tables indicate that the number of progress awards earned per 100 boys enrolled had decreased since 1963. It would appear that although each council had improved in the numbers of leaders receiving training, the ability of leaders to use that knowledge in implementing the advancement program among youth members was decreasing.

#### Professional Staff

Numbers of professional staff members employed during the ten year period are shown in Table 8. With the exception of Butte, all

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<sup>3</sup>U. S. Congress, House, Annual Report to Congress - Boy Scouts of America, H. Doc. 93-67, 93rd Cong., 1st Session, 1972, p. 37.

TABLE 5

## PERCENTAGE OF TOP LEADERS TRAINED IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	27.5	39.5	12.5	16.9	24.1
1964	34.8	45.5	37.5	31.9	37.4
1965	61.8	38.0	11.2	27.1	34.5
1966	63.0	55.9	27.5	55.9	50.6
1967	47.7	67.6	46.8	52.9	53.8
1968	59.6	49.1	32.4	52.4	48.4
1969	56.8	50.5	45.3	39.2	50.0
1970	58.1	67.1	47.0	51.5	55.9
1971	59.9	67.2	41.0	59.9	57.0
1972	67.4	65.2	47.0	66.1	61.4

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 6

## CUB ADVANCEMENT PER 100 BOYS IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	74.9	86.0	72.8	82.8	79.1
1964	80.2	90.8	73.7	86.9	82.9
1965	78.4	90.5	85.3	83.6	84.5
1966	67.3	82.0	70.2	76.2	73.9
1967	55.9	71.3	71.0	70.0	67.1
1968	48.1	51.0	51.6	39.6	60.1
1969	48.8	46.9	64.1	63.7	55.9
1970	36.3	53.4	44.2	46.3	45.1
1971	40.7	62.1	49.1	50.1	50.5
1972	51.8	57.1	43.1	52.1	51.0

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 7

## SCOUT ADVANCEMENT PER 100 BOYS IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	38.8	43.1	36.6	46.4	41.2
1964	40.2	46.0	40.6	46.9	43.4
1965	35.4	41.3	33.9	43.5	38.5
1966	39.8	37.0	31.9	43.0	37.9
1967	34.9	37.0	36.0	52.3	40.1
1968	32.6	40.6	25.3	44.9	35.9
1969	31.8	34.8	42.1	38.8	36.9
1970	27.4	38.2	33.7	44.8	36.0
1971	26.0	41.6	38.8	36.0	35.6
1972	24.7	31.0	22.1	38.5	29.1

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 8

## TOTAL PROFESSIONAL STAFF IN THE FOUR MONTANA COUNCILS 1963-1972

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963	4	5	2	2	13
1964	4	4	2	2	12
1965	4	4	1	2	11
1966	4	4	2	2	12
1967	5	4	1	3	13
1968	4	4	1	3	12
1969	4	4	1	3	12
1970	5	4	2	3	14
1971	5	4	3	2	14
1972	4	4	2	2	12

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

councils indicate a relatively stable number of staff members as total staff in Montana decreased by only one in the ten year period: Comparisons of Montana's youth and unit loads per staff member contrast significantly with the national average. In 1972 Montana executives carried a load of 1513 youth and 58 chartered units per member. National averages for the same year indicated a load of 1064 boys and 37 units per staff member.<sup>4</sup>

### Finance

Financial data was available for the four councils only from 1969 to 1973. As shown in Table 9, Great Falls, Butte, and Missoula demonstrated a steady growth in income over the 1969-1972 period. Billings showed a steady decrease. Table 10 represents a somewhat similar growth in operating expenses. Table 11 indicates each council's surplus or deficit for the period. Missoula completed the final three years with surpluses in operations. Butte had surpluses the last two years. Both Great Falls and Billings demonstrated deficits in the final years of the five year period. Approximately \$20,000 worth of previously unreported expenses were later received by the consolidated council prior to year end.<sup>5</sup>

At least three of the four councils received financial assistance from the national council of the Boy Scouts of America through a matching funds program launched in 1969. The matching funds program provided additional funds to selected councils on a decreasing

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<sup>4</sup>Ibid.

<sup>5</sup>Interview with Tony Delillo, telephone, March 28, 1983.



TABLE 9

## TOTAL OPERATING INCOME IN THE FOUR MONTANA COUNCILS 1969-1973

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963					
1964					
1965					
1966					
1967					
1968					
1969	99,133	71,378	19,815	39,604	229,930
1970	94,425	72,420	27,178	47,638	241,661
1971	92,846	78,760	55,959	48,652	276,217
1972	85,135	87,354	61,475	49,238	283,202
1973	50,742	63,637	53,270	32,317	199,966

Source: Charlie Pearson, Report for Multiple Study Committee, April 8, 1983; Finley, Renma & Misfeldt, Montana Council B.S.A., Combined Income Statement at August 31, 1973.

TABLE 10

## TOTAL OPERATING EXPENSES IN THE FOUR MONTANA COUNCILS 1969-1973

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963					
1964					
1965					
1966					
1967					
1968					
1969	72,795	64,059	22,364	47,510	206,738
1970	93,543	79,840	28,286	49,286	250,955
1971	97,230	77,860	57,004	45,034	277,128
1972	95,807	88,000	59,697	46,697	290,201
1973	62,589	69,916	48,308	32,014	212,827

Source: Charlie Pearson, Report for Multiple Study Committee, April 8, 1983; Finley, Renma & Misfeldt, Montana Council B.S.A., Combined Income Statement at August 31, 1973.

TABLE 11

## OPERATING SURPLUS OR DEFICIT IN THE FOUR MONTANA COUNCILS 1969-1973

YEAR	BILLINGS	GREAT FALLS	BUTTE	MISSOULA	TOTAL MONTANA
1963					
1964					
1965					
1966					
1967					
1968					
1969	26,338	7,319	(2,549)	(7,906)	23,202
1970	882	(7,420)	(1,108)	(1,648)	(9,294)
1971	(4,384)	900	(1,045)	3,618	(911)
1972	(10,672)	(646)	1,778	2,541	(6,999)
1973	(11,847)	(6,279)	4,962	303	(12,861)

Source: Charlie Pearson, Report for Multiple Study Committee, April 8, 1983; Finley, Renna & Misfeldt, Montana Council B.S.A., Combined Income Statement at August 31, 1973.

matching basis.<sup>6</sup> While information on the years participated and the total amounts received is not available, Great Falls reported \$2,000 and Butte reported \$8,052 as income from matching funds on their August 31, 1973 Income Reports.<sup>7</sup> Billings reported \$20,349 received from the matching fund program in 1970 and budgeted an anticipated amount of \$15,000 for 1971.<sup>8</sup> It is not known whether Missoula participated in the matching funds program.

Council liabilities as of August 31, 1973 are shown in Table 12. North Central Montana Council at Great Falls indicated the largest amount of total current liabilities at \$23,826.93 with significant liabilities in accounts payable, accrued payroll taxes, and notes payable. Yellowstone Valley Council at Billings showed total current liabilities of \$20,139.48. Western Montana Council at Missoula indicated \$1,666 in a bank overdraft, \$6,502 in accounts payable, \$1,167 accrued payroll taxes and \$1,660 in notes payable as its principal liabilities. Vigilante Council with headquarters at Butte had \$14,084.82 in accounts payable.

The asset portion of the balance sheet is shown in Table 13. North Central Montana Council indicated the largest value of current assets with \$13,562.72 in cash in bank council operations and \$10,306.25 in inventory of supplies as possible liquid assets to offset its indebtedness. Current assets exceed current liabilities by \$561. The Great Falls council also demonstrated significant amounts in investment in trust,

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<sup>6</sup>U. S. Congress, House, Annual Report to Congress - Boy Scouts of America, H. Doc. 91-87, 91st Congress, 1st Session, 1968, p. 15.

<sup>7</sup>Statement of Operations, North Central Montana Council BSA for the Eight Month Period Ended Aug. 31, 1973; Operation Income and Expenditures, Vigilante Council BSA, Jan. 1, 1973 to Aug. 31, 1973.

<sup>8</sup>Application for Renewal of Local Council Charter, Yellowstone Valley Council, Inc., Jan. 15, 1971.

TABLE 12

LIABILITIES AND FUNDS OF THE FOUR MONTANA COUNCILS AS OF AUGUST 31, 1973

	NORTH CENTRAL MONTANA COUNCIL	YELLOWSTONE VALLEY COUNCIL	WESTERN MONTANA COUNCIL	VIGILANTE COUNCIL	MONTANA COUNCIL
Accrued interest payable	\$ 35 54				\$ 35 54
Bank overdraft			\$ 1 666 00		1 666 00
Accounts payable	8 750 06	\$ 9 461 11	6 502 00	\$ 14 084 82	38 797 99
Accrued payroll taxes	5 344 32	5 344 65	1 167 00	827 85	12 683 82
Other payroll deductions		848 74		304 06	1 152 80
Depository funds:					
Registration	39 15	(797 95)			(758 80)
Boy's Life	28 37	(293 20)			(264 83)
Unit accounts	2 115 43		874 00	484 67	3 474 10
Order of the Arrow	427 88	311 53	(84 00)		655 41
World Friendship fund		149 60			149 60
Employees auto insurance deposits		115 00			115 00
Notes payable	<u>7 086 18</u>	<u>5 000 00</u>	<u>1 660 00</u>		<u>13 746 18</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>\$ 23 826 93</u>	<u>\$ 20 139 48</u>	<u>\$ 11 785 00</u>	<u>\$ 15 701 40</u>	<u>\$ 71 452 81</u>
Deferred community campaign contributions	<u>\$ 4 708 35</u>				<u>\$ 4 708 35</u>
Funds:					
Operating fund	\$ (4 147 24)	\$ (9 636 41)	\$ (8 231 00)	\$(13 351 22)	\$(35 465 87)
Investment in trust fund	13 157 08	2 611 00	1 264 00	16 917 67	33 949 75
Property and equipment fund (see note)	180 015 66	184 138 19	5 632 00	27 721 18	397 507 03
Project fund				660 50	660 50
<b>TOTAL FUNDS</b>	<u>\$189 025 50</u>	<u>\$177 112 78</u>	<u>\$ (1 435 00)</u>	<u>\$ 31 948 13</u>	<u>\$396 651 41</u>
<b>TOTALS</b>	<u>\$217 560 78</u>	<u>\$197 252 26</u>	<u>\$ 10 350 00</u>	<u>\$ 47 649 53</u>	<u>\$472 812 57</u>

Source: Finley, Renma, & Misfelt, Montana Council Boy Scouts of America, Combined Balance Sheet at August 31, 1973, p. 3.

TABLE 13

ASSETS OF FOUR MONTANA COUNCILS AS OF AUGUST 31, 1973

	NORTH CENTRAL MONTANA COUNCIL	YELLOWSTONE VALLEY COUNCIL	WESTERN MONTANA COUNCIL	VIGILANTE COUNCIL	MONTANA COUNCIL
Cash on hand	\$ 130 00	\$ 50 00	\$ 10 00	\$ 18 85	\$ 208 85
Cash in bank - council operations	13 562 72	97 71		336 88	13 997 31
Inventory of supplies for resale (at cost)	10 306 25	4 233 44	3 243 00	1 948 03	19 730 72
Accounts receivable	389 07	270 32			659 39
Unexpired insurance		851 60	201 00		1 052 60
Office supplies				622 92	622 92
Investment in oil stock				84 00	84 00
TOTAL CURRENT ASSETS	\$ 24 388 04	\$ 5 503 07	\$ 3 454 00	\$ 3 010 68	\$ 36 355 79
Investment in trust	13 157 08	2 611 00	1 264 00	16 917 67	33 949 75
Unexpended development funds	5 889 66				5 889 66
Property and equipment (see note)	<u>174 126 00</u>	<u>189 138 19</u>	<u>5 632 00</u>	<u>27 721 18</u>	<u>396 617 37</u>
TOTALS	<u>\$217 560 78</u>	<u>\$197 252 26</u>	<u>\$ 10 350 00</u>	<u>\$ 47 649 53</u>	<u>\$472 812 57</u>

Source: Finley, Renma, & Misfelt, Montana Council Boy Scouts of America, Combined Balance Sheet at August 31, 1973, p. 2.

unexpended development funds, and property and equipment for total assets of \$217,560.78. The auditor's report indicated that Great Falls was the only council carrying assets at fair market value.<sup>9</sup>

The Yellowstone Valley Council at Billings showed \$4,233.44 in inventory of supplies and \$851.60 in unexpired insurance as the major liquid assets to offset its indebtedness. Current liabilities exceeded current assets by over \$14,600. This council reported a significant value under property and equipment which was representative of the Flaming Arrow Scout Ranch. The auditor reported that this facility was appraised on April 10, 1972 at between \$355,000 to \$400,000, although it is listed on the balance sheet at the original cost as were most other assets.<sup>10</sup> Yellowstone Valley Council had already decided to sell the Flaming Arrow Ranch prior to the consolidation.<sup>11</sup>

Western Montana Council at Missoula indicated the lowest reported value of total assets at \$10,350. Principal assets were inventory of supplies and property and equipment with \$1,264 in investment in trust. The auditor reported that "other assets contributed to this council, including Melita Camp Site, have never been appraised and are not reflected in the balance sheet."<sup>12</sup> Current liabilities exceeded current assets by \$8,331.

Vigilante Council in Butte indicated \$1,948.03 in inventory of supplies and \$16,917.67 in investment in trust as its most significant

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<sup>9</sup>Finley, Renma & Misfelt, Montana Council Boy Scouts of America, Combined Balance Sheet at August 31, 1973, p. 4.

<sup>10</sup>Ibid.

<sup>11</sup>Interview with Don Leuschen, Butte, Montana, August 6, 1982.

<sup>12</sup>Finley, Renma & Misfelt, Montana Council Boy Scouts of America, Combined Balance Sheet at August 31, 1973, p. 4.

assets. Current liabilities exceeded current assets by almost \$12,700.

In summarizing the financial status of the four councils as of August 31, 1973, the following points are apparent: First, Great Falls had deficits in operations three of the last four years but reported sufficient liquid assets in 1973 to pay its liabilities. This council had considerable values in trust and property. Second, Billings also had deficits three of the last four years and did not have sufficient liquid assets to cover liabilities in 1973. It did, however, have a \$400,000 appraised camp listed for sale. Third, Butte had a surplus in operations the last two years but also did not have sufficient liquid assets to cover its indebtedness. It did have almost \$17,000 in a trust fund. Finally, Missoula had the best record of the four councils with surpluses in its last three years of operations. It did not have sufficient liquid assets to cover indebtedness nor any significant reported property or equipment.

#### Summary

It appears that all of the four councils in Montana were struggling operationally by 1973. Youth membership had decreased slightly over the same ten-year period that it had increased 23 percent nationally. Even though Montana had a higher percentage of youth enrolled than the rest of the nation, this percentage had steadily declined over the decade. While all councils had improved in training of leaders, records indicate a significant decrease in advancement of Cub and Boy Scouts. The number of professional staff

remained fairly stable over the previous ten years, however, the Montana councils may have been significantly understaffed since national averages indicate much lower youth and unit loads.

While Missoula appeared the best able to raise operating income to pay operating expenses, it was the worst off in being able to pay its total debts. The other councils indicate similar conflicts in indebtedness versus ability to raise funds. Great Falls was the only council capable of paying its total debts from readily accessible liquid assets. The National Council apparently determined Montana Scouting as needing financial assistance, since at least three of the four councils received matching funds in the 1970's. It appears that by 1973, consolidation of the four councils for financial purposes was a reasonable and perhaps necessary consideration.



## CHAPTER II

### THE CONSOLIDATION

#### The Regional Plan

In 1968 Alden G. Barber, new Chief Scout Executive of the Boy Scouts of America, began restructuring the national organization to meet the challenges of the 1970's. This reorganization of administrative functions by Barber and the National Council was part of a major commitment by national leaders to attract a "representative one-third of all American boys" into the Scouting program. It was felt that the character development and citizenship training of the Scouting program was needed by greater numbers of youth to reverse the moral decline of the 1960's. Boypower '76 became the title of an organizational thrust to increase the membership of the movement and also to accomplish greater program enrichment.<sup>1</sup>

To accomplish the ambitious goals set forward in Boypower '76, the National Council began the updating of Scouting management philosophies to comply with the latest developments. Following the example of many corporate and governmental organizations, consolidation among administrative levels became a significant restructuring tool.<sup>2</sup>

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<sup>1</sup>U. S. Congress, House, Annual Report to Congress - Boy Scouts of America, H. Doc. 91-87, 91st Cong., 1st Session, 1968, pp. 5-15.

<sup>2</sup>Montana Scouting Interim Committee, "Management Concept for Montana: A Master Plan," p. 1.

As formerly shown in Figure 2, the national organization was previously divided into twelve regions with administration of each conducted by a professional staff and a volunteer Executive Committee. In 1972 the number of regions was reduced from twelve to six (see Figure 3) with regions being further divided into twenty-eight geographical divisions called areas.<sup>3</sup> Administration at both the regional and area level was again conducted by volunteer boards and professional staff members.

One of the primary responsibilities of the new regions and their area divisions was to study the effectiveness of further consolidation at the council level and to take appropriate action where necessary. As shown in Table 14, the number of council consolidations increased dramatically in 1972. Over half of the consolidations from 1963 to 1979 occurred in the first five years of the new regional reorganization.<sup>4</sup>

In late 1972 and early 1973, James Bartell, new Area One Director for the North Central Region (see Figure 4), began the process of consolidating the four councils in Montana. The method was simple and direct. Bartell met with the four Montana Scout Executives and convinced them that consolidation was the only rational hope for an effective Scouting program in Montana. A plan was then implemented to sell consolidation to the volunteer leaders in the four councils.

#### A Management Concept for Montana

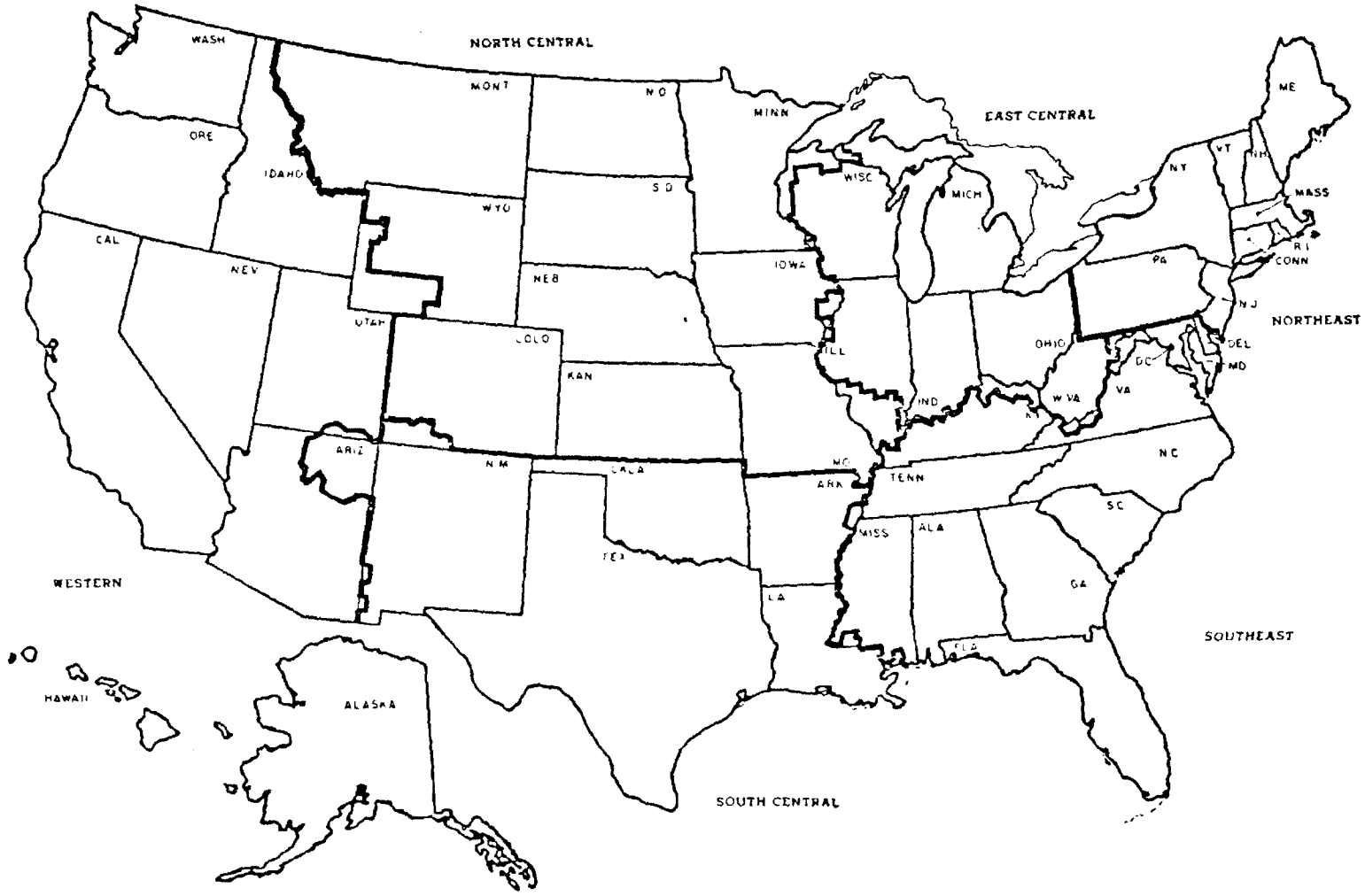
The handbook designed for the implementation of consolidation was entitled "A Management Concept for Montana." The title page of this

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<sup>3</sup>U. S. Congress, House, Annual Report to Congress - Boy Scouts of America, H. Doc. 93-67, 93rd Cong., 1st Session, 1972, pp. 32-33.

<sup>4</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1963-1979.

Figure 3. Regions of the Boy Scouts of America  
As Reorganized in 1972



Source: U.S. Congress, Annual Report to Congress - Boy Scouts of America, H. Doc. 93-67, 93rd Congress, 1st Session, 1972, p. 39.

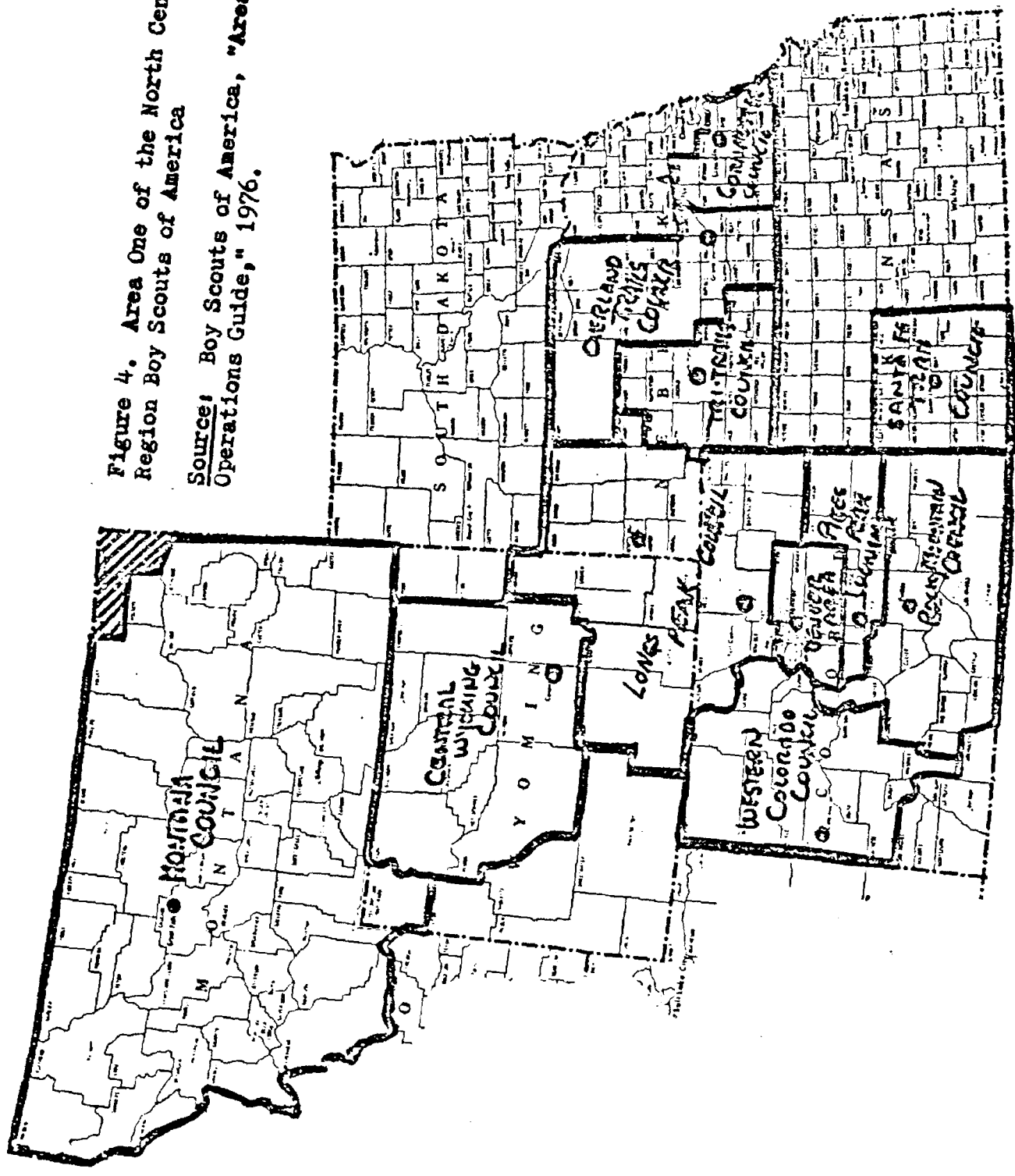
TABLE 14  
 CONSOLIDATIONS OF COUNCILS IN THE UNITED STATES 1963-79

Year	Councils Dissolved	Councils at Year End
1963	2	527
1964	3	524
1965	4	520
1966	4	516
1967	4	512
1968	4	508
1969	8	500
1970	7	493
1971	8	485
1972	27	458
1973	19	439
1974	1	438
1975	10	428
1976	8	420
1977	2	418
1978	1	417
1979	1	416
Total Dissolved - 113		

Source: U. S. Congress, House, Annual Reports to Congress-  
 Boy Scouts of America, 1963-1979.

Figure 4. Area One of the North Central Region Boy Scouts of America, "Area Operations Guide," 1976.

Source: Boy Scouts of America, "Area Operations Guide," 1976.



booklet states it was "prepared by an interim committee represented by volunteer and professional scouters" from each of the four councils. Key volunteers and staff members during this period recall nothing about an interim committee to devise the handbook.<sup>5</sup> Apparently Area Director Bartell and the four Scout Executives designed the manual.

The proposed management plan advocated three significant claims for consolidation. First, the reduction of duplicated overhead would allow traditional administrative services to be offered at a cheaper price:

. . . less administrative staff will be needed in the larger council to reach Scouting goals. We believe that a consolidation into a larger council would mean that we can serve youth better and by 1976 realize a potential savings of over 25% in administrative costs as compared to the present multiple council organization.<sup>6</sup>

Second, savings derived from the reduction of duplication would allow the hiring of additional staff and the expansion of council services:

We reorganize to serve an administrative purpose (the use of men, money, and materials) more efficiently. We don't save money but create more and better services through available money, thus getting more for the money spent.<sup>7</sup>

Finally, a larger consolidated council would obtain more prestige and thus stimulate Scouting in Montana:

The larger council will need more people, who, experience always shows, can be more easily attracted and recruited to the movement. The council because of its state-wide dominance and exposure will provide new life and greater dynamics to the Scouting program in

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<sup>5</sup>Interview with Don Leuschen, Butte, Montana, August 6, 1982; interview with Dan Kenny, N. W. Grizzley Base Camp, Montana, July 8, 1982; interview with Don Aadsen, Ronan, Montana, July 16, 1982; interview with Art Sward, Kalispell, Montana, September 10, 1982; interview with George O'Conner, Butte, Montana, September 16, 1982.

<sup>6</sup>Interim Committee, "Management Concept for Montana," p. 8.

<sup>7</sup>Ibid.

Montana. It will be talked about more. It will be heard about more.<sup>8</sup>

Added prestige due to increased size was also expected to attract greater financial gifts from state-wide corporations which previously may have been giving smaller gifts to all four councils.

An additional assurance made in the proposal was that capable professional staff members would be held longer in Montana. A larger council would mean more promotional opportunities for productive executives, thus providing Montana longer and better service from quality staff.

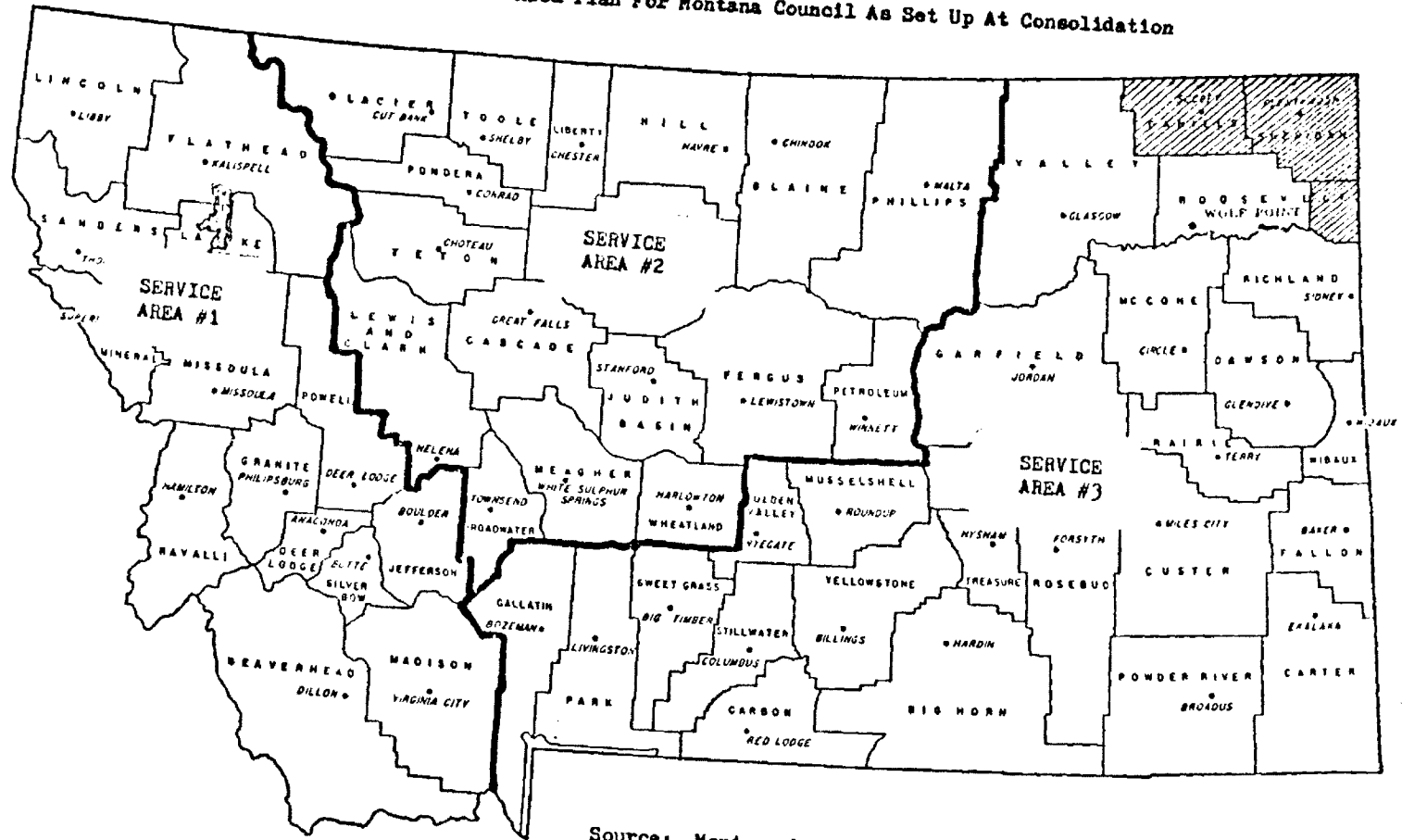
The governing body of the council would be the Executive Board. This group was to be made up of volunteer representatives from all over the state. The board would meet quarterly, with meetings of council standing committees preceding the Executive Board meeting. The new council was to have one headquarters office located at Great Falls. A provision was made for field offices around the state, although exact locations were not specified.

To promote greater service to districts, the consolidated council would be operated in three service areas. As shown in Figure 5, Service Area One consisted of the territory of the Western Montana Council and the Vigilante Council. Service Areas Two and Three were the territories of the North Central Montana and the Yellowstone Valley Councils respectively. Each service area was to be supervised by a council vice president and a professional staff member called a Field Director. Their jobs centered on developing strong district organizations to support cub packs, scout troops, and explorer posts.

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<sup>8</sup>Ibid., p. 14.

Figure 5. Three Service Area Plan For Montana Council As Set Up At Consolidation



Source: Montana Scouting Interim Committee, "Management Concept for Montana: A Master Plan," p. 6.



In addition to the Field Director, each service area would have additional professional staff members consisting of an Exploring Executive and three District Executives. The reorganization was to enable District Executives to concentrate on unit service and the Exploring Executive to work on Exploring only. "Support functions in the areas of camping, activities, training, etc., would be handled by specialists"<sup>9</sup> hired with the savings generated from reductions in overhead. A provision was made for the recruiting of volunteers into a service area organization if needed.

Although not listed in the booklet, the existing staffs of the four councils were to be kept on as employees of the newly consolidated council for at least the first few months. A continuity of leadership was considered important for the initial stage of development. The four Scout Executives would be utilized in key support positions to the new incoming scout Executive. Other existing staff members would be combined with newly hired staff to fill the other needed positions.<sup>10</sup>

The consolidation was also to result in an equitable combination of camp and other properties as each council contributed at least one major asset. The Western Montana Council was expected to contribute the camp on Melita Island. Vigilante Council would contribute Camp Arcola. The Yellowstone Valley Council had already decided to sell its Flaming Arrow Scout Camp near Bozeman, but would be contributing approximately \$400,000 from the sale to be used in developing a new camp. The North

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<sup>9</sup>Ibid., p. 7.

<sup>10</sup>Interview with Bob Hanawalt, Fort Collins, Colorado, August 12, 1982.

Central Montana Council was contributing their council office at Great Falls and also equipment from the leased Camp Napi near St. Mary's. The contribution of an office, incidently, qualified Great Falls as the first headquarters of the Montana Council. A provision was made in the plan for the consideration of other headquarter sites in the future.

### Implementation of the Plan

Voting members of the four Montana councils consisted of council members-at-large and scouting coordinators of packs, troops, and posts. Implementation of the new management plan required some means of selling these voting members on the benefits of consolidation.

All four Scout Executives and their respective Council Presidents began a series of informational meetings at various locations to get and give information. The series of meetings was designed to culminate at a final session where the vote would be taken. The actual promotional process and the final vote were held independently in each of the four councils. Two of the four resulted in easy majorities in favor of the plan. The remaining two councils arrived at slim majorities in some very unusual circumstances.

### North Central Montana Council

The plan for consolidation was met with general approval in Great Falls and its surrounding area. The North Central Montana Council was relatively stable in its financial status, but council leaders saw the advantages of reduced overhead for future operations. Council headquarters would remain in Great Falls, thus resulting in little disruption of service to their program. Scouters generally felt that consolidation would affect them very little. After the series of

informational meetings was completed, a healthy majority of voting members approved the consolidation.<sup>11</sup>

### Vigilante Council

The Scouters in the Butte area were also generally receptive to the consolidation. Council leaders knew that their area's ability to support its own council was declining rapidly with the gradual exit of mining interests. Their small two-man professional staff was working hard but fighting a losing battle against a decreasing population and economy.

The few opponents to the consolidation were those concerned with camp properties and who were suspicious that the Vigilante Council was not getting a fair shake. Even with the few misgivings, there was no real opposition to the plan.<sup>12</sup>

### Yellowstone Valley Council

Council leaders in the Yellowstone Valley Council were much more divided on the plan of consolidation than North Central or Vigilante. One widespread fear was that the income generated from the sale of Flaming Arrow would be spent on the other councils' bills instead of a new camp for their geographical area. Other Scouters felt that since the income would accrue over the next few years, returns would be eaten up by unanticipated bills of the new council. Either way, the Flaming Arrow proceeds would be lost to the local area.

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<sup>11</sup>Interview with Dan Kenny.

<sup>12</sup>Interview with George O'Conner.

Animosity also arose over the headquarters office being located in Great Falls. Billings Scouters felt that their city was the industrial center of Montana and that the council office should be located there. Concerns were voiced that a serious disruption of record keeping and service would result if headquarters were moved to Great Falls. As mentioned in Chapter I, until 1972 Billings had associated with Region 10 and had not associated extensively with any of the Montana councils in Region 11. Common membership in the new North Central Region had not prevailed long enough to develop open communications or trust levels.

Following the general promotional scheme, the Scout Executive and Council President began holding informational meetings. Due to the large geographical area of this council, meetings were held in numerous locations, and absentee votes were collected from those who would not be able to attend the final meeting.

At the final session in Billings, approximately 40 of the 170 voting members of the council attended. The group present included many who were council officers or executive board members. The vote among those present did not show a majority in favor of consolidation. When the absentee votes were cast, however, a clear majority in favor of consolidation was evident. Many executive board members resigned following this meeting.<sup>13</sup>

#### Western Montana Council

The vote on consolidation in Western Montana was also seriously divided. Although this council was the worst off concerning indebtedness, an intense spirit of independence and faith in a better future

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<sup>13</sup>Interview with Don Leuschen.

prevailed. Volunteers felt that their current financial difficulties were attributable to poor organizational and bookkeeping practices by their small over-worked staff rather than to any inability to raise money. Opposition to consolidation mainly stemmed from the Bitterroot Valley and the Kalispell area while heavy support in favor of consolidation came from Missoula.

Three general informational meetings were held around the council to promote the idea of consolidation. Council Scouters understood that absentee votes would be accepted and many were cast, particularly from the Bitterroot and the Kalispell areas. At this election, however, those present were informed that absentee votes were not acceptable, and the vote taken among the small group present resulted in a majority in favor of consolidation. A number of volunteers resigned over this decision as well.<sup>14</sup>

#### Summary

On September 1, 1973, the four councils of Montana were consolidated and incorporated as the Montana Council of the Boy Scouts of America. The consolidation was engineered by the National Council through its Regional and Area arms. The plan was pushed through quickly and efficiently without the preliminary investigation of a study committee or task force.

Although the plan for consolidation had received a majority vote by Montana Scouters, many volunteers did not approve the concept and withdrew their support from the program. The decision for consolidation

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<sup>14</sup>Interviews with Don Aadson and Art Sward

was approved under great conflict in the Western Montana and Yellowstone Valley Councils. Both the Vigilante and North Central Montana Councils accepted the plan for consolidation without serious problems.

Rational expectations of savings due to economies of scale, improved services through increased staff and volunteer manpower, and a more visible and prestigious Scouting program were the most emphasized selling points of consolidation. Little concern was given to the possible psychological impact on Scouting leaders and how their reactions might affect the success of the plan.

## CHAPTER III

### THE MONTANA COUNCIL: 1973 TO THE PRESENT

#### The First Four Months

The first four months of the Montana Council was a period of intense adjustment. Although the Scout Executives from the former four councils remained on staff initially, three of the four were moved away from their home areas of responsibility to fill staff support positions in the central office at Great Falls. Only Don Rylander of Billings served as a Field Director in his home area. Many key staff positions in the new council were filled by newly hired individuals as total staff increased from 12 to 21.<sup>1</sup>

Continuity of leadership was further troubled by the several resignations of key volunteers in those areas disputing the consolidation. Other volunteer leaders were confused as to their responsibilities in the new organization and consequently reduced time and energy in service.<sup>2</sup>

As shown in Table 15, however, year end statistics indicate a decrease of only 275 youth, representing a decline of only 1.5 percent of the 1972 combined membership of 18,157. Other end-of-year figures demonstrate an increase in units to 734 and a reduction in the professional staff to 17 as four staff members transferred to other councils. Operations resulted in a \$41,857 deficit at year end as expenses exceeded income.

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<sup>1</sup>Interview with Bob Hanawalt.

<sup>2</sup>Interview with George O'Conner.

**TABLE 15**  
**MONTANA COUNCIL PERFORMANCE 1973-1982**

	A	B*	C	D	E	F	G	H	I	J	K	L	M
1973	17,882	67,610	27.0	734		17	52.7	37.1	47.5	29.4	92,968	134,825	(41,857)
1974	15,645	65,113	24.0	693		14	50.8	44.8	59.1	53.7	390,992	464,884	(73,892)
1975	13,730	63,804	22.0	596		11	49.3	39.7	79.9	35.8	398,070	380,696	17,374
1976	13,416	62,213	21.6	554		12	63.5	46.0	77.1	26.5	492,487	437,409	55,078
1977	11,851	60,116	19.7	530	4832	12	60.6	37.1	83.7	51.3	425,435	501,192	(75,757)
1978	11,683	58,925	19.8	535	4685	10	56.5	41.6	71.8	46.7	383,649	430,086	(46,437)
1979	11,020	57,494	19.2	509	4224	10	59.1	47.1	61.8	43.0	406,139	531,495	(125,356)
1980	9,944	56,891	17.5	469	4241	10	58.0		99.2	68.0	499,356	551,940	(52,584)
1981	9,962	53,252	18.7	456	4138	10	58.8	39.7	89.4	76.6	471,702	536,781	(65,079)
1982	10,301	52,276	19.2	453	3992	9	66.0	47.9	90.1	75.5	502,853	513,952	(11,099)

A - Total Youth Membership	F - Total Professional Staff	J - Scout Advancement per 100
B - Total Youth Population	G - % Top Unit Leaders Trained	K - Total Operating Income
C - Percentage Youth Served	H - % Scouts Attending Long Term Camp	L - Total Operating Expenses
D - Total Units	I - Cub Advancement per 100	M - Surplus/Deficit
E - Total Adult Members		

\*Total Youth Population figures listed on this table after 1976 do not include 14, 15, and 16-year-old girls as added to the Exploring program by the National Council in 1977. Total Youth Population and Percentage of Youth Served figures on this table, therefore, do not compare with other tables in this paper including young women.

Source: Charlie Pearson, Montana Council BSA, November 1982; Bob Burt, Membership Division, North Central Region BSA, March 1983; Betty Newton, Records Management, National Office BSA, January 1983.



1974

Further confusion was created in the Montana Council when it was discovered that two major assets thought to be council property were not legally owned. The title to Melita Island on Flathead Lake was found to be in the possession of the Knights Templar instead of the Western Montana Council as had been supposed. The Knights Templar considered donating the facility to the Boy Scouts, but finally sold it to a private investor, which ended its use as a council Scout camp.<sup>3</sup> It was also discovered that though the office building in Great Falls was owned by the council, the lot upon which it was built was only conditionally owned. Effective ownership of the lot would revert back to the city of Great Falls if the Boy Scouts ever moved off the site or attempted to sell it.<sup>4</sup>

Additional unhappiness developed in the Billings area when income from the Flaming Arrow camp was used as collateral for a loan on operating debts. Yellowstone Valley Scouters had intended this income to be spent on development of a new camp in their locality.<sup>5</sup>

Year end statistics for 1974 are shown in Table 15. Although youth membership and number of units decreased by over 2,200 and 41 respectively, 693 units still exceeded the 691 units reported by the four councils in 1972. The significant decrease in youth as opposed to an increase in units since 1972 may be attributed to the larger staff's emphasis on Exploring. While packs and troops with large numbers of

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<sup>3</sup>Interview with Bob Hanawalt.

<sup>4</sup>Ibid.

<sup>5</sup>Ibid.

youth were dissolving, the larger council Exploring staff was organizing new posts with smaller numbers of youth.<sup>6</sup> Table 15 also indicates a reduction in the professional staff from 17 to 14 and a deficit at year end of \$73,892. A bank loan of \$129,000 was secured to pay outstanding debts.<sup>7</sup>

One other significant event of 1974 was the abandonment of the three service area plan outlined in the "Management Concept for Montana." The consolidation handbook had established the geographical boundaries of the three areas and appointed a team consisting of a council volunteer vice-president and a staff field director to supervise operations. Although additional staff members were designated to serve in each area, the plan was vague as to additional support by volunteers. Further details on how the service area was to strengthen its member districts were not stated.

Volunteer leaders, however, had formulated their own ideas on how the three service areas would function. They saw the three areas actually functioning as three councils. While the central council structure would handle basic administrative processes such as record keeping and budgeting, the service areas would be relatively independent in local areas of operation. The vice-president and field director would, in effect, act as council president and scout executive concerning day-to-day operations.<sup>8</sup> To fulfill the district support responsibility of the area team further, leaders envisioned the recruitment of a volunteer

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<sup>6</sup>Charlie Pearson, "Narrative Report of Events That Have Caused Rise or Fall of Support for Montana Council, Boy Scouts of America."

<sup>7</sup>Ibid.

<sup>8</sup>Interview with Bob Hanawalt.

structure to assist the professional staff. The work of each area committee would be correlated at regular area meetings.<sup>9</sup>

Bob Hanawalt, Scout Executive of the Montana Council, did not support the independent three area concept as envisioned by volunteers. He saw independent area organizations within the council as working against the success of the consolidated council. Although he did not directly curtail area operations, leaders report that Hanawalt's centralized management practices eventually stopped area operations.<sup>10</sup>

### 1975-1976

Over the next two years, the Montana Council's performance indicates a leveling off from the earlier rapid declines. As shown in Table 15, 1975 shows a decrease in youth and units of 1900 and 100 respectively. By 1976, however, there are only 300 less youth and 40 less units. The percentage of leaders receiving council basic training was recorded at 69.4 percent in 1975 and 63.5 percent in 1976. This is equal to the best years of the original four councils. By 1976, the number of professional staff has decreased to 12, helping to reduce the debt. New operating income shows a surplus of \$17,374 in 1975, and by 1976 showed a surplus of \$55,078. This surplus was due to an \$81,000 gift from a lady in Sidney, Montana. A bank loan of \$141,000 was still being carried.<sup>11</sup>

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<sup>9</sup>Interview with Don Aadsen.

<sup>10</sup>Interviews with Don Aadsen, Dan Kenny, and Art Sward.

<sup>11</sup>Charlie Pearson, "Narrative Report of Events That Have Caused Rise or Fall of Support for Montana Council, Boy Scouts of America."

In May of 1977, Bob Hanawalt ended nearly four years as Scout Executive of the Montana Council. He transferred to another council believing operations in Montana had finally stabilized.<sup>12</sup>

### 1977-1978

In 1977 Charles A. Pearson was hired as the new Scout Executive of the Montana Council. Table 15 shows a significant decrease in most performance indicators in 1977, but then a possible stabilizing trend in 1978. Youth membership fell by almost 2,000 youth and 24 units in 1977, but fell by only 168 youth and actually increased in units in 1978. In an attempt to cut expenses, the professional staff was reduced to 10 and a new hiring policy was implemented to hire young nontenured executives, thus bringing more savings.<sup>13</sup>

While 1977 indicated a major deficit of \$75,757, 1978 showed a lesser deficit of \$46,437. This reduced deficit, however, was a result of an executive board decision of using half the Flaming Arrow fund to pay off outstanding loans and operating expenses. Bitterness among Billings Scouters was partially offset by new development of the K-M Scout Ranch near Lewistown.<sup>14</sup>

In 1978, a renewed interest in camp development began in the council. Northwest Grizzley Base Camp, a replacement for Melita Island, was built by Flathead Valley Scouters. In southwestern Montana development was revitalized on Camp Arcola. Scouters of Great Falls, Billings,

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<sup>12</sup>Interview with Bob Hanawalt.

<sup>13</sup>Charlie Pearson, "Narrative Report of Events That Have Caused Rise or Fall of Support for Montana Council, Boy Scouts of America."

<sup>14</sup>Ibid.

Lewistown, and the Hi-line began development on the K-M Scout Ranch at the old mining site of Kendall.<sup>15</sup>

Scout Executive Pearson was agreeable to the revitalization of the service area concept. The idea of four service areas roughly similar in geographical boundaries to the original four councils was considered and approved by the Executive Board on December 9, 1978.<sup>16</sup> As shown in Figure 6, the new service area boundaries were considerably different than the former service area plan (compare to Figure 5). One of the most significant results of the realigned boundaries was the inclusion of Helena and Bozeman with the Butte area. This grouping allowed for a more balanced distribution of population, youth, and income among the four areas.

Each of the four service areas was allotted forty council executive board positions. Members filling these positions would also serve as area board members. As in the former plan, area presidents were council vice presidents living in those areas. Four additional council commissioners were appointed to serve as area commissioners. The area president, the area commissioner, a field director appointed from the professional staff, and the executive board members, made up each area board.<sup>17</sup>

According to council bylaws, this service area committee would meet at least bi-monthly. The business at each meeting would be directed at service to chartered institutions and to receiving reports from area

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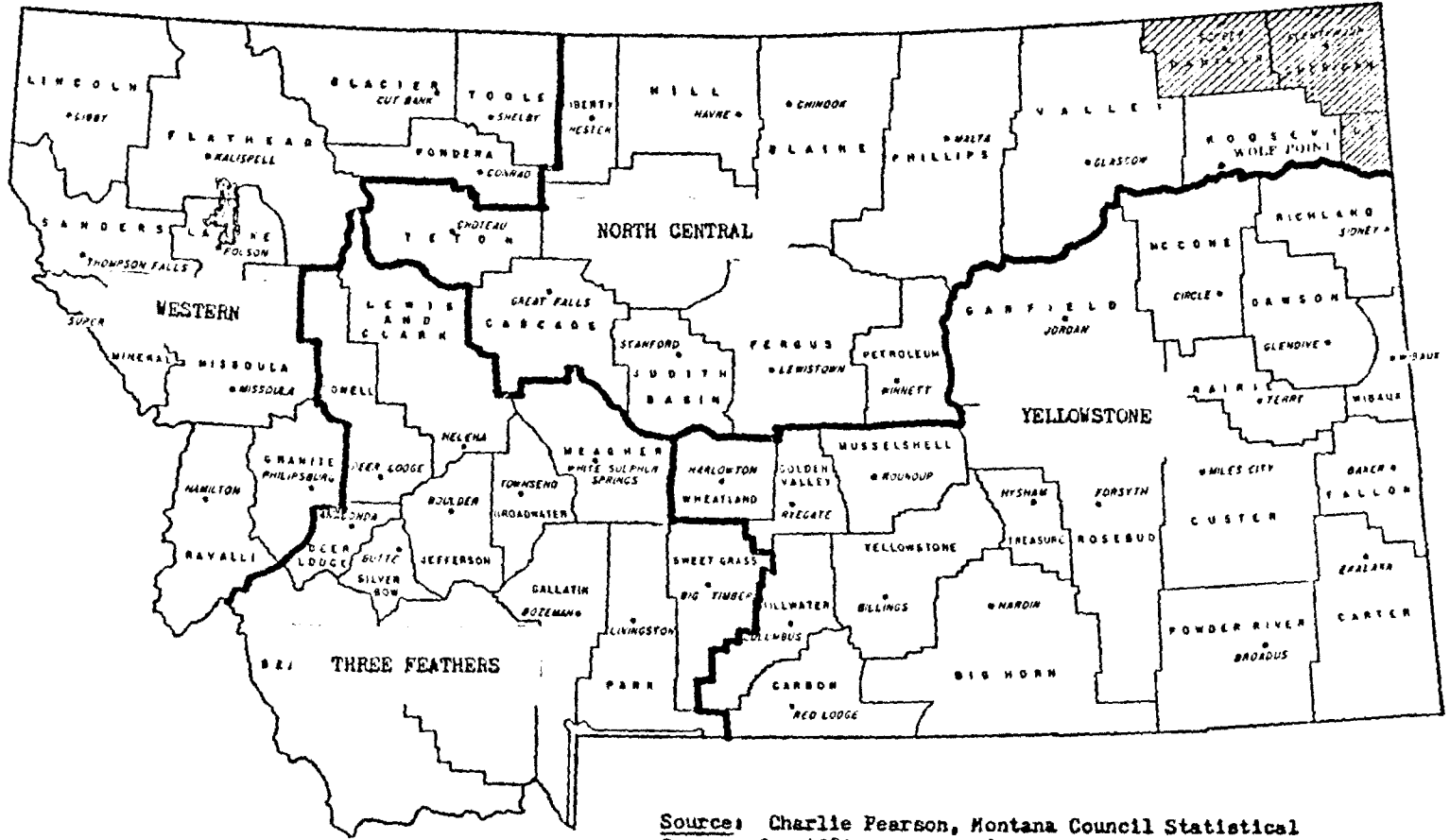
<sup>15</sup>Ibid.

<sup>16</sup>Minutes of Executive Board Meeting, Montana Council, December 9, 1978.

<sup>17</sup>Letter to United Way of Missoula County from Charles Pearson dated April 1, 1980.

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Figure 6. Four Service Area Operation of Montana Council



Source: Charlie Pearson, Montana Council Statistical Summary for 1982, March, 1983.

operating committees. Each area was authorized to have operating committees of like function as the council with the exception of administration. Service area committees, however, would have no legislative authority and would direct their efforts at making "effective within the service area, policies and programs adopted by the corporation."<sup>18</sup>

#### 1979-1980

The hoped for stabilization as suggested in 1978 statistics did not come about. As shown in Table 15, virtually all performance indicators reflect decreases in 1979. The two exceptions were percentage of top leaders trained and percentage of Scouts attending summer camp. While the professional staff remained constant at 10, the year-end deficit leaped to \$125,356. The supporting bank loan grew to \$129,000.<sup>19</sup>

In 1979 the Western Service Area petitioned the Montana Council and the North Central Region to be formed into a separate council.<sup>20</sup> After much controversy, Montana Council officers decided to approve such a separation subject to the investigation of a regional appointed study committee.

In response to the petition for a separate council, the study committee made its report in April of 1980:

. . . We believe that the plan and system that you presently have is beginning to work and will continue to improve in years ahead.

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<sup>18</sup>Bylaws of the Montana Council, Boy Scouts of America, Article VIII, sections 2-5.

<sup>19</sup>Charlie Pearson, "Narrative Report of Events That Have Caused Rise or Fall of Support for Montana Council, Boy Scouts of America."

<sup>20</sup>Ibid.

We believe that the formation of a new council might satisfy a large number of people in the western part of the council for a short period of time, but that the long range best decision is to stay in the present configuration. An immediate financial and administrative burden would be created by the formation of a new council. Most of the criticisms and questions raised will be solved as your present plan of operation continues to smooth out its wrinkles.<sup>21</sup>

The most significant question faced by the regional study committee was whether western Montana could financially support a separate council. Western Montana Scouters claimed they could but the study committee did not agree. Key leaders from the Western Service Area claim that the Region's Area One Director Folkman Brown was the primary influence on the committee to reject the petition.<sup>22</sup> Since the Western Montana Council was struggling with finances in the early 1970's, the committee did not see how the situation would be different in the 1980's. Following the rejection of the petition for a separate council, several key volunteers and a professional staff member resigned.

In 1980 most indicators in Table 15 showed further declines. Youth membership declined by 1076, while number of units declined by 40. The 1980 deficit decreased to \$52,584.

#### 1981-1982

Table 15 indicates another leveling off in declines of indicators for 1981 and 1982. Youth membership and percentage of youth served actually indicated increases in both years. Total registered units and adult leaders decreased slightly. While the professional staff decreased to 9,

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<sup>21</sup>Letter to Bruce A. Nelson, Sr., President of Montana Council, from Robert H. Gaynor, Chairman of Ad Hoc Committee for Montana Scouting, dated April 9, 1980.

<sup>22</sup>Interviews with Don Aadsen and Art Sward.



most all other indicators showed improvement. The \$65,079 deficit in 1981 was reduced to \$11,099 in 1982. In 1981, the remainder of the Flaming Arrow fund was utilized to pay off loans and operating debts.

The following resolution was proposed by the Western Service Area in September of 1982:

Resolved a committee of the Council President and four (4) Vice Presidents be established to select a state group of business, clergy and private individuals to formulate and study data and make recommendations on establishing and maintaining on a long term basis, multiple councils in the State of Montana.

That the Selecting Committee be appointed at the next Officers Meeting (September 25), that they have a functioning group by January 1, 1983 and report prepared six (6) months following.<sup>23</sup>

The resolution was approved unanimously by the Montana Executive Board.

#### National Membership Comparisons

Although the Montana Council demonstrated a 42 percent decrease in registered youth members since 1973, the National Council of the Boy Scouts of America also reported a significant decrease during this period. Data is not available to compare directly for the periods of 1973 through 1982. For the period of 1973 to 1979, however, the National Council reported a decrease of 1,667,761 youth or 34 percent of its membership.<sup>24</sup> The North Central Region also reported a membership decrease of 34 percent.<sup>25</sup> The Montana Council showed a decrease of 38 percent in its registered youth for the same period. Consequences of

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<sup>23</sup>Minutes of Western Service Area Meeting, September 11, 1982, Kalispell, Montana.

<sup>24</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1973-1979.

<sup>25</sup>Ibid.

Boypower '76, increases in the numbers of single-parent families, increases in the numbers of families where both parents work full time, increases in competitive youth programs offered by the public schools and other youth agencies, and changes in popular perceptions of the Boy Scouts of America during and after the Vietnam War are all possible reasons for this tremendous decrease. The 42 percent decrease in registered youth in Montana over the last decade, therefore, cannot all be attributed to problems connected with the consolidation.

As explained in the footnote of Table 15, the total youth population was increased in 1977 by the inclusion of girls into Exploring. The total youth population as shown in Table 15 does not include girls since Montana's Exploring program has never attracted many girls. It was felt that including only boys would give a more realistic picture of the youth being served in Montana over the ten year period.

Actual comparisons of Montana, girl population included, with the North Central Region and the National Council are shown in Table 16. The figures indicate that the major decreases in percentage of youth served in Montana were matched by similar decreases at the regional and national levels. Comparisons for 1981, however, indicate Montana as serving 3 percent less youth than the North Central Region and 1 percent less than the nation. This contrasts to 1972 when Montana had a higher percentage than the nation but lower than the North Central Region. This lower 1981 percentage, as compared with percentages for the Region and the nation, are reflective of program quality within the Montana Council.

TABLE 16

COMPARISONS OF PERCENTAGE OF YOUTH SERVED FOR THE MONTANA COUNCIL,  
 THE NORTH CENTRAL REGION, AND THE NATIONAL COUNCIL  
 FOR THE PERIOD OF 1973 TO 1982

	Montana Council	North Central Region	National Council
1972	26.9	28.0	25.5
1973	27.0	27.5	25.5
1974	23.6	25.1	23.0
1975	21.4	22.6	21.4
1976	21.6	21.5	19.5
1977	14.1	16.4	14.8
1978	14.2	16.0	14.2
1979	14.1	16.9	13.7
1980	13.1	17.0	14.5
1981	14.0	17.0	15.0
1982	14.5		

Source: Bob Burt, Membership Divison, North Central Region, Boy Scouts of America, March 1983.

### National Finance Comparisons

The effect of consolidation on Montana's Scouting income may also be placed in perspective by comparisons with the nation. From 1973 to 1979 the Montana Council demonstrated an increase of only 3.9 percent in total income. This small increase in income over a seven-year period occurred at a time when prices increased 57.6 percent.<sup>26</sup> Income raised in 1979, therefore, purchased considerably less than it did in 1973. During the same period, Scouting income for the entire nation increased 37.4 percent.<sup>27</sup> Although councils all over the country were struggling with inflation and raising funds, those outside Montana were doing a significantly better job than the Montana Council.

Even though Montana's income shows a major increase in 1980, much of the increase is attributable to a change from net accounting to a gross accounting system.<sup>28</sup>

### Summary

The Montana Council has had many difficulties since its formation in 1973. Negative feelings registered in the 1973 election to approve consolidation have apparently continued to the present. The western portion of the state has initiated two study efforts to split the council. Although performance indicators revealed major decreases in most performance categories, some of these decreases may be attributed to causes beyond the impact of consolidation. Finance is an area of

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<sup>26</sup>U. S. Department of Commerce, Statistical Abstract of the United States 1982-83, (103d edition) Washington, D.C., 1982, p. 453.

<sup>27</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1973-1979.

<sup>28</sup>Interview with Charlie Pearson, Great Falls, Montana, May 1982.

major concern to Montana Scouting. Deficits have occurred in every year but two since 1973. Total operating income has increased little since 1976. Yet this period had significant rises in inflation and other costs. While membership declines cannot be solely attributed to the consolidation, the lack of financial support as compared to the rest of the nation is one indication of poor performance in the Montana Council. Indicators in 1982 reflect a stabilization in the performance of the Montana Council. It will be remembered that similar periods of stabilization occurred in 1976 and 1978 but were followed by reoccurring performance declines.

## CHAPTER IV

### THE CONSOLIDATION OF SCOUTING IN NORTH DAKOTA

#### A Useful Model

Included in the major consolidation emphasis of the Boy Scouts of America in 1972 through 1976 was the consolidation of North Dakota, one of Montana's near neighbors. North Dakota serves as a useful model to compare and contrast to Montana since it had many similar characteristics. Like Montana, the consolidation in North Dakota involved four councils which covered the area of an entire state. North Dakota has a similar geographical terrain and population density as that of Montana. In addition, the consolidations of Scouting in North Dakota and Montana occurred at approximately the same time.

#### The Four Councils

Prior to their consolidation into the Northern Lights Council on January 1, 1974, North Dakota included the Great Plains Council centered at Minot, the Red River Valley Council centered at Fargo, the Missouri Valley Council centered at Bismarck, and the Lake Agassiz Council centered at Grand Forks. Actually each of the four councils included small portions of neighboring states, the northeastern corner of Montana, the northwestern edge of Minnesota, and a small portion of north central South Dakota.

Tables 17, 18, 19, and 20 show membership information for the four councils in North Dakota from 1963 to 1972. Total membership for the four councils increased by 3 percent over the ten year period with percentage of youth served increasing to 22.2 percent. Total units also increased slightly. While North Dakota's overall increase of 3 percent contrasted to Montana's 1 percent decrease over the period, both were significantly below the national increase of 23 percent.<sup>1</sup> North Dakota's 22.2 percent of youth served in 1972 fell below the national average of 25.5 percent and Montana's average of 26.9 percent.<sup>2</sup>

Advancements per 100 boys is shown in Tables 21 and 22. All councils indicated a decrease in the use of the advancement program over the ten year period as did Montana. Number of professional staff is shown in Table 23. Only Fargo demonstrated a decrease in staff with the combined council staffs decreasing by one in ten years. The 1972 load per staff member was 1,265 youth and 47 units, midway between Montana's and the nation's load. Available financial data is represented in Table 24. While three of the four councils indicated a total of \$71,927 of indebtedness in 1972, each of the councils appeared to have sufficient reserves in savings or trust funds to pay bills.

Although the four councils of North Dakota appear to have been somewhat better off in some categories than those in Montana, leaders

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<sup>1</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1963-1979.

<sup>2</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1972, p. 37.

TABLE 17

## TOTAL YOUTH MEMBERSHIP IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	9,261	3,854	4,284	3,511	20,910
1964	9,413	4,545	4,475	3,671	22,104
1965	9,977	4,846	4,659	3,322	22,804
1966	10,207	4,557	4,672	2,888	22,324
1967	9,881	4,743	4,091	2,986	21,701
1968	10,040	4,792	3,220	3,575	21,627
1969	9,313	4,558	3,017	3,698	20,586
1970	10,065				
1971	9,580				
1972	9,539	4,690	3,484	3,801	21,514

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 18

## TOTAL UNITS IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	346	151	139	139	775
1964	349	166	130	147	792
1965	364	177	137	139	817
1966	347	182	150	114	793
1967	339	187	132	96	754
1968	342	192	107	120	761
1969	316	188	116	126	746
1970					
1971					
1972	331	204	130	142	807

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.



TABLE 19

## TOTAL YOUTH POPULATION IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	39,308	22,025	18,313	18,429	98,075
1964	41,369	23,339	20,021	19,755	104,484
1965	41,369	23,339	20,068	19,755	104,531
1966	41,369	23,339	20,068	19,755	104,531
1967	36,835	21,542	20,068	17,006	95,451
1968	36,835	21,542	17,193	17,006	92,576
1969					
1970					
1971					
1972	38,753	22,845	15,819	17,670	95,087

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 20

## PERCENTAGE OF YOUTH SERVED IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	23.6	17.5	23.4	19.1	20.9
1964	22.8	19.5	22.4	18.6	20.8
1965	24.1	20.8	23.2	16.8	21.2
1966	24.7	19.5	23.3	14.6	20.5
1967	26.8	22.0	20.4	17.6	21.7
1968	27.3	22.2	18.7	21.0	22.3
1969					
1970					
1971					
1972	24.6	20.5	22.0	21.7	22.2

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 21

## CUB ADVANCEMENT PER 100 BOYS IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	84.1	85.9	69.6	95.2	83.7
1964	86.5	80.1	75.9	71.4	78.5
1965	80.0	84.1	74.6	81.4	80.0
1966	74.0	72.1	69.4	97.5	78.3
1967	73.9	71.3	68.1	62.8	69.0
1968	52.3	52.1	50.3	54.0	52.2
1969		50.1	43.6	43.8	
1970		51.1	50.3	43.9	
1971		48.1	52.1	45.3	
1972		52.8	37.4	77.3	

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 22

## SCOUT ADVANCEMENT PER 100 IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	44.5	31.0	29.5	42.1	36.8
1964	42.7	30.3	31.0	42.3	25.9
1965	36.3	40.0	31.0	38.6	36.5
1966	38.1	31.4	32.6	40.4	35.6
1967	41.1	35.3	26.0	36.1	34.6
1968	37.8	30.8	37.5	35.3	35.4
1969		24.1	33.8	41.7	
1970		29.0	38.7	36.2	
1971		26.4	40.3	32.2	
1972		28.5	30.1	26.0	

Source: Annual Reports to Congress B.S.A., 1963-1968; Bob Burt, Membership Division, North Central Region B.S.A., March 1983; Betty Newton, Records Management, National Office, January 1983.

TABLE 23

## TOTAL PROFESSIONAL STAFF IN THE FOUR NORTH DAKOTA COUNCILS 1963-1972

YEAR	FARGO	GRAND FORKS	MINOT	BISMARCK	TOTAL N. DAKOTA
1963	9	3	3	3	18
1964	8	4	3	3	18
1965	7	4	3	3	17
1966	7	4	3	2	16
1967	8	4	3	2	17
1968	8	5	3	2	18
1969		4			
1970		4			
1971		4			
1972	7	4	3	3	17

Source: U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1963-1968; Bob Burt, Membership Division, North Central Region, March 1983; Betty Newton, Records Management, National Office BSA, January 1983.

TABLE 24

## FINANCIAL SUMMARY FOR THE FOUR NORTH DAKOTA COUNCILS 1972

	Fargo	Grand Forks	Minot	Bismark	Total
Operating Expense	155,708	80,241	74,045	76,489	386,483
Indebtedness	49,000	7,927	15,000	None	71,927
Savings and/or Trust Fund	83,438	11,000	39,642	20,757	154,837

Source: A Special Committee of Scouters from the Four Councils, "The Old 4 for a New 1," August 1973, p. 7.

report that they were having similar problems in financing and operating a program in a large rural geographical area.<sup>3</sup>

### The Consolidation

One major difference in the consolidations of Montana and North Dakota was the method of implementation. Area Two Director Peter Paulson was born and raised in North Dakota and took a special interest in the project. Unlike Area One Director James Bartell, Paulson engineered the formation of a 29-man study committee which considered the implications of consolidation. This group of top corporate and governmental leaders of the state evaluated all aspects of a merger for one year prior to filing their report in favor of consolidation.<sup>4</sup> The committee was further divided into four subcommittees which considered administration and personnel, program and camp properties, and the legal aspects.<sup>5</sup>

The proposal prepared by this study committee was entitled "The Old 4 for a New 1." This manual for consolidation was very similar to the "Management Concept for Montana: A Master Plan." Both proposals emphasize increased services brought about by the savings derived from reduced duplication of administrative overhead. The North Dakota Council was also to be divided into four service areas which would be headquartered in the former headquarter cities. Each service area would have its own professional staff but no volunteer organization. North

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<sup>3</sup>Interview with Peter Paulson, Fort Collins, Colorado, August 1982; interview with W. Pete Knauff, Fort Collins, Colorado, August 1982.

<sup>4</sup>Interview with Peter Paulson.

<sup>5</sup>A Special Committee of Scouters from the Four Councils, "The Old 4 for a New 1," August 1973, p. 10.

Dakota leaders felt strongly that independent boards within the council would interfere with the success of the consolidation. Volunteer supervision was thus given by one council Executive Board made up of leaders representing the entire state working toward one plan, one program, and one budget.<sup>6</sup>

In the fall of 1973, a recommendation was made by the study committee for each council executive board to consider and approve the plan for consolidation. Each council held a separate council meeting and approved the plan. Leaders report the nearly unanimous acceptance by Scouting leaders as being attributable to their high regard for the recommendation of the study committee.<sup>7</sup>

#### The Northern Lights Council: 1974 to the Present

One other significant difference in comparing the consolidation of North Dakota to that of Montana was the hiring of their first Scout Executive. While Montana felt it necessary to bring in a new man having no former involvement with Scouting in Montana, leaders in North Dakota hired as their executive former Area Director Peter Paulson, a native of the state and also engineer of the consolidation.

Paulson may very well have been the key that made the Northern Lights Council a success.<sup>8</sup> As former Regional Executive of both Regions 2 and 10, and as Area Two Director of the new North Central Region, Paulson had the experience and the credibility to bring the four

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<sup>6</sup>Interview with W. Pete Knauff.

<sup>7</sup>Interview with Peter Paulson; interview with W. Pete Knauff; interview with Jim King, Fort Collins, Colorado, August 1982.

<sup>8</sup>Interview with Peter Paulson.

councils together. In addition, he was a part of the consolidation plan from its inception.

As in Montana, an effort was made to keep the original Scout Executives on staff to assist in the transition.<sup>9</sup> The consolidation study committee formed the foundation for the new Northern Lights Council Executive Board. This group of concerned state leaders was committed to the success of the merger and worked slowly and deliberately to recruit reliable and capable leadership to the board.<sup>10</sup>

Scout Executive Paulson felt that local leaders must see an immediate increase in service if they were to accept the new organization. The new council borrowed \$150,000 on a ten-year loan early in 1974 to hire additional staff and pay off debts. Serious efforts were made by professional staff members to keep district boards intact and to keep other changes to a minimum so as to reduce alienation of local leaders. Decisions concerning the liquidation of camps and other properties were made slowly and with the preliminary evaluation of additional study committees.<sup>11</sup>

Following Paulson's retirement, Chuck Lanham and then Terry Pointer served as Scout Executives.<sup>12</sup> Both men shared the management concept outlined by Paulson. The operation of four service center offices has continued in the former council headquarter cities with a high percentage of the professional staff living in the field. These practices are not

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<sup>9</sup>Interview with W. Pete Knauff.

<sup>10</sup>Interview with Peter Paulson

<sup>11</sup>Ibid.

<sup>12</sup>Interview with Terry Pointer, Fort Collins, Colorado, August 1982.

necessarily cost effective, but it is felt that the resulting positive public relations are crucial to the success of a statewide council.<sup>13</sup> Intensive efforts are made by the professional staff to recruit top private and public leaders representative of the entire state to serve as Executive Board members. Executive Board meetings are held bimonthly and are rotated in locations around North Dakota.<sup>14</sup>

The performance record for the Northern Lights Council from 1974 to 1981 is shown in Table 25. While most performance measurements indicate a decrease over the eight year period, the council's ability to generate operating income has grown steadily. North Dakota shows a 59 percent increase in income since 1974. Montana shows a 21 percent increase for the same period.<sup>15</sup>

Since 1974 the council has decreased in youth membership by 31 percent. This contrasts with a 42 percent decrease in Montana. Although Montana began with a higher percentage of youth served at 27 percent<sup>16</sup> compared with North Dakota's 21.1 percent, by 1981 North Dakota had 14.6 percent of its total youth available enrolled, while Montana had 14 percent. These percentages are slightly lower than the 17 percent average in the North Central Region and 15 percent in the National Council.<sup>17</sup>

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<sup>13</sup>Ibid.

<sup>14</sup>Interview with Jim King.

<sup>15</sup>See Table 15.

<sup>16</sup>See Table 4.

<sup>17</sup>See Table 16.

TABLE 25  
NORTHERN LIGHTS COUNCIL PERFORMANCE 1974-1981

1974	19,085	90,147	21.1	807		21		34.3	72.7	23.5	570,980	574,861	(3,881)
1975	16,004	87,239	18.3	716		16		39.3	77.3	37.3	539,465	559,677	(20,212)
1976	14,395	84,015	17.1	642		17		38.0	91.2	42.3	517,528	489,480	28,048
1977	14,859	113,297	13.1	668		17	64.4	42.6	98.1	47.1	685,023	586,964	98,059
1978	14,476			672		17	62.6	33.4	109.5	48.0	650,268	596,233	54,035
1979	13,156	100,225	13.1	637		17	62.7	39.1	108.8	52.9	673,974	671,606	2,368
1980	13,378	97,497	13.7	639		17	63.8	41.6	120.2	59.7	751,499	785,442	(33,943)
1981	13,716	93,793	14.6	661		18	57.1	30.9	111.5	53.7	909,276	932,785	(23,509)

A - Total Youth Membership  
 B - Total Youth Population  
 C - Percentage Youth Served  
 D - Total Units  
 E - Total Adult Members  
 F - Total Professional Staff  
 G - % Top Unit Leaders Trained  
 H - % Scouts Attending Long Term Camp  
 I - Cub Advancement per 100  
 J - Scout Advancement per 100  
 K - Total Operating Income  
 L - Total Operating Expenses  
 M - Surplus/Deficit

Source: Jim King, Northern Lights Council, October 1982.



### Summary

The four councils in North Dakota were struggling under similar conditions to those in Montana. Unlike Montana, North Dakota's consolidation emphasized the use of a state-wide study committee for evaluation. Scouters responded well to the proposal of the study committee and near unanimously approved the consolidation plan. Unlike Montana, North Dakota hired a much respected professional as Scout Executive who was from that state. The Northern Lights Council's performance record is very similar to the Montana Council's in all areas except finance. While North Dakota has shown mild deficits in four of the eight years in which data is available, they have had some significant surpluses in the other four years. Montana has shown two surpluses in ten years and has had several major deficits. North Dakota's growth in income is considerably superior to Montana's.

The engineers of North Dakota's consolidation were very concerned with local Scouters' attitudes. Steps were taken to maintain the status quo when at all possible so as not to alienate leaders. Unlike Montana, North Dakota did not create any new volunteer boards. All decision making authority was placed in a single Executive Board which was recruited from top corporate and governmental leaders around the state.

## CHAPTER V

### EVALUATION AND RECOMMENDATIONS

#### Did the Consolidation Accomplish Its Objectives?

As stated in Chapter II, the consolidation of Scouting in Montana was intended to accomplish three objectives: one, generate savings from reduced duplicated overhead; two, provide for expanded services by the increased staff and resources derived from the generated savings; and three, bring added prestige and exposure to Scouting. Each objective will be evaluated separately to determine the degree of success.

#### The Generation of Savings

The consolidation did reduce duplicated overhead. The four previous councils each had a highly experienced professional serving as Scout Executive. After consolidation, only one Scout Executive was needed. The savings in salaries alone from reducing the number of veteran executives is obvious. Further savings were generated by reducing the travel expenses to regional and national meetings by the Scout Executive. One individual definitely travels cheaper than four.

In addition, a consolidated council requires only one bookkeeper, one computer system, one business manager, etc., as opposed to one in each of four councils. One larger council can save on bulk purchases of supplies reducing costs further. There is little question that the consolidated council was able to save money due to several key scale economies.

It appears, however, that several diseconomies resulted from the consolidation as well. Due to the tremendous geographical area of Montana, it is necessary to maintain field offices. This requires secretarial and field executive support away from the central office which may not be cost effective. Travel to centralized meetings over greater distances by professionals and volunteers is more expensive. Shipping costs of supplies and materials may be higher because items are shipped by bulk order to the central office, then shipped separately to the field offices. Telephone expenses will be higher because of the necessary communications that cannot be made in person.

Diseconomies may result in more intangible areas as well. Even though one bookkeeper may replace four bookkeepers, the increased workload may reduce the quality of the work performed. The same is true for the Scout Executive and business manager. In addition, production can be decreased by problems of communication between leaders in the central office and leaders in the field. Frequency of meetings to build morale and strengthen team spirit are reduced because of the cost of travel.

It is beyond the scope of this paper to probe deeply into all aspects of savings as compared to dissavings. In summary, however, it is obvious that although the consolidation benefited from some savings due to economies of scale, those savings are offset by significant numbers of diseconomies. The net change in organizational efficiency is not clear.

### Expanded Services

One of the major ways by which the consolidated council was to expand services was by using the savings from economies of scale to hire

more professional staff members. More professionals recruit and train more volunteers who organize more Scout units, train more unit leaders, conduct more summer camps, etc. In 1973 the professional staff increased from 12 to 17. Anticipated savings from reduced overhead were spent on placing more men in the field. Since only one Scout Executive was needed, less experienced and new men could be placed in many staff positions at lower salaries, thus freeing more money for additional staff.

As the consolidated council began having fund raising difficulties, however, cuts in the professional staff resulted. By 1982, the professional staff was almost half of what it was in 1973 and three less than in 1972. A smaller staff recruited and trained fewer volunteers. The result was less money raised, fewer units organized, less youth brought into the program, and fewer leaders trained. In short, services were contracted, not expanded.

Included in the objective of expanding services through a larger staff was a claim that a consolidated council would provide greater advancement opportunities for quality professionals and thus increase their tenure in Montana. The record of staff members in the Montana Council based on service for five years or more is shown in Table 26. As indicated, only seven of forty or 18 percent of the staff served more than five years. Of those seven, three are still employed, one retired, one transferred, and two resigned. No professional staff member has served continuously since the consolidation. Nine staff members or 23 percent have transferred before serving five years. Seven are still employed and one has retired. Sixteen individuals with less than five years tenure have resigned. Since nearly 50 percent of

TABLE 26  
 STATUS OF MONTANA COUNCIL PROFESSIONAL STAFF  
 SINCE 1973 ACCORDING TO YEARS OF SERVICE

	Served in Montana Council Less Than Five Years	Served in Montana Council More Than Five Years
Still Employed	7	3
Retired	1	1
Transferred	9	1
Resigned	16	2
TOTAL	33	7

Source: Interview with Charlie Pearson, Great Falls, Montana, May 1982; interview with Dan Kenny, N. W. Grizzley Base Camp, Montana, July 8, 1982.

the Montana Council staff have resigned, 23 percent have transferred before serving five years, and only 8 percent have five years tenure and are still working, it appears that the consolidation plan has not fulfilled its objective of providing advancement opportunities to staff members.

As discussed in Chapter III, many of the declining performance indicators visible in Table 15 may be attributable to social, cultural, and organizational problems outside of the Montana Council. Promoters of the consolidation, however, were confident that the Montana Council could raise sufficient funds to support basic administrative services as well as expand programs.<sup>1</sup> Since the Council has demonstrated an inability to raise funds and maintain a viable professional staff, it must be concluded that the consolidation has not met its previous objectives of expanding services.

#### Added Prestige and Exposure to Scouting

As quoted in Chapter II, the writers of "A Management Concept for Montana" advocated that a larger council would gain more state-wide dominance and more exposure. This exposure was intended to result in greater state-wide corporate gifts. Leaders of the new council realized only after the consolidation how few state-wide corporations there are in Montana. The small success Montana has realized in raising money as compared to North Dakota and the rest of the nation clearly indicates a failure concerning this objective.

The larger council was also intended to attract larger numbers of volunteers. In fact, numbers of adult volunteers have declined

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<sup>1</sup>"A Management Concept for Montana," p. 8.

42 percent since 1968<sup>2</sup> and 17 percent since 1977. Increased prestige may also be measured by the number of professional staff that have resigned or transferred as mentioned earlier.

Many local leaders became disenchanted because of the major emphasis on organizational efficiency. Concepts such as reduced duplication of administrative services and increased economies of scale are hardly psychologically fulfilling to an individual's needs.<sup>3</sup> According to Schein, ". . . a climate based on assumptions of rational-economic man is most likely to produce defensive antimanagement groups. Such groups will arise to give their members the sense of self-esteem and security that the formal organization denies them."<sup>4</sup> Many local Scouters felt alienated and insecure because a larger consolidated council seemed to be beyond their local experience. They envisioned the state operated Scouting program as being a threat to their individuality and their independence.<sup>5</sup> Perceptions of Scouters will be explored further in a later section. Frustration and alienation on a local level, however, are not promoters of increased prestige.

Consolidation has brought additional negative forms of exposure to Scouting in Montana. A state-wide council that has problems paying its debts, soon develops that reputation state-wide. A reputation for

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<sup>2</sup>U. S. Congress, House, Annual Reports to Congress - Boy Scouts of America, 1968, pp. 179, 186.

<sup>3</sup>Edgar H. Schein, Organizational Psychology, 2nd ed., (Englewood Cliffs: Prentice-Hall, Inc., 1970), pp. 11, 87, 117.

<sup>4</sup>Ibid., p. 87.

<sup>5</sup>Werner Z. Hirsch, The Economics of State and Local Government (New York: McGraw-Hill, Inc., 1970), pp. 274, 277.

major deficits and the inability to generate financial support is not a good base for the development of new givers among corporations and foundations. Their gifts are usually based on the recipients' credibility.

The consolidation has apparently resulted in some advantages for Scouting that may not have been present within the original four councils. Supreme Court Justice John Harrison served as Council President for two years. Both Tom Judge and Ted Schwinden have served as Honorary Membership Chairman while serving as governor. The Council Annual Meeting in 1980 held the first of its sessions in the Senate Chambers. The design of a Montana Council patch and a Montana Council flag allow Scouting to identify directly with the glory and traditions of Montana as a state. These are advantages that may relate directly to being a state-wide council.

In conclusion, it must be said that the 1973 reorganization has both increased and decreased the prestige of Scouting in Montana. This net effect is difficult to determine also.

#### Factors Opposing the Success of Consolidation

Many of the difficulties of the Montana Council are difficulties that consolidations of small governmental units have also encountered. Werner Z. Hirsch in The Economics of State and Local Government points out that ". . . consolidation did not offer as many advantages as the first protagonists claimed."<sup>6</sup> He states that large and small scale mergers have declined in the postwar period

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<sup>6</sup>Ibid., p. 276.



because the anticipated economies of scale have been exceeded by diseconomies due to the resulting cumbersome organizational machinery. Studies of proposed consolidations have determined that net gains in economies of scale only result when the organizations fit within a particular range of size. Many of these studies have proven very complex when important intangible effects have been considered. Several proposed consolidations of police stations and school districts were found to bring no net increase in economies of scale.<sup>7</sup>

The National Council of the Boy Scouts of America apparently initiated their numerous council mergers in the early 1970's based on the results of a study conducted by the president of General Motors. The study featured a computer simulation of a number of various sized councils resulting in a model of optimum size.<sup>8</sup> Such models usually deal with clear cut measures of efficiency and avoid individualized local complexities.

One of the major differences of Montana with any other continental Scouting organization is the incredible size of the territory. Initiators of the 1973 consolidation did not take this factor into account.<sup>9</sup> Centralized meetings of the Executive Board, professional staff, or other council committees require a substantial investment in time and money for participants to get to the meetings. This problem has increased dramatically with the rise in the cost of fuel since 1973. The increased expense of traveling to meetings

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<sup>7</sup>Ibid., pp. 178-182.

<sup>8</sup>Interview with Bob Hanawalt.

<sup>9</sup>Interview with Bob Hanawalt; interview with Don Leuschen.

results in fewer people attending the meetings. Poor attendance detracts from acceptance and support of council objectives.

Hirsch quotes James Schlesinger as stating, ". . . large organizations suffer from geometric increase in the difficulty of (a) successfully communicating intentions and procedures, (b) establishing a harmonious system of incentives, and (c) achieving adequate cohesion among numerous individuals and sub-units with sharply conflicting wills."<sup>10</sup> Clearly travel expense and communications problems have been significant diseconomies of the consolidation in Montana. Although North Dakota has apparently resolved the geographical problem to a greater degree, North Dakota is only half as large as Montana and, therefore, did not have the same size of problem.

"A further distinct diseconomy of consolidation is that it removes people from their government,"<sup>11</sup> or in Montana's case it removes decision making from the local area. Hirsch advocates the "town meeting" as being a crucial element in generating organizational support from local residents. When only a few can afford the time and expense of traveling to centralized state meetings, the remainder of the people ". . . feel frustrated and disenfranchised." Hirsch continues:

. . . Some may conclude that they have no way of affecting government decisions although such decisions heavily affect them. Sociologists and psychologists have concluded that in extreme cases of frustration people tend to turn to illegitimate

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<sup>10</sup>Hirsch, The Economics of State and Local Government, p. 274.

<sup>11</sup>Ibid., p. 275.

forms of protest - civil disobedience, riots, assassinations, etc. - in order to get their government to listen to them.<sup>12</sup>

While Montanans have not yet resorted to illegitimate forms of protest, the two requests from the Western Area to consider dividing the council are certainly indicative of unrest. The failure of Montanan people to support the Montana Council financially may also be considered a form of protest.

Council financial support by geographical service areas is shown in Table 27. Total income, expenses, and the balance for each area is shown in the right hand column for the years 1977 to 1982. The North Central Service Area with headquarters at Great Falls leads all areas in raising \$622,378, \$19,419 in excess of their fair share. Three Feathers or Butte ranks next with total income \$43,502 less than expenses. The Yellowstone Area centered at Billings has fallen short of its share of expenses by \$128,313. The Western Service Area has raised a total income of \$499,514, an incredible \$254,235 below its share of the council budget. The total shortage of \$406,631 was largely financed by the proceeds from the sale of the Flaming Arrow Scout Ranch.

Surely there is no coincidence that the two councils originally most opposed to the consolidation are the two least willing to raise their share of the budget. The Western Service Area has also formally declared itself as reluctant to continue as part of the consolidated council. The service area containing the central office within its geographical area is the most supportive of

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<sup>12</sup>Ibid.

TABLE 27  
 INCOME & EXPENSES BY SERVICE AREA  
 1977 - 1982

Yellowstone Valley Service Area

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total 1977-82</u>
Income	56,953	58,715	71,216	80,821	76,402	102,846	447,953
Expenses	81,338	86,812	100,662	96,627	104,301	106,526	576,266
Balance	(24,385)	(28,097)	(29,446)	(15,806)	(27,899)	(3,680)	(128,313)

(Plus Development of K Bar M Scout Ranch on Council-Owned Land)

Three Feathers Service Area

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total 1977-82</u>
Income	77,873	74,268	74,244	87,768	96,989	83,052	494,194
Expenses	83,868	89,513	103,794	84,007	77,725	98,789	537,696
Balance	(5,995)	(15,245)	(29,550)	(3,761)	(19,264)	(15,737)	(43,502)

(Plus Refurbished Camp Arcola, 320 Acres of Council-Owned Land)

Western Service Area

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total 1977-82</u>
Income	62,420	75,032	82,722	84,957	93,282	101,101	499,514
Expenses	108,812	116,135	134,664	130,625	123,635	139,878	753,749
Balance	(46,392)	(41,103)	(51,942)	(45,668)	(30,353)	(38,777)	(254,235)

(Plus Built Northwest Grizzley Base Camp with \$200,000 in Improvements on State-Leased Land)

North Central Service Area

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total 1977-82</u>
Income	83,170	88,900	100,662	110,080	116,075	123,491	622,378
Expenses	86,760	92,600	107,373	123,605	114,759	116,700	641,797
Balance	(3,590)	(3,700)	(6,711)	(13,525)	1,316	6,791	19,419

Council Other Income and Expenses from Trading Posts, Bequests, Foundations, C. E. T. A., Interest, Camping Other Activities, Gas Well, Mineral Leases have not been prorated to Service Areas.

Source: Charlie Pearson, Summary Finance Report, April, 1983.

a centralized council. It would be interesting to speculate on what the results would be if council headquarters had been placed in Billings or Missoula.

People often react negatively to changes imposed upon them by management.<sup>13</sup> Negative reaction to changes due to consolidation was compounded by reactions to changes in the Scouting program nationally. In conformance to Boypower '76 objectives, the commissioner program was eliminated, a new Boy Scout Handbook was issued, the advancement program was revised, and the Family Sustaining Membership Enrollment (SME) program was added.<sup>14</sup> Montana Scouters may not have differentiated between negative aspects of the consolidation as opposed to negative aspects of the national program. They probably would hold the Montana Council totally responsible since it is the most visible Scouting organization to them.

The process by which the consolidation in Montana was brought about certainly could have been handled differently. North Dakota leaders worked hard to reduce alienation among local leaders. Unnecessary change was discouraged. Council meetings were moved around the state so more leaders could attend. A concerted effort was made to immediately increase service so local leaders could see a visible benefit from consolidation. A study committee was organized that went out and talked with leaders to get their input. Although the decision of the study committee to recommend consolidation may have been moot,

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<sup>13</sup>Paul R. Lawrence, "How to Deal with Resistance to Change," in Organizational Psychology, 2nd ed., ed. David A. Kolb, Irwin M. Rubin, James M. McIntyre (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1974), pp. 425-426.

<sup>14</sup>Interview with Dan Kenny.

the positive communication to local leaders that their opinions and concerns were important was not.

In Montana the method was to convince the people of a decision already made. There was no study committee or fact-gathering period to buffer the perceptions of volunteers. The result of consolidation was to demoralize many local leaders.<sup>15</sup> Their independence and pride in decision making was threatened. There was something disheartening about taking away the local program and combining it with that of the entire state. Many of the negative perceptions of Montana Scouters both at the time of approval and over the next ten years may be attributed to the quick and callous way the consolidation plan was implemented.

A further difficulty of creating a larger consolidated organization is pointed out by Hirsch. Large organizations are less capable of anticipating, recognizing, and adjusting to change than smaller ones:

To influence a large organization - to get the prevailing doctrine changed - is a time consuming process, and by the time it is accomplished, the new views will themselves be on the verge of obsolescence.<sup>16</sup>

He states that centralized organizations reflect a "declining incentive to consider alternatives" and may "neglect the variety of choices open to them."<sup>17</sup> Perhaps the larger Montana Council is now incapable of making any decisions relevant to increased organizational effectiveness in the future.

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<sup>15</sup> Interview with Don Leuschen.

<sup>16</sup> Hirsch, The Economics of State and Local Government, p. 274.

<sup>17</sup> Ibid.

A final possibility as to why the Montana Council has failed to fulfill the objectives of consolidation may lie with individual leaders themselves. Due to the negative aspects of consolidation and the negative aspects of change at the national level, it is difficult to evaluate the administrative competency of individual professional and volunteer leaders. In North Dakota, the presence of a key individual such as Peter Paulson as Area Director and then as Scout Executive apparently had a very positive effect on the success of their merger. In Montana, both Scout Executives were individuals from the midwest and had never lived in Montana before. Perhaps leaders recognized as having lived within the state or in areas of close proximity would have made a difference in local response. North Dakotan Scouters apparently accepted consolidation as initiated by an individual from the state. Montana Council policy made under funding problems to hire new inexperienced executives may have had an effect also. Volunteers could have blamed the consolidation for mistakes made by inexperienced staff members. The turnover in the professional staff as shown in Table 26 may have been a significant factor as well.

#### Is It As Bad As It Seems?

The Montana Council has received harsh criticism on numerous issues from numerous individuals. As explained previously, changes and problems at the national level are responsible for some of the blame. The tremendous decline in interest in the Scouting program nationally is a reflection of problems well outside the responsibility of Montana.

It may be considered an accomplishment that the council has survived at all considering the many negative factors it has encountered in the last ten years. Four councils attempting to face similar difficulties may have ended in much greater disaster. Since 1973, there has been an 89 percent increase in prices, yet the Montana Council continues operations on only a 48 percent increase in income. A consolidated council may be the only vehicle by which Montana Scouting survived such a decade of trials.

#### Recommendations for the Future

Based on the preceding review and evaluation of information, the following recommendations seem to be in order:

##### Organization of a Study Committee

Council leaders should immediately organize a study committee to consider the future feasibility of a single Montana Council. This recommendation has already been acted upon in the September 1982 resolution of the Western Service Area. Resistance in support of a single council should not be thought of as something to be overcome. It should be considered as " . . . a signal that something is going wrong."<sup>18</sup> This study group needs to gather and evaluate all relevant information concerning the future of the Montana Council. It needs to gather input from the grass roots Scouter as well as the council officer. As shown by North Dakota, the most important result of such a study may be the restoration of confidence in local Scouters that someone cares about their attitudes and feelings. The

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<sup>18</sup>Lawrence, "How to Deal with Resistance to Change," p. 435.



study group must determine the best organizational structure to administer Scouting to Montana in the 1980's.

### Multiple Councils

If the study committee determines that Scouting can best be administered by smaller councils, then the Montana Council should be divided according to the most realistic plan. As stated earlier, the consolidated council structure with its resistance to change may make such a decision unlikely. Decision makers at both the professional and volunteer levels will have difficulty evaluating alternative arrangements. "Changes in the environment can only be appreciated by small groups initially."<sup>19</sup> Division into multiple councils may only come as a result of vigorous pressure from the service areas.

One key issue underlying the effectiveness of multiple councils is whether more than one council can support itself financially. Four councils in 1973 were struggling financially. The consolidated council in the following decade has also struggled financially. Intense research in the local areas will be necessary to determine the extent of increased fund raising that may accompany a return to multiple councils.

### Decentralization Within the Consolidated Council

If a multiple council organization is not deemed appropriate, then an alternative form of single council organization should be considered. Alternatives will be dependent on National Council bylaws and guidelines. Increased fund raising and volunteer support

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<sup>19</sup>Hirsch, The Economics of State and Local Government, p. 274.

may accompany a decentralization in responsibility and decision making. Greater accountability for fund raising as well as budgeting could be effectively placed on the service area level. Decentralization in decision making will be faced with similar difficulties as division into multiple councils. Change will come slow in a large organizational structure.<sup>20</sup>

An effective decentralization could allow increased local decision making and localized budgeting. The centralized council structure could still administer overall bookkeeping, personnel files, computer services, etc., to take advantage of desired economies of scale. One Scout Executive could continue to recruit and train competent professional staff members as well as interface with the National Council. Professional Field Directors would handle area operations in conjunction with an Area Board. Decentralization of key administrative functions could decrease the conflict between service areas and council objectives. Intergroup relations could become less competitive and more collaborative.<sup>21</sup>

The service area concept as conceived in Montana may originally have been designed with these ideas in mind. The actual provision as outlined in the current bylaws, however, appears to be only a minor concession to decentralization. The same section which provides for the existence of an area committee also excludes legislative authority from the committee. The area committee's function presently is

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<sup>20</sup> Ibid.

<sup>21</sup> Schein, Organizational Psychology, p. 96.

restricted to making "effective within the service area, policies and programs adopted by the Corporation."<sup>22</sup>

#### A Long-Range Plan for Recruiting a Professional Staff

Appropriate leaders should implement a long-range plan designed to hire and develop a competent professional staff in Montana. Careful investigation should be given to the causes of the excessive turnover of previous staff members. Increased salaries and benefits to more experienced professionals may more than pay for itself in increased productivity.

Recruitment of Scout Executives should emphasize the selection of individuals whose leadership styles relate to the psychological environment of Montana Scouting. The Scout Executive must provide expertise in the technical matters of administration such as program planning, budgeting, and money raising, but must also activate the necessary social influence among the disparate geographical areas to achieve mutually shared goals. The successful implementation and correlation of increased decision making at the service area level will particularly require adequate delegation of authority and participative management. "Knowledge, reason, and technical know-how will not suffice" as qualifications for the professional staff in Montana; additional skills in the "arts of persuasion and inducement, of tactics and maneuver, of all that is involved in interpersonal relationships"<sup>23</sup> are

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<sup>22</sup>Bylaws of the Montana Council, Boy Scouts of America, Article VIII, Section 2.

<sup>23</sup>Norman H. Martin and John Howard Sims, "Power Tactics," in Organizational Psychology, 2nd ed., ed. David A. Kolb, Irwin M. Rubin, James M. McIntyre (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1974), p. 178.

critical for effective council management. Perhaps an individual from Montana or an adjacent state that fulfills all other qualifications may contribute an additional unifying influence on volunteers.

#### A Long-Range Plan for Recruiting Volunteer Leadership

The long-range plan for building a competent professional staff should be accompanied by a long-range plan to recruit high caliber volunteer leaders. North Dakota's efforts of recruiting capable business and corporate leaders from around the state is a good example.

#### An Emphasis on Strengthening Psychological Support

Montana must follow North Dakota's example in strengthening the psychological support of local leaders. The professional staff and volunteer leaders must feel motivated to achieve the central objectives of the council. This motivation will be attained only when they feel that the goals of the council are a "satisfactory integration and expression" of their "values and needs."<sup>24</sup> Extensive efforts must be made to involve local leaders in decision making. In North Dakota this was accomplished by recruiting representative Executive Board personnel from around the state who consulted local leaders prior to decisions. Due to the much larger size of Montana, decentralization of decision making to the service area level would allow more local leaders to attend decision making meetings. Involvement in planning and decision making is crucial for organization members to support the objectives of the organization.<sup>25</sup>

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<sup>24</sup>Rensis Likert, "The Nature of Highly Effective Groups," in Organizational Psychology, 2nd ed., ed. David A. Kolb, Irwin M. Rubin, James M. McIntyre (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1974), p. 192.

<sup>25</sup>Ibid., p. 195.

Even at the service area level, there are many local leaders who will not be able to attend key meetings. Efforts must be made to keep these individuals informed and to obtain their input prior to decisions. Increased involvement and participation in decision making on a more localized level can "release reserves of energy and initiative" in individuals and thus increase productivity.<sup>26</sup>

#### Summary

The consolidation of the Montana Council has not fulfilled the objectives of its initiators. The generation of savings from increased economies of scale was offset by a number of diseconomies arising from the large geographical area of the state. The anticipated expanded services have in fact contracted due to the decreased ability to raise the necessary supporting funds. There has been a large number of resignations and transfers among the professional staff. Increased prestige and exposure of Scouting in the state has also been offset by negative developments that make any net improvement questionable.

It appears that the consolidation has had a profound negative effect on the level of support from many local leaders. The constraints of time and expense prevent many leaders from traveling to centralized meetings and, therefore, from sharing acceptance and support of council objectives. Missoula and Billings have not indicated acceptance of consolidation since they opposed the idea originally and have not supported it financially.

The Scouting program in Montana was affected by organizational and social changes beyond the control of Montana. There appears to be

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<sup>26</sup>Carole Pateman, Participation and Democratic Theory, (London: Cambridge University Press, 1970), p. 108.

a distinct relationship, however, between consolidation and the Montana Council's inability to raise funds. The failure of people not living in the headquarters city to grant financial support may be considered a form of protest.

The process by which the consolidation was implemented could have been improved. A study committee may have bettered the perceptions of local leaders towards change by showing concern for their attitudes and feelings. Unnecessary change could have been avoided so as to minimize psychological impact.

Even though consolidation has had a negative effect on Montanan Scouting, it may have been the only administrative vehicle that could have survived the 1970's. Four councils may have encountered overwhelming difficulties in facing inflation and the other problems of the decade.

A study committee should be organized to study the future feasibility of a single council. Since a single council is not being adequately financed by its members, it should be divided into multiple councils or decentralized in budgeting and decision making power. The return of decision making to the local level may be the only way to strengthen financial support. Either structure must include a plan for recruiting quality professional and volunteer leadership.

The past decade has had a critical effect on Scouting in Montana. How Montana faces the next decade may be even more critical. A consolidated Montana Council as organized today does not appear to be the most effective method of administering the Scouting program. Only courage and dedication to quality will motivate Montana leaders to make the appropriate changes.

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