THE LOCAL FOCUS GROUPS

Executive Summary

The local executive officer focus groups were the second of four evidence streams in the PBA current state analysis. Fourteen executive officers participated across the three sessions, representing associations from under 40 members to nearly 400, from one-person, volunteer-adjacent operations to multi-staff organizations, and from EOs in their first year to those with over 30 years of tenure.

Where the member survey measures how members feel about PBA and its programs, the focus groups reach the relationship the survey structurally cannot: the local where members join, engage, renew, and sometimes, leave. Findings include:

No one defended the status quo. Across nearly six hours of facilitated conversation and three size tiers with sharply different resources, not one participant argued for preserving PBA's current operating model. The disagreement is entirely about what replaces it.

Advocacy is the only universally endorsed asset, and the endorsement is narrower than it looks. Every tier named government affairs as the most valuable PBA offering, consistent with the member survey. What EOs praise, though, is two responsive individuals rather than a program: the grassroots layer beneath the lobbyists has thinned, and legislative wins (or stops) often go uncommunicated to EOs and members.

The dues increase was rejected in every tier, and the tabled number is already doing damage. The fall board statement that members should "be prepared for" a per-member increase surfaced unprompted in all three sessions. Small locals said "we're done"; mid-size locals said "our local will go under"; large locals called it devastating even for financially strong associations. More corrosive than the opposition is a suspicion that the outcome of this report is predetermined and the dues increase will happen no matter what.

The retention picture is local. Participating locals described declines from 650 to 80 members, from 800 to roughly 150, and from over 200 to the 70s, alongside one large local that grew from 74 to 400 on local advocacy intensity. The drivers EOs name are concrete: retirement without succession, duplicate memberships across neighboring locals, the loss of specific benefits – from the insurance era's golden handcuffs down to the dropped GM rebate – and a value proposition some members cannot see.

Uniform service to non-uniform locals is a recurring issue. The same PBA marketing templates that "make me look like a hero" for a mid-size EO are "unusable" for a large-size one. Small and mid-size locals want PBA to offer back-office support, including access to pooled tools and

resources; large locals want PBA to treat the local as its member while serving as an information broker on all statewide issues that could affect the member.

The onboarding vacuum is the most consistent operational complaint, and it is arriving at the worst moment. All three sessions eulogized PBA's defunct field-representative program. The de facto replacement is unpaid peer labor by EOs who are already overloaded, at a time when four to five new EOs are entering the corps statewide.

The Executive Committee's handling of this report is itself a credibility test. EOs carry a documented history of state input without action. The cheapest trust repairs are small, visible, early actions that do not depend on the larger model choice.

How to read these findings

Fourteen voices over three sessions. Focus group evidence establishes what EOs experience, what they believe, and where they agree and disagree. It does not establish prevalence. Where this report reads, "every tier," it means the theme surfaced in all three sessions, not that every EO in Pennsylvania holds the view.

The participants are the EOs whose circumstances allowed them to attend. The facilitator was advised before the small-local session that roughly 40% of small office EOs rarely respond to PBA outreach. The sessions themselves supplied the reason, and it is not a lack of commitment: EOs at that tier are often volunteers or paid part-time, work evenings and second jobs around the role, and answer to boards reluctant to pay for additional meeting time. One participant named specific peers whose working hours simply do not overlap with PBA's. Non-response is often a capacity constraint, and arguably a finding: PBA's outreach assumes a full-time, daytime EO that doesn't match the profile of a small office executive.

Attribution is by tier and role, not by name. Consistent with the confidentiality commitment made in every session, comments are attributed to the small, mid-size, or large tier. Where an anecdote is inherently identifiable, it is presented as factual context rather than attributed critique. One follow-up call with a large-local EO on May 19 is reported separately and weighted as a single conversation.

Accounts are one side of each story. Several findings below rest on EOs' recollection of how PBA handled a proposal, a program, or a request. PBA staff and leadership may remember those episodes differently. Analytically, what matters is that this perception is now operative among the people who carry PBA's case into local member renewal conversations.

1. Design, Participation, and What the Stream Can Establish

The three sessions ran against a common facilitator guide covering the state–local relationship, program value, onboarding and support, non-dues revenue, state funding, and the pathway forward, with small- and large-association conversations on sustainability and consolidation. Each session was virtual, recorded for transcription with participant consent, and ran well past its scheduled ninety minutes. Table 1 summarizes participation.

Table 1. Focus group sessions and participation

Session	Date	Tier definition	EOs
Small locals	May 6, 2026	Fewer than 80 builders and associates	3
Large locals	May 11, 2026	150+ builders and associates	7*
Mid-size locals	May 13, 2026	80 – 149 builders and associates	4
Follow-up call	May 19, 2026	Large-local EO	1

Source: Session transcripts and facilitator guide, May 2026. A retired PHRC staff member attended the mid-size session as an observer and is not counted. Tier assignments follow the size bands established early in the engagement.

**8 attended, but 7 actively participated.*

The tiered design was deliberate, and it proved to be an important methodological decision in the stream. One small-local EO stated plainly that in a mixed EO roundtable "my microphone would not be on, and neither would my camera." Another closed the same session by warning that in larger groups "the loudest voices in the room" dominate. The segmentation did not simply organize the data; it produced insight that PBA's standard EO roundtable format structurally subdues.

What this stream establishes that a member survey cannot. Members join and renew through their local association. The EOs are the counterparty in the renewal transaction. They hear why members choose to stay or leave, decide which programs to promote, and give members color and perspective on why they continue to forward dues to Harrisburg.

2. The Retention Evidence

Members do not leave PBA; they leave their local, and PBA's count falls with them. That makes the EOs' accounts of why members lapse the closest thing this engagement has to retention data. Those accounts also resolve a puzzle the survey created: small-local members hold PBA in as much regard as any segment (+38 goodwill), yet small locals lost 34% of their members between 2019 and 2025. Whatever is impacting non-renewal, it is not how they feel about PBA. Table 2 summarizes the trajectories some participants reported for their own associations, alongside the drivers each EO named.

Table 2. Membership trajectories reported by participating locals

Local	Earlier count, as recalled	Current	Change	Driver cited by the EO
Mid-size local A	800 (mid-2000s peak)	150	approx. −81%	Retirement without succession; land constraints; duplicate-membership drops
Mid-size local B	650 (late 1990s, insurance era)	80	approx. −88%	Loss of the health insurance program; collapse of local gas and coal employment
Small local A	200+ (prior peak)	75	approx. −63%	An inactive predecessor EO; members “see no value”
Mid-size local C	120 (two years ago)	83	approx. −31%	EO turnover and board changes
Large local (growth case)	74 (2012)	400	approx. +440%	Rebuilt around city-advocacy

Source: Session transcripts, May 2026. Figures are participant recollections, not roster data; baseline years differ by local. Drivers are the EOs’ own attributions, not verified causes.

Retirement is noted as the largest single driver of membership losses. A mid-size EO described most losses "because of retirement," with some next-generation owners retained and others "just not interested." Another has had the same president – an associate – for seven years because no one will take the seat. A small-local EO joked that the average age of his board is 115 and noted that members have served since the EO was in high school. The problem is not only that members age out but that the volunteer infrastructure that finds replacements ages out with them.

Duplicate memberships are quietly bleeding the count. A mid-size EO whose market borders other, larger locals, reported that firms belonging to more than one local "are dropping one or all because they have to duplicate PBA membership and duplicate NAHB membership." Members

ask what the total benefit is of paying the same state and national dues twice. Each dropped membership is a net loss for PBA, regardless of whether the firm remains in the federation elsewhere.

Specific benefits, lost or leaky, convert directly into non-renewals. A mid-size EO reported losing six members when NAHB dropped its General Motors affiliation; those members "saved the amount of their dues" on a vehicle. The Lowe's Pro discount is reportedly extended locally to anyone who claims to be a builder, so some EO's no longer advertise it. The PSECU benefit "is really not a benefit" to anyone with decent credit. As the EOs see it, exclusivity – the historical logic of affinity programs – has evaporated. Conversely, the workers' compensation program has "saved their dues for multiple years" for some members, and PA One Call is "the train that I ride" in every recruiting conversation. The tangible floor is narrow, and EOs know exactly how shallow it is.

Association health has decoupled from market health. Three cases make the point. One large local sits in one of the hottest housing markets in the country, and its EO describes the association as "all but dead." Another grew from 74 members to roughly 400 over fourteen years, driven by local advocacy, not its housing market. And a mid-size local whose county saw just 23 homes built last year still fields 80 members and a full program calendar, held together by remodeler members, trainings, and the workers' compensation program. A hot market with a dying local, an indifferent market with a growing one, a depressed market with a surviving one: none of these trajectories necessarily follow housing starts, and together they close off any prediction that membership will come roaring back when building does. On this evidence, a local's health depends more on what it does for its members than on where it sits.

Some members cannot see PBA, and some boards misdescribe it. A large local EO estimates that perhaps a tenth of its members know what PBA is. Another reported that a local strategic-planning consultant interviewed their members and "almost all of them say that they don't see the value of PBA or NAHB." A mid-size EO was told by their board that the state health insurance program had been eliminated, prompting a veteran EO to offer a quick rebuke. Reach mirrors the survey's funnel: one mid-size local reports a 10% newsletter open rate, another 43 to 48%.

The associate value question was raised and never directly answered. The sharpest account came from a large-local EO in the midst of a membership turnaround. Their associates formed a committee that grew "pretty aggressive" in demanding the association produce data on what membership was worth and why they paid the same as builder members. Leaders shut it down, not because the questions were unfair, but because they had no definitive data to provide. A second large-local EO reported the consequence that associates "are starting to drop off a little bit" — an observation made while arguing that no one translates advocacy wins into associate terms. No tier offered an associate-specific value answer; the closest the sessions came to a

theory of associate value was the derivative case, "if the builders aren't building, the associates aren't selling." These collective observations echo the survey's findings that associates ride the same value curve as builders at a consistently lower level. Associates are 2,094 of PBA's 3,392 dues-paying members (62% of the base), which makes this the largest unaddressed retention risk rather than a niche concern.

What this means. The survey shows that sentiment toward PBA does not necessarily translate into retention locally. The focus groups, however, provide some additional insights: an aging base without succession, a federated dues structure that penalizes firms joining multiple locals, a benefit stack that is builder-specific or whose exclusivity has eroded, and a value proposition that does not always reach the member. Each is addressable, and none is likely to be addressed solely by a model that treats only the local as PBA's member.

3. The Consensus Layer: Where All Three Tiers Converge

Small, mid-size, and large locals – groups with different resources and frequently opposed needs and interests – echoed similar sentiments.

Advocacy is a major asset, but it is eroding beneath the lobbyists. Every tier, unprompted, named government affairs as PBA's strongest function, matching the survey's value ranking. But the praise attaches to two people, not a program. The large-local session that championed advocacy also documented its thinning: the grassroots layer has "kind of slipped" (e.g., Hammers and Gavels) as staff cuts removed capacity beneath the lobbyists, and legislative wins go uncommunicated. Because advocacy's product is largely prevention, its value is structurally invisible to members:

> *"Oftentimes it's not what you pass, it's what you stopped."*
>
> *"We just won this, and we did this. My members don't know this."*

The implication runs against any scenario that narrows PBA to advocacy alone: the core is currently degrading below the lobbyist layer and failing to convert into perceived member value. Even an advocacy-only model would seem to require reinvestment in grassroots capacity and an advocacy-communications function, rather than simply preserving the current two-person configuration.

Three programs carry the tangible value proposition. PA One Call, workers' compensation, and the rebate programs were the only benefits cited with enthusiasm across the sessions, and the enthusiasm is concrete: one large-local EO reported members who have recovered "hundreds of thousands of dollars" through the rebate programs over the years, and a mid-size EO described workers' comp savings that covered members' dues "for multiple years." Exciting, but still a thin shelf, and it carries three complications. First, attribution: one EO observed that the workers' comp program "can stand alone; we don't even need PBA for that" — the strongest tangible benefit is the one least attached to PBA in some members' minds. Second, as outlined earlier, exclusivity in the affinity stack has waned: the Lowe's Pro discount and PSECU seem to offer little beyond what non-members are afforded. Third, friction: nothing on the shelf sells itself. EOs described reminding members every cycle to submit One Call invoices, and one filled out a rebate application to prove to a member "it wasn't all that hard". The invoice processing was experienced unevenly, with two locals reporting chronic payment confusion ("Is this paid? I sent this four times") while three others found it seamless. One EO attributed these issues directly to staff turnover: "it jumped from one person handling it, then they're no longer with PBA, then another person's handling it." Whether the criticisms are warranted or not, PBA's most valuable tangible programs are not seen as immutable.

A fourth program hovered at the edge of the shelf in every session. Demand for health insurance is current, not merely nostalgic. A mid-size EO recently signed two new members when the My Benefit Advisor product beat the Pennie exchange on price for sole proprietors and husband-and-wife firms: the only account in the sessions of a PBA-affiliated benefit actually closing new memberships today. Other EOs echoed the demand ("if we could figure out that health insurance piece, we would be golden"), even as a newer EO's board stated the program no longer exists. Set against the survey's lower rating for My Benefit Advisor, the pattern points to a constraint of awareness rather than economics as a mitigating factor.

The dues increase is rejected in every tier. The 2025 fall board statement surfaced unprompted in each session. Recalled variously as $75 to $150 per member, the range in the retelling is itself evidence of how it has circulated. The small-local response was immediate and unanimous: “we’re done!” Mid-size EOs predicted their locals would “go under” or “be reduced to small-local status.” Large locals called it devastating even for financially strong associations, and framed it as PBA closing a budget gap without examining the budget:

> *“They [PBA Leadership] were suggesting a dues increase just to fill the gap of the budget… they didn’t want to explore what the problem is.”*

More corrosive than the opposition is the suspicion of predetermination. A small-local EO told the group that "the future of PBA is predetermined" toward a GA-only model regardless of this analysis. A large-local EO said they want "to trust the process" but expect the conclusion to be a dues increase that the EOs are then told not to contest. If the analysis is perceived as a pretext, its findings will be discounted before they are read. Any dues action that survives the analysis *must* be sequenced after demonstrable new value, not ahead of it.

Process skepticism: the expectation that nothing will happen. Distinct from the suspicion of a predetermined outcome, some doubted that recommendations would be acted on. EOs across tiers recounted a history of providing input without PBA action: a non-dues program that sat in vetting for three years until the local launched it alone; commissioned branding work presented on request and then abandoned; a locally authored budget-repair analysis that was praised and shelved; and an IT-savings proposal of roughly $60,000 that lapsed when the vendor contact moved on during implementation delay. A large-local EO summarized follow-through as something that "takes years" of constant reminders and usually produces nothing. Another EO bluntly stated: "Even when you put that in your report … you won't get anywhere with it. God bless you, buddy."

The onboarding and field-support vacuum. All three sessions independently eulogized PBA's defunct field-representative program. New EOs are dropped in cold, and the de facto onboarding system is unpaid peer labor by EOs who are already overloaded. One veteran EO recalled a field

rep sitting down with their team: "Here's your basics. Let me tell you about the three-in-one membership, etc." A relatively new EO described sitting in the office at 8 p.m. in tears, unable to submit a monthly NAHB report and having no one to call. A large-local EO called the role "the hardest job I've ever had" and confirmed that no one from PBA made contact when they started; they learned of the PBA EOC from the consultants the board had just dismissed. A mid-size EO recently avoided an $80-per-day PACA penalty only because PBA's departing bookkeeper personally cautioned them.

What runs through these accounts is not disengagement but unmet need. The newest EOs are the ones rearranging their schedules to attend trainings, cold-calling veteran peers, and chasing down unfamiliar programs for lapsed members "just for the learning experience", signaling, in every way available to them, that they want to learn the role. What they cannot find is anyone whose job it is to teach them. The gap is entirely on the supply side, and it bites hardest in the first year, exactly when a struggling local's survival depends on its new EO finding footing.

The insurance era is the skeleton key to understanding PBA today. Long-tenured participants in every session located PBA's peak in membership, staffing, and local health to the pre-ACA association health insurance program. One mid-size local had 600 of 650 members enrolled and reportedly drew roughly $15,000 per month in residuals. A large-local EO's assessment that PBA was "bloated with staff" on insurance money and never restructured when it ended is the most economical explanation of PBA in the years following ACA. It reframes the present as fifteen years of deferred restructuring rather than recent mismanagement, and it indicts no single living administration.

4. The Tier Divide: Where the Groups Diverge

Table 3 briefly summarizes where the tiers stand on the questions that divide them.

Table 3. Tier positions on the questions that divide them

Question	Small locals	Mid-size locals	Large locals
Who is PBA's customer?	Both: because the local cannot generate member-facing value alone and locals need support	Both: member programs and back-office infrastructure are necessary	The local: PBA should stop inserting itself between locals and members
PBA marketing materials	Used and appreciated; flyers go out with local mailings	"Makes me look like a hero"; goes straight into renewal packets	Unusable, error-ridden; recreated in-house
Consolidation of weak locals	Predatory; some locals "are waiting for others to fail"	Little direct engagement; the existential fear ran through the dues increase, with becoming a small local or eventually being absorbed, as the feared endpoint	Managed proactive restructuring; school-district-merger analogy
Workforce development	Passionate, with firsthand examples	"Our time to shine"; proposals to the July board	Was not really discussed
What PBA should do first	Hire someone with non-dues revenue experience; revive non-dues programs	Standardize platforms, group purchasing, payroll statewide; focus on non-dues revenue	Get the house in order: policies and procedures, staffing restructure, subcontract specialists

Source: Session transcripts. Positions are the dominant view expressed in each session, not unanimous votes.

Marketing materials are the cleanest divide. This is the sharpest illustration of the uniform services problem. Some small and mid-size EOs described the communications output as material and indispensable, placed in renewal and new-member packets, and saving hours a week. Some large locals described the same material as “unusable” for their needs and chose to manage marketing material in-house. To paraphrase an EO observation: one PBA staffer is producing for 27 locals when roughly a quarter neither want nor use the product. The criticism arrived with sympathy for the staff rather than blame and underscores the sentiment that PBA takes a uniform approach to all locals. Instead, a formal opt-out and a tiered distribution could save valuable time and resources.

Who is PBA's customer? The large-local group converged on what they believe is the clearest answer: "…they need to shift to focus on the local being their member." However, no one offered a concrete example or vision of what that looks like. In practice, the principle sits uneasily with the three-in-one structure, in which a portion of every member's dues funds state operations and members expect, at minimum, a basic level of services in return. The small-local group suggested that PBA offer both member- and HBA-facing programs and discounts, precisely because they lack the capacity to generate them locally. The mid-size group did not necessarily resolve to either pole because they're staffed enough to run their own programming but not self-sufficient enough to forgo state support. Instead, some groups asked for functions "standardized across the board," including a shared membership platform, group purchasing, and back-office support. Their needs are clearly different, and a single uniform model cannot satisfy them all at once.

Consolidation is a concern. One large-local EO argued that non-viable HBAs should be wound down and their territories actively restructured. The small-local session, days earlier, had described exactly this posture as predatory, naming large locals that want "territory" without intent to service it. Two facts discipline the debate. First, absorbed territory does not immediately mean serviced territory. One large local recalled absorbing "a few locals" in the last decade and found that many of the members just don't renew. The smallest locals collectively represent roughly 400 members, about 12% of statewide membership, whose renewal through a distant absorbing local is unproven. Second, one small-local EO described currently growing into neighboring territories with expressed plans to serve them. The question is not whether consolidation will happen; it is whether it is actively planned and managed or simply left to attrition.

Workforce development support runs on a gradient, and intensity is inverse to association size. Earlier leadership conversations held that program graduates largely go union or commercial, and questioned whether the program does anything for residential labor supply. Put to the small-local group directly, that framing drew immediate pushback, and the rebuttal was not about labor supply at all.

Each example the EOs offered was a membership example. One EO reported that two members who signed in the preceding months were graduates of local career and technical programs: one now runs a construction company, and the other an HVAC business. Another described a 22-year-old who came out of the local Career and Technical Institute, went back to the member firm he had co-oped with, and started his own business—a recruitment target as soon as he is established. The same EO noted that graduates who take union or commercial work do not necessarily stay: "Not all of them stay there... I have a relative that's doing that right now. He's

about to get out of it. He'll be on my membership list." A third reported that a local technical school is itself considering membership.

On this evidence, the value of workforce development to a small local is not primarily labor supply. It is member acquisition, in the tier losing members fastest. That is a different claim from producing labor supply for residential contractors. No participant could cite placement data; the accounts are firsthand but anecdotal, and three cases do not establish a pipeline.

The same EOs described concrete, low-cost barriers PBA could remove. One reported that the standard objection at EO meetings to inviting technical school students is that alcohol is served. Another was driving an hour with four members to get eleven courses endorsed because no one else had volunteered. A third was presenting a $250 PBA award at a graduating seniors' dinner, the first time either they or their predecessor had done so.

A mid-size EO called workforce development "our time to shine" and planned to bring proposals to the July board, including making the endorsed trade programs replicable across a region rather than rebuilding them locally each time. The large-local session barely engaged with the topic; the one substantive mention was that the Endorsed Trade Program originated at a large local through an HBI grant. Some of the small-local discussion was colored by the Endorsed Trade Program's leadership and by factional politics carried over from the 2025 CEO transition. PBA should evaluate the ETP separately on merits, costs, KPIs, and outcomes, walled off from the personalities.

Tiers do not share a diagnosis. A large-local EO gave the sessions their sharpest analysis: PBA "wants to be all things for all people," could sustain that when it had more money, and "has not been willing to make the tough decisions" since. It is worth flagging that this was not a shared view. The small-local session diagnosed the reverse problem: that PBA had already contracted too far, with non-dues revenue abandoned and "nobody in charge." Both tiers agree the current model has failed. They do not agree on how, and the disagreement points toward opposite prescriptions.

5. Structural Tensions

The following are not complaints but contradictions, places where EOs' stated logic and their operating reality point in opposite directions. Each implies a design requirement for whatever model follows.

The mentorship paradox: new EO onboarding. EO-to-EO mentorship was proposed as the onboarding solution in the same breath that its impracticality was acknowledged. Part-time EOs work incompatible schedules (one works evenings; help is nine-to-five); locals run incompatible systems (QuickBooks, MemberZone, GrowthZone, custom websites: "you have to find your match"); and part-time hourly EOs on both sides of a pairing have boards reluctant to pay for time spent giving or receiving mentorship. The large-local EOs carrying the load named it unsustainable while continuing to carry it ("it can't be on [another EO's] shoulders"), and the EO who volunteered to own a new-EO handbook acknowledged on a call that it had not been started. New EO onboarding must be both institutional (a maintained handbook, a compliance calendar, an always-available knowledge resource) and interpersonal for it to be effective and established.

Extraction without reciprocity. The large-local session produced four accounts of a similar lived experience: a local invests in something, offers it to the state, and comes away feeling burned. One EO recounted PBA taking their local's workforce-foundation logo, changing the colors, and selling it, and asked the question that names the tension: shouldn't the local that paid to develop it be compensated? A second spent $20,000 to $30,000 on branding and marketing work, presented it to PBA on request, and watched the effort go "a completely different direction." The same session recalled a ten-page budget-repair analysis that was praised and shelved, and an IT-savings proposal worth roughly $60,000 that died when implementation dragged on long enough for the vendor contact to move on. The EOs named the pattern themselves — "I'm helping the state association, but they're not helping us" — and its cost compounds, because the locals best equipped to help are the ones now choosing to keep their distance: "we're just at a point where we're not going to keep sharing."

Revenue without service. One local reported that PBA continues to collect residuals from grandfathered Aflac subscribers while declining to revive or staff the program; in one telling, "who wants to put the work into that? We're just going to take the money." Whatever the administrative reality, it circulates among EOs as an emblem of self-benefit, not support for others.

Benefits gated by requirements the beneficiaries cannot meet. The hotel-stay support for EO meetings, a genuinely appreciated gesture, is conditioned on meeting-attendance thresholds that part-time, hourly EOs structurally cannot meet. The benefit designed for the most resource-constrained EOs is captured by the least constrained.

Local channel protection throttles shared programs at the point of access. Some locals decline to host PBA's own insurance representatives at their meetings, or charge them steep fees to speak, to avoid placing a statewide agent in competition with local insurance-agent members. The motive is understandable; the effect is that shared statewide revenue programs are deliberately choked at exactly the point where members would encounter them. And the bar is lower than actual competition: in the account given, the local agent "might be peddling some other products"; the *possibility* of channel conflict was enough to close the door. This is one instance of a broader constraint on PBA's ability to promote statewide programs and services.

The structural squeeze on non-dues revenue. The same federation logic that would make the "local the member" walls PBA off from the member-facing revenue that would most directly close its budget gap. A former non-dues task force member recalled that "everything we came up with kind of actually interfered with what locals were doing," and the Meet-the-Builder event, a former revenue producer, withered because large locals saw it as competition with their own events. The sessions also carried an irony no participant named: the EOs who fault PBA for abandoning the non-dues revenue task force—who also suggest a non-dues revenue specialist, Aflac-like programs revived, and reserves invested in non-dues programming—also acknowledge that it's a high bar to market directly to local members. A small-local EO supportive of non-dues programming noted in the same session that they couldn't promote the PSECU benefit because it was seen as competing with member banks; a mid-size EO praised the statewide insurance programs and, moments later, described losing sponsorship revenue when PBA and PHRC drew their own lumber dealers to "a bigger audience than what they can market for me." The demand for investment and the sideboards on it arrive together, sometimes from the same chair. What remains inside the boundary is what locals cannot offer: education tied to statewide licensure, statewide group purchasing and platforms, brokered partnerships, and EO-facing services. Even then, the economics are challenging — non-dues investment is slow to recoup and cyclical, anything tangential to local programs will draw heavier vetting, and new programming requires staff PBA does not currently have. This belongs among this report's most binding constraints.

Who governs whom, asked and never answered. A large-local EO asked: when a local HBA struggles in one of the hottest housing markets in the country, who is responsible for intervening? Under the federated grassroots model, authority flows upward from the local; no tier above it holds that mandate; NAHB has historically declined to prop up failing affiliates, and PBA has neither the charge nor the resources. The vacuum is usually filled by neighboring locals with the same goodwill mechanism the EO mentorship paradox establishes as unsustainable. The design question is whether the next model includes an explicit at-risk-local protocol: early-warning indicators, defined intervention resources, and, where revival is unrealistic, a managed wind-down with a plan for the members left behind.

6. Ideas, Cost Levers, and Post-Session Intelligence

Overall, the focus group sessions were heavy on criticism and nostalgia and light on comprehensive solutions for PBA to plug its recurring deficit. Restoration ideas (Aflac, warranties, Meet-the-Builder, health insurance) dominated innovation; no idea was sized (let alone costed); and universal opposition to the dues increase produced little to no alternative gap-closing math from any participant, other than "right-size the PBA" or "invest in non-dues revenue programs."

Table 4. Ideas raised by small, midsize, and large local EOs

Idea	Source Tier	Value	Assessment
Software bundling and group purchasing (Microsoft Office, Dropbox, QuickBooks, MailChimp, Constant Contact, SketchUp, payroll)	Mid, Small	Operations	Low cost, high goodwill; directly addresses small/mid EO pain; uncosted
Shared AMS and data platforms standardized across locals	Mid	Operations	High impact, high complexity; simplifies monthly reconciliation; intersects NAHB platform project(s)
Always-available EO knowledge hub (compliance calendar, WMS, PACA, program guides) plus structured tool training and new EO onboarding	Mid	EO value	Technology-enabled successor to the field rep at a fraction of the cost; pairs with forthcoming EO handbook; PBA staff + AI support
Hire or contract staff (CEO or otherwise) to source non-dues products & services; explore commission-based role(s)	Mid, Small	Revenue	Consider base compensation + commission; revive non-dues task force; must respect the no-compete constraint
Workforce development programming (summer trade camp, women-in-construction summit, SkillsUSA tie-in, job shadowing)	Mid, Small	Member value	Highest passion-to-investment gap; political dynamics currently colors the conversation
Revive ancillary insurance and warranty type partnerships (e.g., Aflac-type, RWC/2-10)	Small	Revenue	Restoration, not invention; members already use 2-10 without a PBA partnership; PBA collect AFLAC residuals from previous program; vet against current market and needs
Meet-the-Builder statewide vendor event	Small	Revenue	Former revenue producer; needs explicit large-local consent or a non-competing format

Idea	Source Tier	Value	Assessment
Statewide contractor licensure with PBA as the premier continuing-education engine	Small	Strategic, revenue	The only proposal that could have an outsized impact on PBA's structural position; doesn't compete with locals; multi-year, high political cost, highest ceiling for return; look to HBA of North Carolina; build education content and technology as licensure is pursued
Move to total WFH for most or all staff; eliminate or shrink the Harrisburg office at 2027 lease expiry	Mid, Large	Cost	Roughly $36,000 base rent + occupancy costs; decision belongs to the incoming executive
IT services and phone contract audit	Large	Cost	A prior proposal died in implementation delay
Subcontract specialist functions (marketing, design) rather than staff them	Large	Cost	Buys expertise without headcount; proven at the local level
Coalition building with Realtors, chambers, manufacturers, NAIOP/CREDA	Large	Advocacy	Force multiplier cited as a lapsed strength of a prior executive's era
Hire or outsource advocacy communications function: celebrate wins, make prevention visible	Large	Member value	Repair email outreach first to fix the value-communication gap

Source: Session transcripts, May 6, 11, and 13, and follow-up call, May 19, 2026.

Use the reserves as an investment catalyst. The one affirmative financial idea with energy behind it came from the large-local session: "take $500,000 and see how you can train EOs or do something positive … that's the members' money." A small-local EO made the same point but quoting their own president instead: "My association has $30,000 in the bank... our president said, either we spend the money now, and we go out of business in two years, or we don't spend the money, and we go out of business in four years. So, PBA has the resources. They should spend the money." Both instincts align with the financial analysis's finding that the portfolio currently functions as an operating subsidy rather than a strategic investment asset.

Post-session intelligence (May 19). One large-local EO requested a follow-up call to elaborate on expense and revenue items. Two data points corroborate findings already in evidence. The Harrisburg office lease was cited at roughly $3,000 per month for a space lightly used under hybrid patterns, matching the lease figure in the financial analysis. The EO also described bringing

an insurance program to PBA, getting no decision, and launching it through the local instead — a brokered benefits package under the local's brand that now brings in roughly $50,000 to $75,000 a year. It serves as another example of the trust-deficit pattern and shows what a brokered benefits program could earn in today’s current environment.

7. Where the Conversation Was Thin

Several topics that should have produced robust discussion and did not

The associate value proposition — associates questioning why they pay the same rate as builders, and the absence of associate-specific programming — was raised twice and failed to fully develop either time.

BIA of Philadelphia's situation was mentioned in passing: the largest local retains its own lobbyist, operates under the Sterling Act with limited exposure to most state legislation, and seriously considered departing the federation last year. Central to the BIA is that it pays the most in dues within the state but arguably needs PBA's core product the least. However, as one EO observed, Sterling Amendments still require statewide support, which is where the HBAs, large locals, and state can play a strong role.

Alternatives to the dues increase drew universal opposition but no viable counterproposal at a dollar level.

Consolidation produced positions but no design. In other words, the mechanics of consolidation went nearly untouched. The one local with direct experience of two absorptions described the failure modes: dues sticker shock and absorbed members who simply do not renew. No one proposed a design to address them: dues harmonization, a servicing commitment, a retention plan for absorbed members, etc.

The BSI relationship went unexamined by the people best placed to examine it. The workers' compensation program was praised in every session. Yet no session probed the dependency: the local revenue share that quietly ties local budgets to PBA, the claim that the program "can stand alone," or what any model restricting might do to the relationship. The federation's most important financial relationship was in the room three times and never fully discussed.

Governance reform was nearly absent. The peer benchmarking stream finds five state executives from peer HBAs converged on smaller, engaged boards, the closest thing to a settled question in that dataset. In the EO focus groups, the 100-plus-member board surfaced only obliquely: the redundancy of hearing the same information at regional, committee, and board meetings, and travel demands that suppress participation. Yet no one connected those complaints to board structure itself.

The Industry Action Fund's equity was challenged once and answered never. A small-local EO charged that a temporary $10 IAF assessment years ago became permanent and that the money flows to advocacy concentrated in the large metro markets – a rare example of small locals subsidizing larger ones. Whether it’s accurate, the claim goes to the funding mechanism beneath the one function every tier endorses, and no session really tested it.

8. Implications for the Decision Ahead

Six findings from this stream could easily be carried into subsequent conversations.

1. There is no constituency for the status quo, but there is no shared diagnosis either. No tier defended the current model. The reasons diverge sharply. Large locals said PBA tries to be all things for all people and should narrow to what only a state association can do. Small locals said the opposite: PBA has hollowed out, there is "nobody in charge," and the member-facing and non-dues side has been abandoned. Mid-size locals sat between the two, wanting both member programs and back-office support. The agreement is on the verdict, not the cause, which is why the disagreement over prescriptions runs as deep as it does. *What this does not establish:* which prescription(s) a majority of the 27 locals would support.

2. Retention is mostly influenced by local conditions. Retirement without succession, duplicate memberships, eroded benefit exclusivity, and invisible value each appeared in EOs' own accounts of lapses. The survey shows sentiment towards PBA is not the problem; this stream shows what its mitigating factors might be. *What this does not establish:* the magnitude of each driver.

3. Uniform service to non-uniform locals is the recurring issue. Small and mid-size locals desire a PBA that provides more benefits to members and back-office support to the locals; large locals want PBA to focus on the shared statewide layer above them. *What this does not establish:* the cost of tiered delivery, which depends on which programs and staffing for each tier.

4. The dues increase fails in every tier. If a dues action survives modeling, it survives only attached to demonstrable new value and sequenced after it. The predetermination suspicion means the Executive Committee's first communication about this analysis must address dues directly rather than letting the fall statement continue to anchor expectations. *What this does not establish:* the price elasticity of PBA dues.

5. EO support is the most time-sensitive investment on the table. Four to five new EOs statewide, a major local retirement in progress, and multiple first-year EOs in the sessions collide with the onboarding vacuum at the worst possible moment. *What this does not establish:* whether institutional onboarding changes local outcomes; the counterfactual is the field-rep era, which ended under different conditions.

6. Three risks belong on the Executive Committee's register regardless of model. Secession risk is corroborated from two directions: a small-local report of locals discussing a bloc petition to NAHB, which also recounted that Philadelphia's near-departure last year drew a visit from NAHB's CEO. The EO turnover wave is noted previously. And the workers' compensation program's local revenue share ties local budgets to PBA; any scenario that disturbs the BSI relationship needs to be discussed. *What this does not establish:* how far the bloc conversation

has progressed; the report of it is secondhand and was not corroborated by the locals said to be discussing it.

Notes

1. Participant counts and durations are from the session transcripts. Fourteen EOs actively participated; a retired PHRC staff member present in the mid-size session is excluded from the count.
2. The "40% rarely respond" figure was provided to the facilitator by PBA staff before the small-local session. It is a staff estimate, not a measured rate.
3. Membership figures in Table 2 are as stated by participants. The large-local growth case is Philadelphia, named here because it is structurally identifying and offered as context rather than critique.
4. The dues increase figure was recalled as "$100 to $150" in the small-local session and "$75 to $100" in the mid-size session.
5. The 400-member, 12% figure for the smallest locals is from the membership analysis, computed on the February 28, 2026 roster, and was shared with the large-local session by the facilitator.
6. The May 19 follow-up call is a single conversation and is weighted as directional. The $50,000–$75,000 revenue figure is the EO's characterization and has not been verified against the local's financials.