

The Future of Association Leadership: **Executive Summary**

Background

November 2012 – January 2013 I set out to identify the big challenges facing leaders of professional societies and trade associations in the coming years. I performed a literature and Internet search, and interviewed the leaders listed. Here is a high-level summary of issues identified.

The Transformation of Associations

Like all organizations today professional societies and trade associations are being reshaped by powerful economic trends. More than one leader said to me, *Many of these trends have been spoken about for years or even decades. The difference is today we are being forced to act because business pressures have reached a critical threshold.*

CEOs/EDs Interviewed

Lori Anderson, signs.org
International Sign Association

Debra Ben Avram, nutritioncare.org
American Society for Parenteral and Enteral Nutrition

Anne Bryant (retired), nsba.org
National School Boards Association

Henry Chamberlain, boma.org
Building Owners and Managers Association International

Julie Coons, retailing.org
Electronic Retailing Association

Doug Culkin, naa.org
National Apartment Association

Steve Gold, mapi.net
Manufacturers Alliance for Productivity and Innovation

John Graham, asae.org
American Society of Association Executives:
the Center for Association Leadership

Linda Hallman, aauw.org
American Association of University Women

Kevin Keller, cfpboard.org
Certified Financial Planner Board of Standards, Inc.

Gary LaBranche, acg.org
Association for Corporate Growth

Mary Logan, aami.org
Association for the Advancement of Medical
Instrumentation

Chris McEntee, agu.org
American Geophysical Union

Brent Mulgrew, osma.org
Ohio State Medical Association

Ralph Nappi, npes.org
Association for Suppliers of Printing,
Publishing and Converting Technologies

Pat Natale, asce.org
American Society of Civil Engineers

David Noonan (retired), aao.org
American Academy of Ophthalmology

Peter O'Neil, aiha.org
American Industrial Hygiene Association

Clarke Price (retired), ohio-cpa.com
Ohio Society of Certified Public Accountants

Arlene Pietranton, asha.org
American Speech-Language-Hearing Association

Cathy Rydell, aan.com
American Academy of Neurology

Susan Sarfati (retired), centeronline.org
Center for Association Leadership

Paul Stalknecht, acca.org
Air Conditioning Contractors of America

Marla Weston, ana.org
American Nurses Association

Seth Kahan



Issues

- 1. Business disruption occurs on two levels.** Most leaders face one or both of these: (a) The association business model is in jeopardy – i.e., revenue sources are under assault, diminishing, or unsustainable, and (b) members are facing game-changing circumstances which fundamentally impact their jobs. For example, printing equipment owners are being disrupted by rapid development of new technology, digitization, and globalization while speech-language pathologists are facing uncertain payment protocols as a result of healthcare reform. These disruptions require proactive, resource-intensive attention by association leaders to sustain thought leadership, business continuity, and profitable operation.
- 2. Membership models are under scrutiny.** An important conversation is taking place questioning the fundamental value proposition of belonging and looking toward *engaged action* as a possible evolution. Leaders appreciate those organizations that are skilled at garnering attention and creating participation especially when it comes to concerted action across a sector or profession. Some are considering it as the next step and even a possible replacement for traditional membership.
- 3. Businification, the intentional adoption of private sector business practices, is in upswing and brings complex ramifications.** For example, it is tempting to switch profitable revenue away from membership dues and toward valued products and services when possible. But this may shift internal culture too much toward profitability at the expense of member value, or jeopardize advocacy strength, as dues are the traditionally recognized indicator of the ability to marshal bloc action.
- 4. Technology continues to be a disruptor.** Members demand more but expect to pay less. They are constantly exposed to the high customization, immediacy, and freemiums that pervasive enterprises such as Amazon or Facebook offer, without appreciation for the massive resources required to construct these aspects of customer experience. Appetite for continuous innovation is ever increasing along with intolerance for the kind of process delays that governance often generates.
- 5. Association staff talent is in a bubble.** Pay and benefits are often higher or more stable than the private sector while performance expectations are generally lower. It is true there are plenty of star performers in organizations. It is also true that some are expert at outdated protocols and pressure to perform at the growing edge is not pervasive; e.g., meeting planners who are logistic masters but not working tightly with product development specialists often assemble complex events without maximizing market delivery profits.
- 6. Senior management must execute as well as strategize, creating a “tax” on strategic insight.** In a rapidly changing environment (i.e., the *status quo*), strategy and knowledge management are invaluable resources generating the upper hand in the market. Yet C-level officers and VPs spend a great deal of their personal energy running the ship.
- 7. Competitive intelligence is done ad hoc, not systematically or methodically.** Gathering and synthesizing market trends, customer needs, and organizational capacity is left to driven personalities and not a recognized (i.e., funded) organizational capacity. This results in leadership decisions below the CEO that are out of touch or counter to the organization’s health.
- 8. Governance often hampers the ability to act quickly, and creates a cyclic drag due to the periodic revolving door.** Governance can be reinvented, but it is not as simple as popular literature suggests. Great attention to political dynamics, legacy traditions, and cultural receptivity are required to mitigate the risk of failure. That said, there are some remarkable success stories in the works.



- 9. Reinvention is happening; experiments, strategies, and tactics could be shared systematically to accelerate success.** Every leader I spoke with has successes to share as well as a collection of lessons learned to share. For example, the wholesale reinvention of governance, periodicals that have garnered the attention of the white house, association growth in a consolidating industry, movement from first class to world class operations, market research that grabs and holds members, etc. These stories are invaluable to peers.
- 10. Running an association is a whole new game in the 21st century, but this is generally not deeply understood by boards.** The very people who must select and evaluate EDs/CEOs are often poorly educated or out-of-touch with the exigencies of the market or the particulars of the organization. More than once I heard the story of a new CEO discovering a financial hole the board was unaware of or worse a revenue trend the board failed to appreciate.
- 11. New tools are coming to market that associations have access to and are using to hold or grow their membership and bottom line.** These include:
- Outsourcing
 - New and more timely communication channels; e.g., skillful use of social media
 - New technologies like iPad apps and cloud tools
 - Customer Relationship Management systems are appearing on the market replacing antiquated Association Management Systems. These tools have the capacity to better track member engagement and they support data mining making it possible to drive data-driven business development.
 - Talent acquisition, development, and management resources
 - Competitive intelligence tools more widely available

Conclusion

It is a propitious time for vision development. There is both unprecedented turbulence and possibility. Collective knowledge sharing and the articulation of a powerfully positive vision can strengthen our impact on the future while providing solutions to the immediate problems, challenges, and opportunities faced in day-to-day operations.

This translates into:

1. Investigating emerging trends in leadership, advocacy, generating member value, and business growth
2. Targeting new developments that are working and learning from experimentation by others
3. Identifying future pathways that place associations in the position to provide their unique value to the American and global economies.

Professional societies and trade associations play critical roles in our nation's fabric, bringing people and organizations together to wield collective influence, guide policy, raise the bar on individual and organizational performance, and provide the camaraderie that makes professional and commercial pursuits a collective and efficacious endeavor, not to mention the personal satisfaction and sustenance these organizations bring to their members.

