Association Laboratory Inc.

Looking Forward™ 2020

The World's Leading Environmental Scan of the Association Strategy Environment

Contents

Organizations Advancing the Profession 3
Letter from the President 4
Introduction to *Looking Forward™* 5
Methodology Details 6
Preface: Overview of the *Looking Forward™ 2020* Findings 8
Overview of the Association Business Environment 10
- Top Environmental Factors Influencing Association Members 10
- Top Impacts on Association Strategy 11
- Top Anticipated Solutions 11

Economy 12
- Economic Factors 12
- Implications of Economic Factors 13
  - Additional Detail on Economic Implications 13

Government Affairs 15
- Government Factors 15
- Implications of Government Factors 16

Information & Technology 18
- Information & Technology Factors 18
- Implications of Information & Technology Factors 19

Workforce 20
- Workforce Factors 20
- Implications of Workforce Factors 21

Globalization 22
- Global Factors 22
- Implications of Global Factors 23

Solutions to Challenges Facing Associations 24
- Top Anticipated Solutions 24
  - Additional Detail on Specific Solutions 25
- Solutions Most Important to Success 28
- Internal Solutions 29

Appendix 1: Who Responded? 30
Appendix 2: *Looking Forward™ 2020* Discussion Guide 32
- Introduction to the *Looking Forward™ Discussion Guide* 32
- Overview: Leading the Futures Discussion 33
  - How to Use This Discussion Guide 33
- Section 1: Preparing for a Futures Discussion Meeting 34
  - Create an Environmental Scan Discussion Group 34
  - Organize an Environmental Scan Discussion Meeting 34
  - Conduct a Pre-Meeting Review of the Goals, Process, and Research 34
  - Organize Small Groups and Leaders for Onsite Discussions 35
- Section 2: Onsite Discussion Steps & Supporting Materials 37
  - Template Agenda for a One-Day Meeting 37
  - Onsite Worksheet for Participants 38

Principal Authors 42

Organizations Advancing the Profession

Data-driven decisions and future-focused information have never been more important to helping associations create sustainable, successful strategy.

Association Laboratory is happy and proud to thank our research partners for working with us to promote *Looking Forward™* and for encouraging their members to participate. We appreciate their commitment to advancing the association profession.

Without our partners' commitment to data-driven, high-value strategic research, our ability to provide you with this environmental scan of the association business environment would be more difficult. Please seek out these industry-leading associations and thank them for their support of association leaders.

Association Laboratory also thanks CE21, our Strategic Education Partner.

CE21 is a cloud-based technology and services company providing a full service, Learning Management System (LMS) that delivers distance education, online registration and physical product sales solutions to professional education verticals including: Legal, Accounting, Health Care, Insurance, Business, Education Content Providers, Professional & Trade Associations, Non-Profit Organizations

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AAMSE

AMC Institute

CalSAE Advancing Together

CESSE Council of Engineering and Scientific Society Executives

cs ae Colorado Society of Association Executives *Excellence by Association*

FSAE Florida Society of Association Executives, Inc.

GSAE Georgia Society of Association Executives

Global Association Hubs

ISAE Iowa Society of Association Executives

ISAE Indiana Society of Association Executives

Mid-Atlantic Society of Association Executives MASAE Your local resource for education and networking.

nysae New York Society of Association Executives

OSAE Ohio Society of Association Executives

TNSAE Tennessee Society of Association Executives

ws ae Wisconsin Society of Association Executives

Letter from the President

Without understanding the future in which your members will live and work, it is impossible to develop successful, sustainable long-term strategy.

Whether through strategic planning or value proposition design, our research confirms that associations must develop strategy based on an anticipated future state of their industry or profession if they want to be successful.

We are happy to provide you with the 9th edition of *Looking Forward™*, the world's leading environmental scan of the association strategy environment. Our thanks to the nearly 500 association leaders who participated in this year's study.

This investigation considered more than 50 different factors in the business environment with an impact on individual and organizational association members, as well as more than 40 implications for association strategy.

In addition, the study looked at over 25 potential solutions to the challenges facing associations.

To obtain final data for *Looking Forward™* 2020, Association Laboratory conducted an online survey targeting a global sample of association management chief staff officers and senior executives working in trade and professional associations. Association leaders representing more than 20 industry and professional sectors world-wide participated.

Association Laboratory helps association leaders **make better strategic business decisions** through **collaborative engagements** led by **experienced association and business executives,** informed by **state-of-the-art research** and designed to **achieve measurable outcomes**.

The goal of this research is to inform your decisions on strategy. Never hesitate to contact us if we can be of assistance.

We look forward to working with you.

Dean West

Dean West, FASAE
President and Founder
Association Laboratory Inc.

Introduction to Looking Forward™

As the world in which we live and work continues to change at an ever-increasing pace, it's more important than ever to inform association decisions and strategy with the most relevant, up-to-date, and objective information available.

Now in its 9th year, Association Laboratory's Looking Forward™ series is the longest-running and most comprehensive association industry environmental scan.

Each year, the study asks hundreds of senior association executives – representing dozens of industries and thousands of individual members and member companies – about the factors affecting association members and the effect of these factors on association strategy.

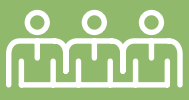
This year the study builds on past years, identifying influential factors and their strategy implications in five key areas of the association environment:

Economy

Government

Information & Technology

Workforce



Globalization

The report that follows looks at the overall top factors and their impacts, and then takes a closer look at each of the five key areas of influence.

After identifying key challenges and their implications, the study turns to solutions.

Drawing on findings from previous qualitative research, the study tests 21 potential market-facing solutions that associations are using to address the challenges they're facing, and 6 potential internal solutions to improve organizations' ability to successfully implement change.

This year, the Looking Forward™ 2020 report also includes a special Appendix containing the Looking Forward™ Discussion Guide. This complimentary resource is designed to help association leaders facilitate productive conversations within their organization about the future of their industry or profession, and the implications for association strategy. The Discussion Guide will help leaders build on the Looking Forward™ research to arrive at customized, actionable insights for their organization.

We hope that by increasing their understanding of significant near-term changes in the environment, associations can inform their members on how best to prioritize their technology, workforce, and operational investments to address or take advantage of these changes.

We believe that all associations can benefit from knowledge of their peers' ideas and expectations about the solutions that can help the industry successfully navigate the business environment, now and in the future.

Methodology

Looking Forward™ assesses critical factors affecting association members, the potential implications for association strategy, and the solutions that associations believe are the most likely to help them be successful. Prior to publication, Association Laboratory reviewed the impact of the COVID-19 pandemic on the conclusions drawn from the data and made necessary modifications to ensure the relevancy of the report for long-term planning.

Association Laboratory developed and deployed an online survey directly and through the company's research partners. Data collection took place between November 12 and December 9, 2019.

Response options for *Looking Forward™* 2020 were created through qualitative research involving association chief staff officers and senior association executives, combined with Association Laboratory's extensive experience with environmental scanning on behalf of clients representing a wide range of professions and industries.

The study assesses factors affecting the association environment in five domains:

- **Economic Factors** identified as having substantial impact on the industry and professional structure of association members.
- **Information & Technology Factors** identified as having substantial impact on the technology and communications underpinning industry and professional activity.
- **Workforce Factors** identified as having substantial impact on the movement, use, and competencies of individuals.
- **Government Factors** identified as having substantial impact on the relationship between association members and local, state, and federal governments.
- **Global Factors** identified as having substantial impact on relationships between individuals, companies, and governments across international boundaries.

For each domain, participants were shown a list of issues and asked to select up to three that would most impact the members of their association over the next 12 months.

Which of these information or technology issues will most impact your members over the next 12 months? Select up to three.

Following selection of the issues likely to have the greatest impact on members, respondents were asked to identify how those issues or problems would affect their association's strategy. Respondents were provided a list of possible impacts and asked to rate how concerned they were about each one: not concerned, somewhat concerned, concerned, or don't know.

Given your members' situation, how concerned are you that there will be impacts for your organization in each of the following areas over the next 12 months?

To explore possible solutions to the challenges facing associations, respondents were asked the following question:

Out of the options listed below, what does your association anticipate doing in the next 12 months to address the challenges it faces? Select all that apply.

Following selection of the solutions they anticipate trying, respondents were presented with a list of the solutions they selected and asked to prioritize them:

Out of all the solutions you anticipate trying over the next 12 months, which do you believe will be most important to your association's success? Select up to three.

Throughout the survey, some responses triggered follow-up questions gathering more detail on a particular issue. For example:

Which of the following competitive sources of information is of most concern?

Note that throughout this report, response options shown have been edited to better fit the space allowed. Additionally, variations in wording shown to professional vs. trade association respondents have been combined or summarized.

Survey respondents include **392 association chief staff officers and senior/executive staff**, along with **89 association domain staff**, for a **total of 481 participants**.

For more information on the response, go to Appendix: Who Responded?

Preface: Overview of the Looking Forward™ 2020 Findings

A "black swan event" is an event or occurrence that deviates beyond what is normally expected of a situation and that would be extremely difficult to predict. No better example of such an event is the COVID-19 pandemic and the resulting social, economic, and professional disruption.

At Association Laboratory, this required a renewed look at the environmental scanning data collected in December 2019. The question: Are the fundamental conclusions from the data different in light of COVID-19?

Many Fundamental Strategic Assumptions Will Remain Steady

The most fundamental conclusion from this year's data is that associations are going to need to be successful in an interconnected, dynamic and highly competitive environment. This environment will require rethinking the fundamental assumptions behind association strategy.

The Economic downturn will limit member and association investment.

In Association Laboratory's whitepaper *The Strategic and Economic Impact of COVID-19 on Associations*], respondents were asked to assess how their memberswould respond. They highlighted reduced participation in events, less travel, and cuts to discretionary spending.

The result in the near term will be the use of financial resources for maintenance or survival, not long-term, Mission-based investment.

There are no longer barriers between markets, competitors, the workforce or complementary stakeholders.

Technology has shifted the ground upon which organizations operate, creating an interconnected, dynamic environment.

While the COVID-19 crisis highlighted the broken physical connections between people and places as limits on travel were put in place, it also reinforced the digital interconnectedness of people and companies.

The people that companies and professionals serve will be different.

- 48% of CEOs (up 19% from 2019) say the people and companies their members serve will be different.

The companies in which they work will be larger, more resource intensive organizations. These organizations will offer real alternatives to traditional membership in everything from education to networking.

Different companies serving different markets will require people with different competencies.

- 26% of CEOs say members will expand worker capacity or skills through technology or training.
- 21% of CEOs say government, educational, credentialing, or regulatory changes will alter their members' professional or employee requirements or competencies.
- 20% of CEOs say their members will have market-based changes in the competencies or skills required by their employers.
- 10% of CEOs are concerned about their members being replaced by technology-based solutions.

The competitive landscape facing members will be intense.

- 24% of CEOs say their members will face new competitors.
- 17% of CEOs expect their members to face competition from professionals with different training.

The more static the strategy, the greater the risk for key association strategies.

- 89% of association CEOs (up from 84% in 2019) are concerned about membership acquisition, retention and engagement.
- 66% of association CEOs are concerned about member attendance at conventions or tradeshows.

Association leaders will need to address challenges in a highly competitive environment.

- 75% of association CEOs are concerned about competitors for the creation and delivery of relevant information.
- 57% of association CEOs are concerned about for-profit or other competitors to their association.

The IMPACT of COVID-19 Will Alter Some Aspects of the Future Environment

When reviewing data specific to COVID-19 and the economic and strategic impact on associations, Association Laboratory sees the altered future in which associations need to be successful look different in the following ways:

Association Laboratory believes that while face to face activities for many organizations will continue to be a critical component of their strategy portfolio, the business environment has reached a tipping point where meetings, as a focus of organization activity and association strategy, will decrease.

Consider the following:

People are accustomed to meeting virtually.

More than 1/3rd (35%) of respondents to Looking Forward 2020 say their members are *increasing their use of online or virtual education*.

The familiarity of individuals and the use of companies of virtual meeting technologies, such as Zoom or WebEx, has become commonplace. This behavior is no longer rare or exotic.

Disincentives to travel are becoming more prevalent and online learning more important.

For many individuals, particularly in healthcare, institutional or employer disincentives to travel to conferences were becoming more commonplace. In a recent multidisciplinary environmental scan of the physician environment conducted in March 2020 on behalf of Wolters Kluwer Health, physician respondents identified online learning centers as twice as important as face to face events to their relationship with a medical society.

Virtual meetings and related technology are becoming less expensive and more reliable.

Technology platforms for virtual events have become more prevalent, less expensive and easier to use. Technical difficulties and disruptions seem less apparent. Average WiFi speeds are increasing making virtual activity easier. The augmented/virtual environment experience will continue to improve and provide real competing and complementary options to traditional face to face events.

Associations were shifting their focus to the digital and online environment prior to the COVID-19 crisis.

In December 2019, 61% of respondents to Looking Forward 2020 say they were *expanding online education*. In addition, 52% of respondents planned on *creating or expanding online communities*.

The information contained in *The Economic and Strategic Impact of COVID-19 on Associations* simply reinforces the directional push of the business environment that was already impacting association strategy.

Our analysis of the Looking Forward™ 2020 research indicates that successful associations will consider the following in order to improve the likelihood of success in an evolving business market.

Changing Strategic Assumptions

Associations have historically operated under a false set of binary assumptions.

Member vs. Non-member
Member vs. Supplier
Attendee vs. Non-attendee
Volunteer vs. Non-volunteer
Employee vs. Contractor
Mission vs. Revenue

Successful association leaders will understand they must now operate in a "Venn diagram" world and take advantage of their association's entire ecosystem. Their strategy will reflect this revised assumption. While the lessons of the COVID-19 pandemic must be understood and incorporated into decision making, it will be critical that associations not underestimate the impact of fundamental shifts in the environment that were already occurring and may now be accelerated.

Competitive Differentiation

More than ever before, the elimination of traditional boundaries has created a substantially more aggressive competitive environment. For-profit organizations are eagerly attempting to circumvent associations' traditional role through everything from engagement strategy to content strategy.

In a world without boundaries between markets and audiences, understanding exactly who you serve, why you serve them and how you are better and how you are different than everyone else is critical.

Strategy Coherence

Strategy coherence is essential to producing and sustaining competitive differentiation. Strategy coherence consists of the following[1].

- Defining the objective
- Defining the scope
- Defining the competitive advantage

Strategy coherence is essential to producing and sustaining competitive differentiation.

Agile Decision Making

Association competitors are increasingly for-profit organizations. For-profit organizations have the capability to make decisions much faster than the historical, deliberative model of traditional association governance. Fast, effective and data-informed decision-making processes will be essential to success in a business climate characterized by speed and innovation.

Without addressing these issues, many associations will fall so far behind competing organizations that it will be, on a practical level, impossible to catch up.

This report is designed to help you initiate and lead conversations on these critical topics.

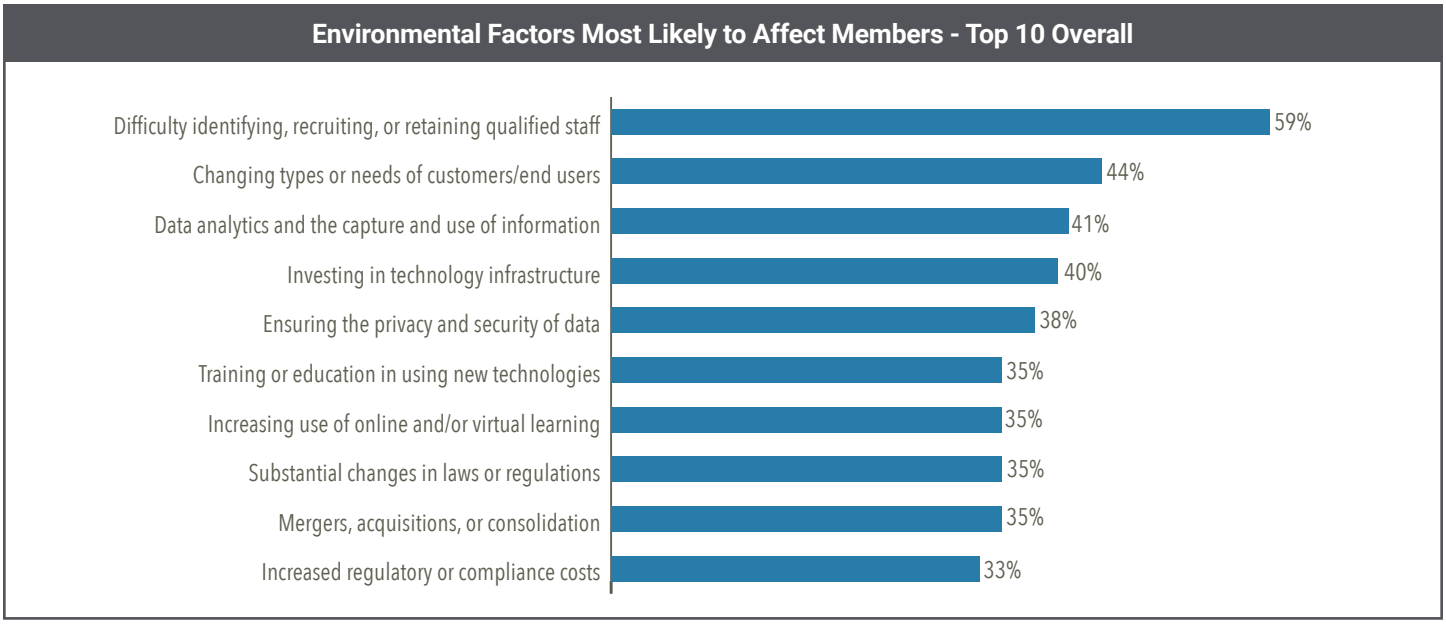
[1]*Can You Say What Your Strategy Is? Harvard Business Review by David Collis and Michael G. Rukstad; April 2008*

Top Environmental Factors Influencing Association Members

For *Looking Forward™* 2020, Association Laboratory tested **53 business environmental factors** affecting organizational and individual association members.

Respondents identified the top three environmental factors they believe will have the most impact on their members within each key area. The graph below shows the top 10 most frequently selected environmental factors, from four of the five key areas (economy, information & technology, workforce, and government).[2]

Environmental Factors Most Likely to Affect Members - Top 10 Overall



In December 2019, respondents continued to be concerned about workforce issues Consistent with recent years, the factor most expected to affect association members in 2020 is *difficulty identifying, recruiting, or retaining qualified staff*, which was selected by 59% of respondents.

A study by Flexjobs in mid-February 2020 found that remote work had increased 41% over five years. **Association Laboratory concludes** that as companies are forced by the COVID-19 pandemic to implement work-from-home policies, the prevalence of this situation and the comfort level of organizations expanding their remote workforce will increase.

Nearly half of respondents (44%) expect their members to experience *changing types or needs of customers/end users*, highlighting challenges adapting to rapidly evolving market needs.

Four of the top 10 driving factors relate to technology:

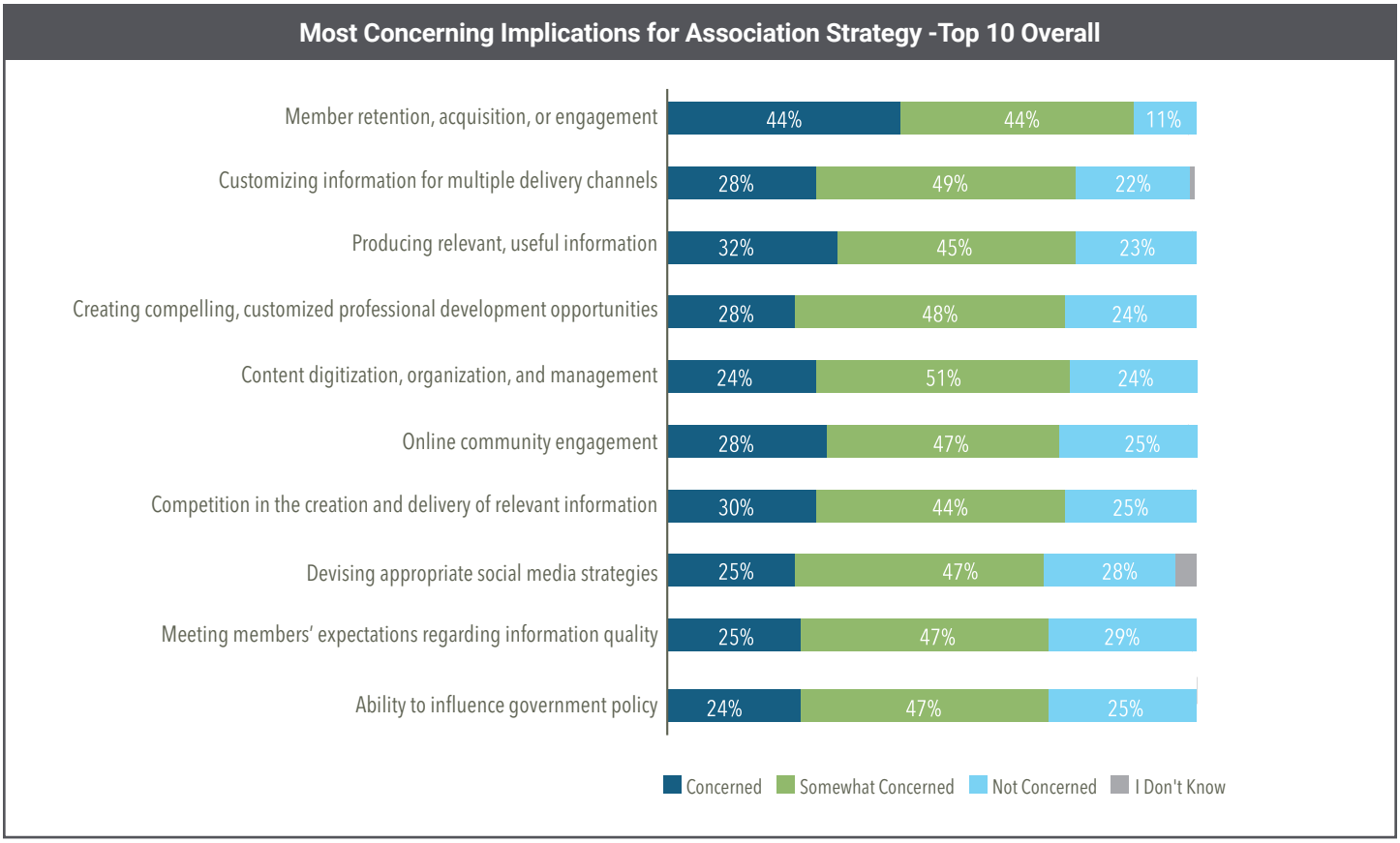
- *Data analytics and the capture and use of information* (41%)
- *Investing in technology infrastructure* (40%)
- *Ensuring the privacy and security of data* (38%)
- *Training or education in using new technologies* (35%)

Consistent with recent years, respondents recognize the challenges faced by association members as they work to build the infrastructure and expertise to capture, use, and protect data.

[2]Because the Globalization questions were only presented to a subset of respondents (associations with an international or global scope), the results of this key area are not included in the top 10.

Top Impacts on Association Strategy

Looking Forward™ 2020 tested **44 potential impacts on association strategy**. The graph below shows the top 10 impacts.[3]



In keeping with past years, when it comes to the impacts of the business environment on association strategy, respondents' primary concern is *member retention, acquisition, or engagement* **(88% Concerned or Somewhat Concerned).**

Content strategy and the competitive information environment remain key concerns, with a majority of respondents Concerned or Somewhat Concerned about the following:

- *Customizing information for multiple delivery channels (77%)*
- *Producing relevant, useful information (77%)*
- *Content digitization, organization, and management (75%)*
- *Competition in the creation and delivery of relevant information (74%)*

[3]*Implications are shown in order of (% Concerned) + (% Somewhat Concerned).*

Top Anticipated Solutions

Association Laboratory tested **21 potential solutions to the challenges facing associations**, asking respondents to indicate which ones they anticipate doing in the next 12 months.

The graph below shows the top 10 solutions that respondents anticipate trying.

Anticipated Solutions - Top 10 Overall

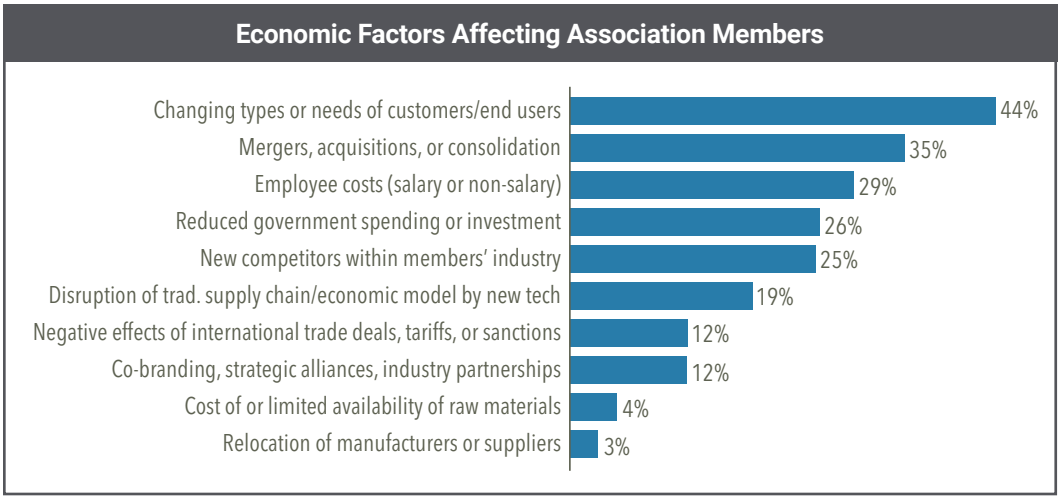
Association Laboratory's study *The Strategic and Economic Impact of COVID-19 on Associations* indicates that expanding online education will become a central priority of associations.

In addition, the need to create more robust content (video, blogs, social media, etc.), **selected by 75% of respondents**, will remain a top anticipated solution to the challenges facing associations as they shift to an increasingly digital relationship with members and other stakeholders.

This follows naturally from the concern expressed by association leaders about the competitive content environment and the need to connect with audiences across a wide range of distribution channels.

Economic Factors

Association Laboratory looked at **10 different economic factors affecting association members**. These factors are shown in the graph below.

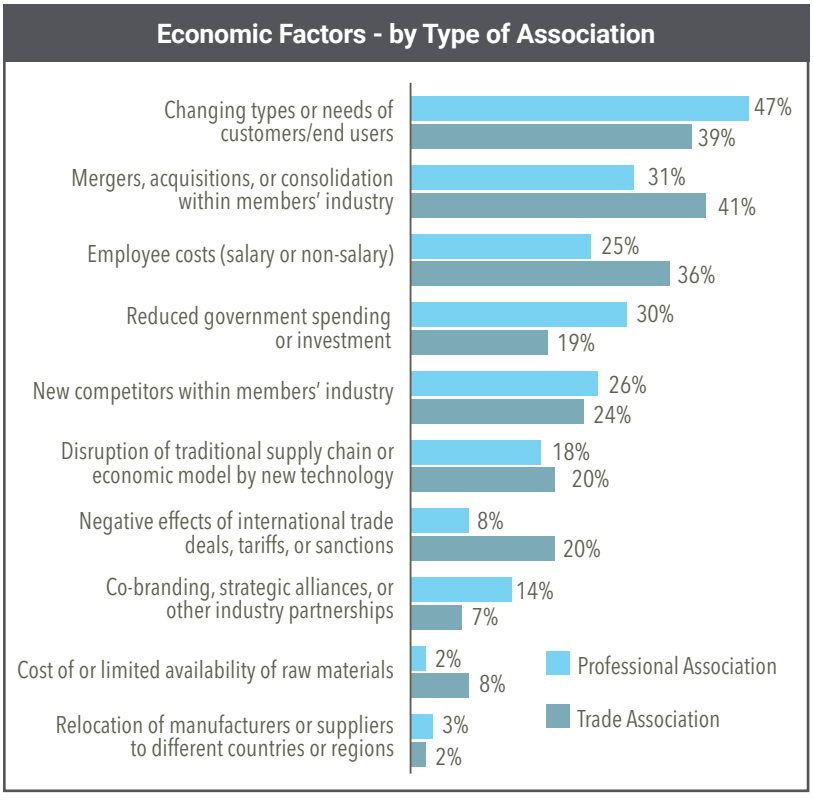


While in recent years the economic factor considered most likely to affect association members was *mergers, acquisitions, or consolidation,* **for 2020 the top factor** is *changing types or needs of customers/end users* (44%, up from 29% in 2019).

The graph below shows the differences between trade and professional association respondents regarding economic factors.

While the long-term impact of the COVID-19 pandemic on economic structures is still unknown, **Association Laboratory concludes** the following:

For trade association respondents, *mergers, acquisitions, or consolidation* (41%) remains the top economic factor expected to affect members, although this is down from 55% in 2019. As an economic downturn hits companies, though, there may be substantial consolidation in some industry sectors that will increase the potential impact of M & A activity.



In addition, during data collection for Looking Forward, *disruption of traditional supply chain or economic models by new technology* was not considered particularly impactful but given necessary changes during the pandemic, every industry and relevant profession will need to assess how this will change.

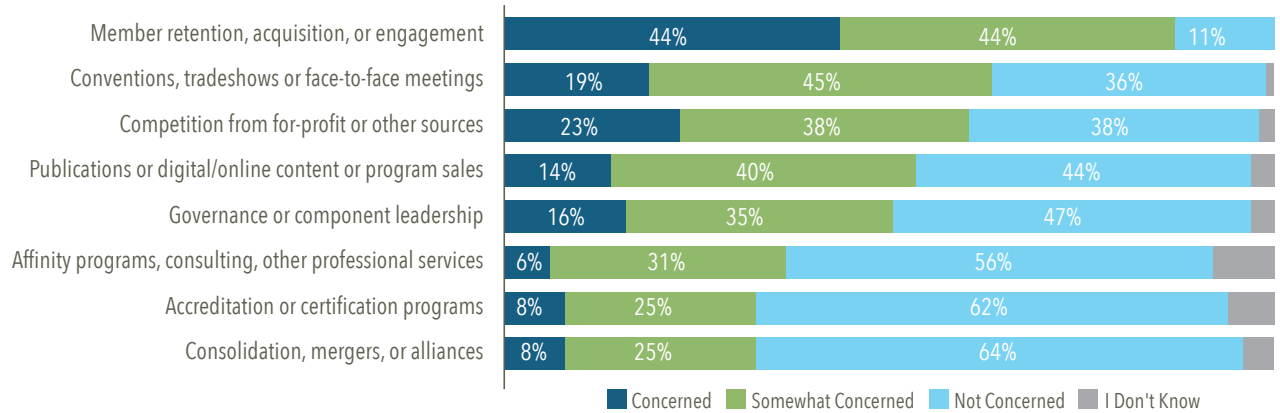
Trade association respondents are also particularly concerned about employee costs (36% vs. 25% of professional association respondents) and *negative effects of international trade deals, tariffs, or sanctions* (20% vs. 8% of professional association respondents).

Nearly half (47%) of professional association respondents are concerned with *changing types or needs of customers/end users*, up from 32% in 2019. Professional association respondents are also especially concerned about *reduced government spending* (30% vs. 19% of trade association respondents) and *co-branding, strategic alliances, or other industry partnerships* (14% vs. 7% of trade association respondents).

Implications of Economic Factors

The study tested **8 potential economic impacts on association strategy** arising from the economic environment facing association members. These are shown in the graph below.

Economic Implications for Association Strategy



While *member retention, acquisition, or engagement* (88%) was the most pressing issue in December 2019, **Association Laboratory concludes** that meetings, conventions and tradeshows will supplant this in coming months. Even in late 2019, many respondents were concerned about the implications for *conventions, tradeshows or face-to-face meetings* (64%) and *competition from for-profit or other sources* (61%).

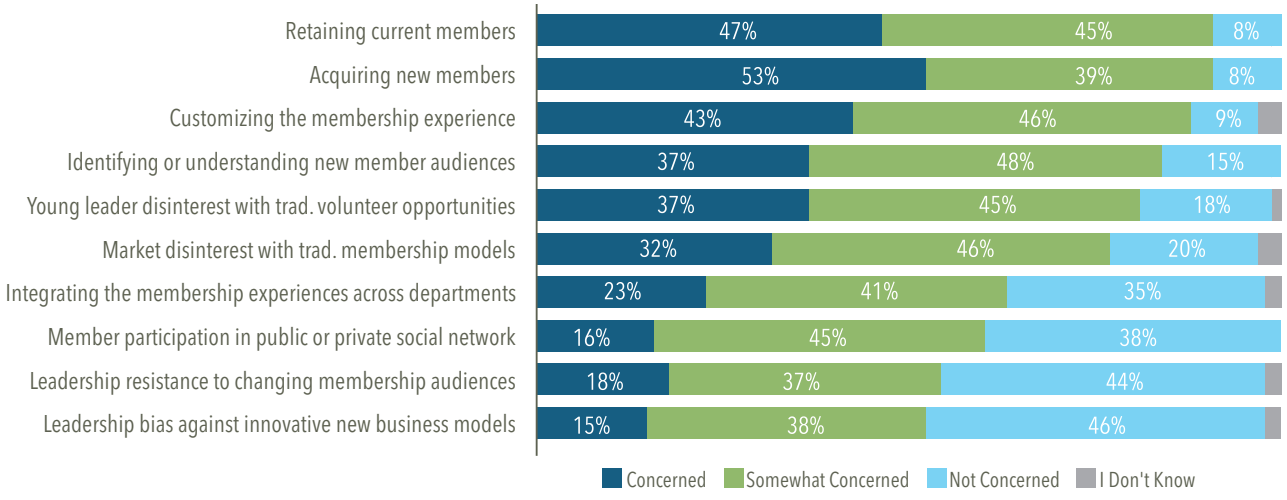
Economic Implications and Membership Issues

To get more insight into the implications for association strategy, Association Laboratory asked a series of follow-up questions looking at certain economic issues in more detail.

Respondents who are concerned or somewhat concerned about *member retention, acquisition, or engagement* were asked to identify their level of concern regarding specific membership issues.

As in previous years, *retaining current members* and *acquiring new members* (both 92%) are the top membership concerns, followed by *customizing the membership experience* (89% concerned or somewhat concerned).

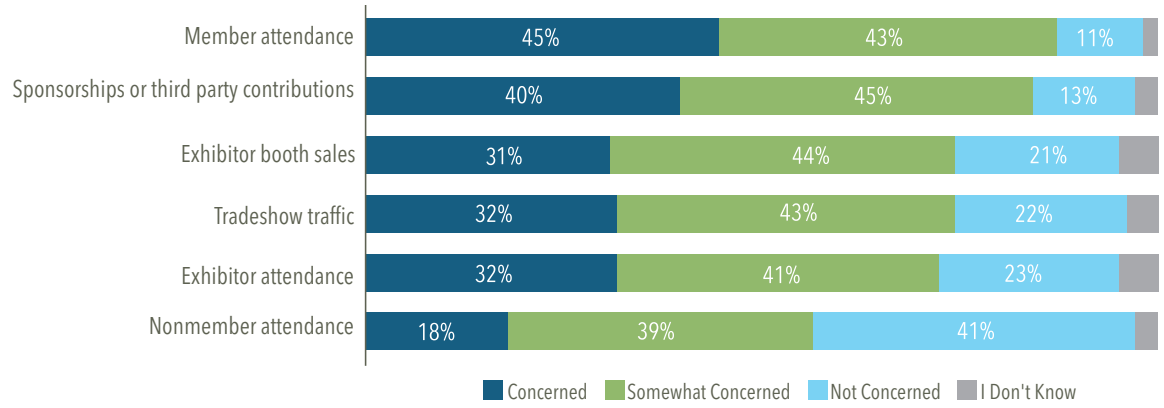
Membership Issues



Among respondents concerned about *conventions, tradeshows or face-to-face meetings,* the top concern is *member attendance* (88%), followed by *sponsorships or third-party contributions* (85% concerned or somewhat concerned).

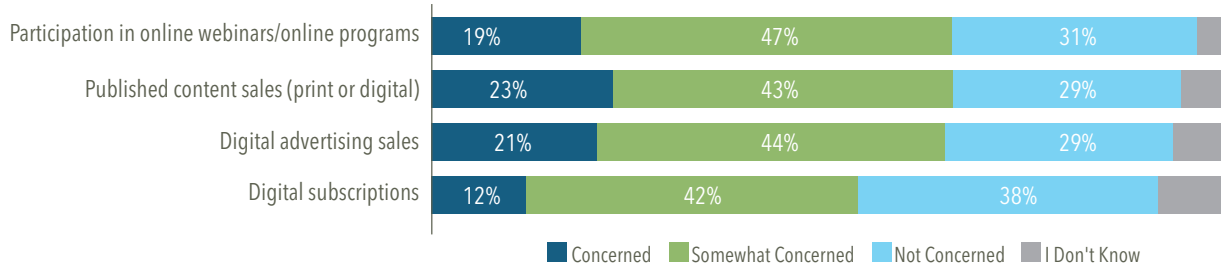
The COVID-19 pandemic will have a substantial impact on meetings, conventions, and tradeshows. Already these strategies were under pressure due to employer disincentives to travel and increasing familiarity and use of virtual meeting technologies like Zoom and WebEx. The strategic disruption due to the impact of the virus may substantially alter the role meetings play in the portfolio of association strategy

Meetings and Conventions Issues



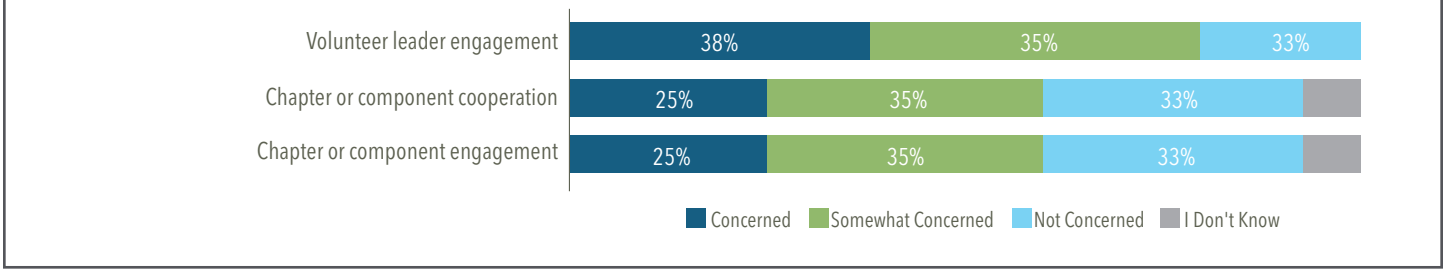
Among respondents concerned about *publications or digital/online content or program sales*, 66% are concerned or somewhat concerned about *participation in online webinars/online programs* and *published content sales (print or digital).*

Content or Publications Issues



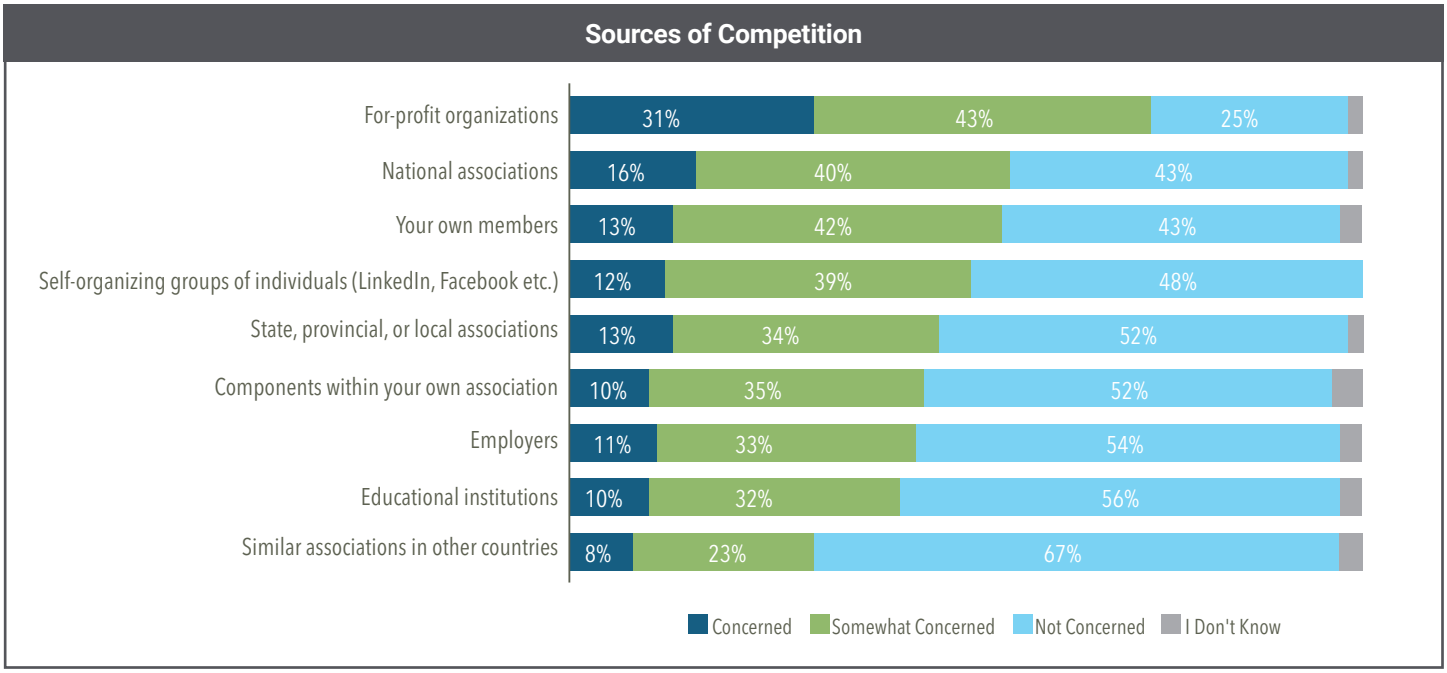
Among respondents concerned about *governance or component leadership*, the primary concern is *volunteer leadership engagement* (80%). Sixty percent are concerned or somewhat concerned about *chapter or component cooperation* or *engagement*.

Governance or Component Leadership Issues



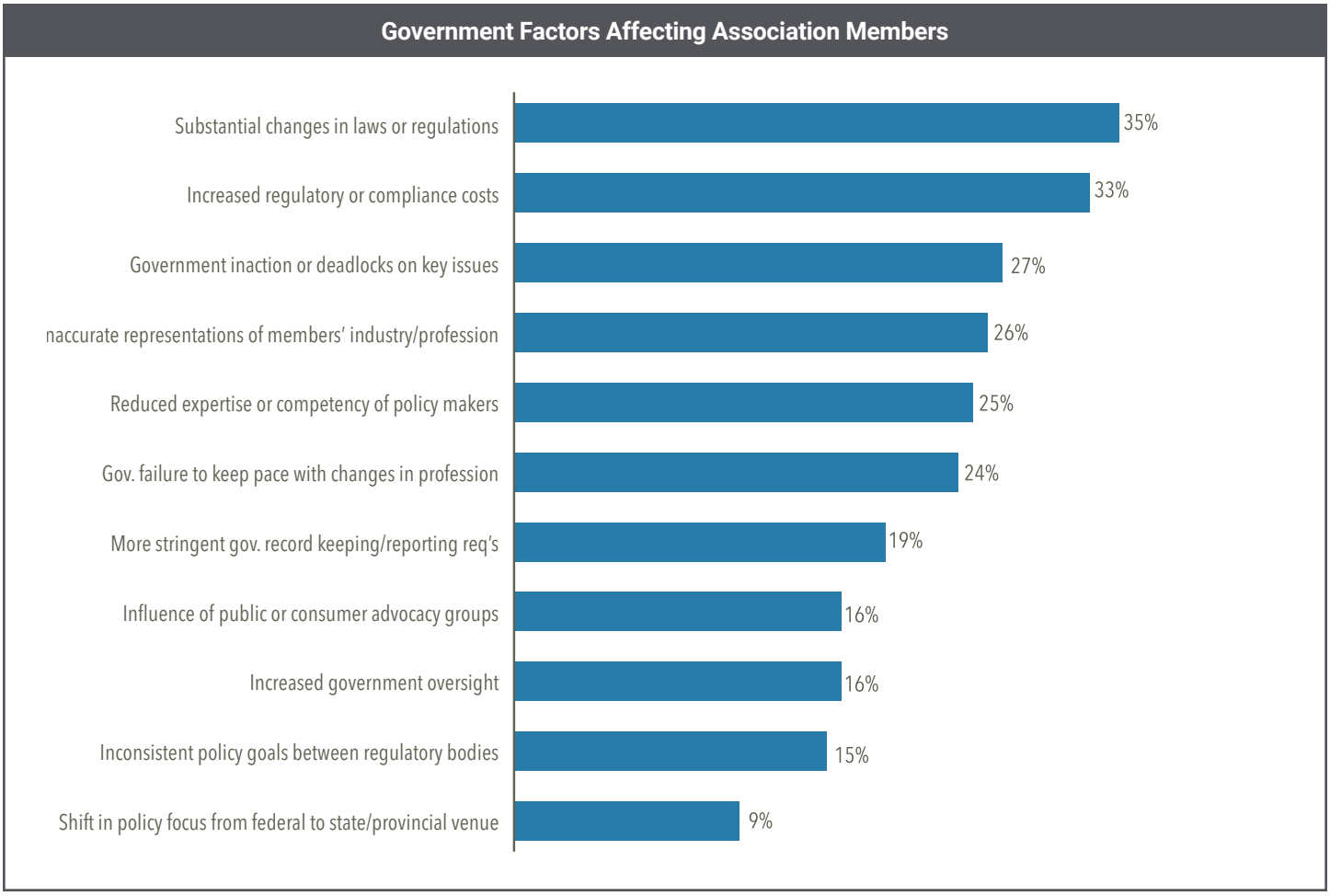
Among respondents concerned about *competition from for-profit or other sources*, 74% are concerned or somewhat concerned about competition from *for-profit organizations*, and just over half (56%) are concerned/somewhat concerned about competition from *national associations*.

Sources of Competition



Government Factors

The study examined **11 governmental factors affecting association members**. These factors are shown in the graph below.

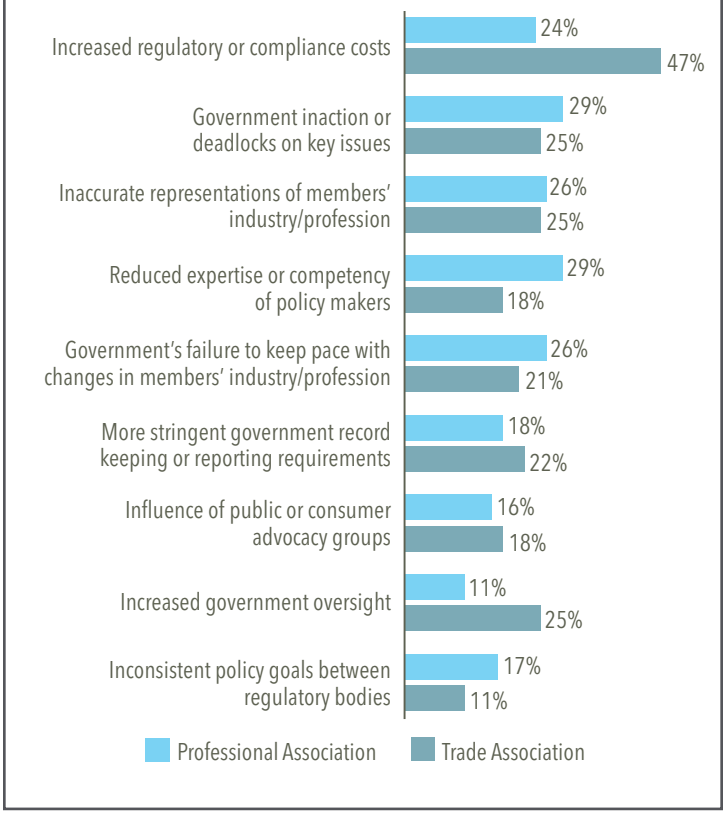


About a third of respondents anticipate that their members will be affected by *substantial changes in laws or regulations* (35%) or *increased regulatory or compliance costs* (33%) in the coming year.

Given the substantial changes in a wide variety of policies during the COVID-19 pandemic, **Association Laboratory concludes** this area will be even more significant. In some instances, regulatory restrictions long in place may be lifted. In other instances, government intervention may create new parameters to which industries and professions will need to adapt.

About a quarter (27%) of respondents expect their members to be affected by *government inaction or deadlocks on key issues*.

Government Factors - by Type of Association



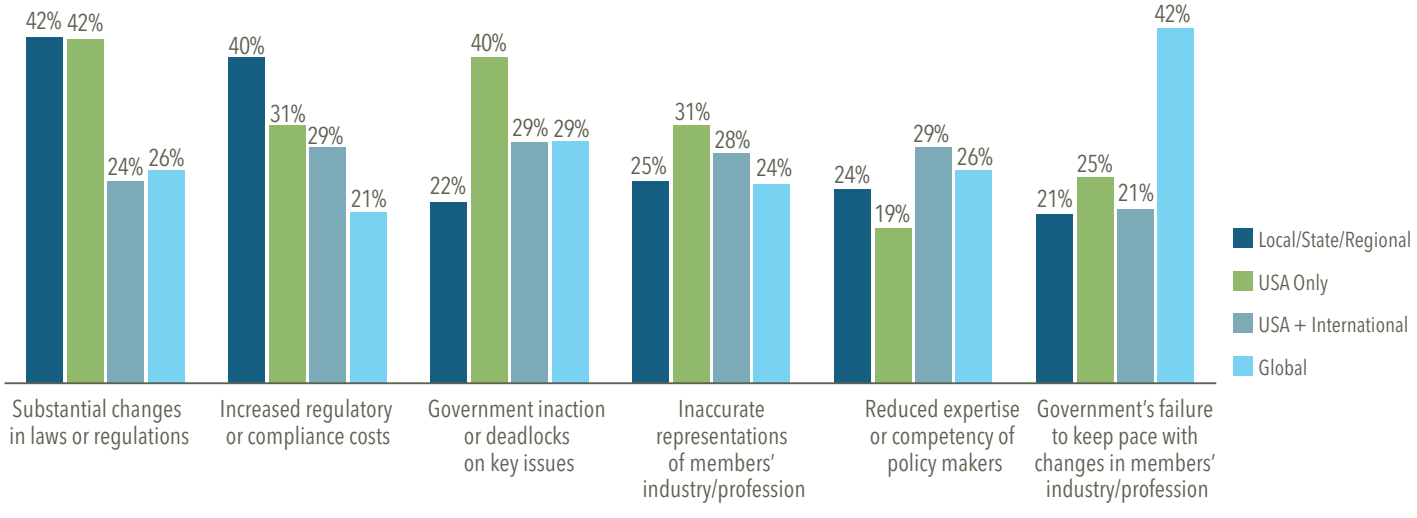
The graph on the left shows the differences between trade and professional association respondents regarding government factors.

Trade association respondents are more likely to expect their members to be affected by:

- *Increased regulatory or compliance costs* (47% vs. 24% of professional association respondents)
- *Substantial changes in laws or regulations* (40% vs. 32% of professional association respondents)
- *Increased government oversight* (25% vs. 11% of professional association respondents)

Professional association respondents are more likely to expect their members to be affected by *reduced expertise or competency of policymakers* (29% vs. 18% of trade association respondents).

Government Factors - by Association Scope



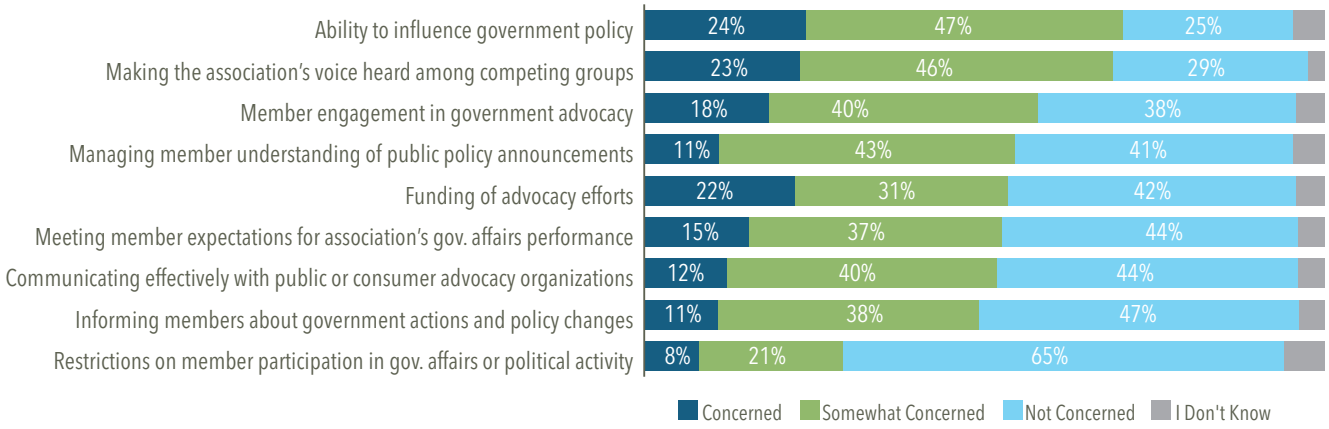
Looking at the top government factors by association scope, concern about *increased regulatory or compliance costs* is more prevalent among organizations with a state or local focus, and concern about *substantial changes in laws and regulations* is more prevalent among US associations with no international scope.

For 2020, there is a spike in concern among respondents from associations with a global scope about *government's failure to keep pace with changes in members' industry or profession* (43% vs. 20% in 2019).

Implications of Government Factors

Association Laboratory looked at **9 potential impacts of government factors on association strategy**.

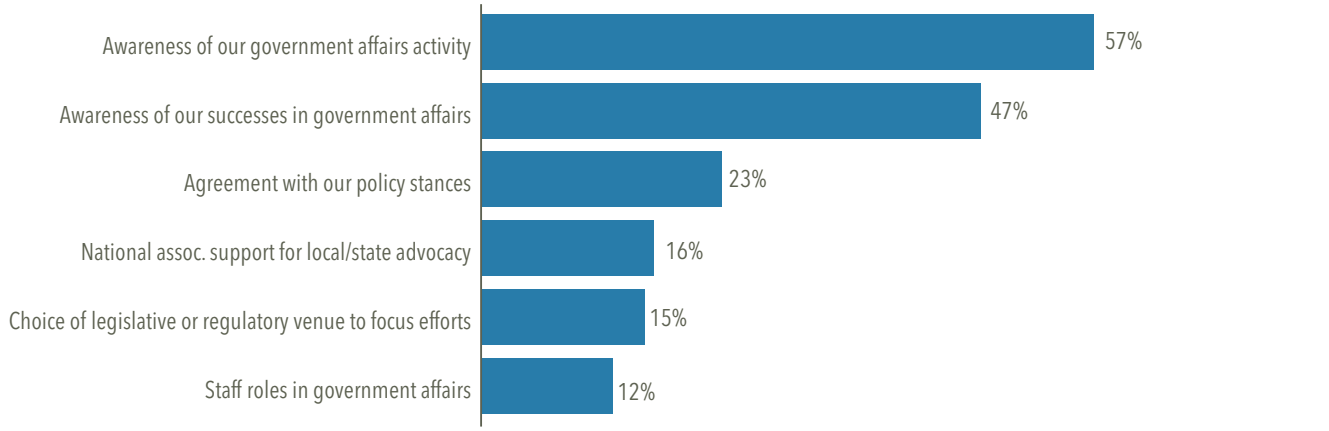
Government Implications for Association Strategy



In line with recent years, the key impacts of concern among respondents are *ability to influence government policy* (71%) and *making the association's voice heard among competing groups* (69% concerned or somewhat concerned).

For the 52% of respondents who indicated they are concerned or somewhat concerned about *meeting members' expectations for the association's government affairs performance*, a follow-up question looked at these concerns in more detail.

Meeting Members' Expectations - Areas of Concern

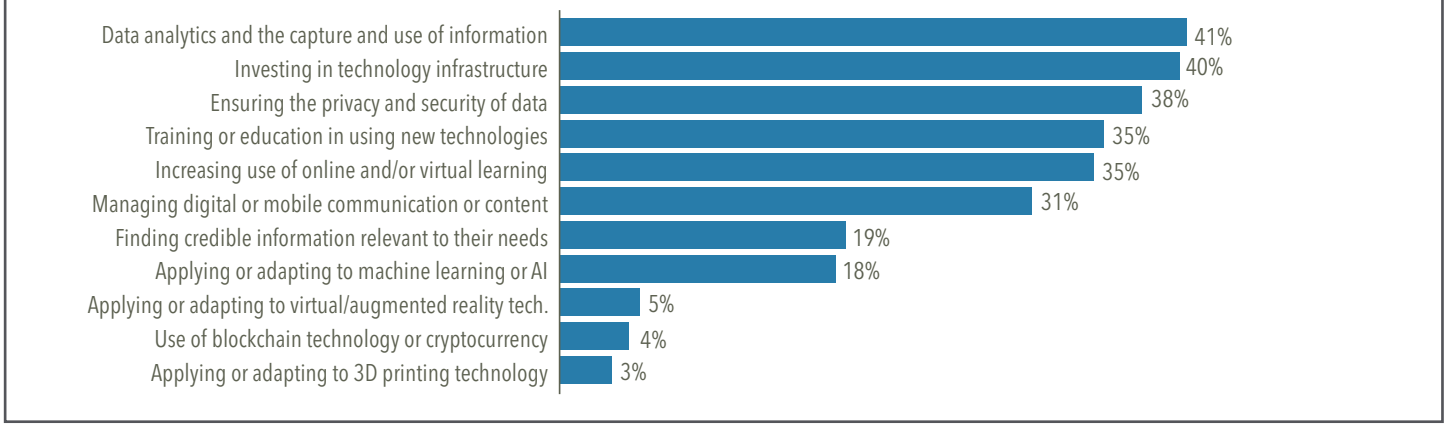


The primary concerns are regarding member awareness: 57% are concerned about meeting expectations in the area of *awareness of government affairs activity*, and nearly half (47%) are concerned about *awareness of success in government affairs*.

Information & Technology Factors

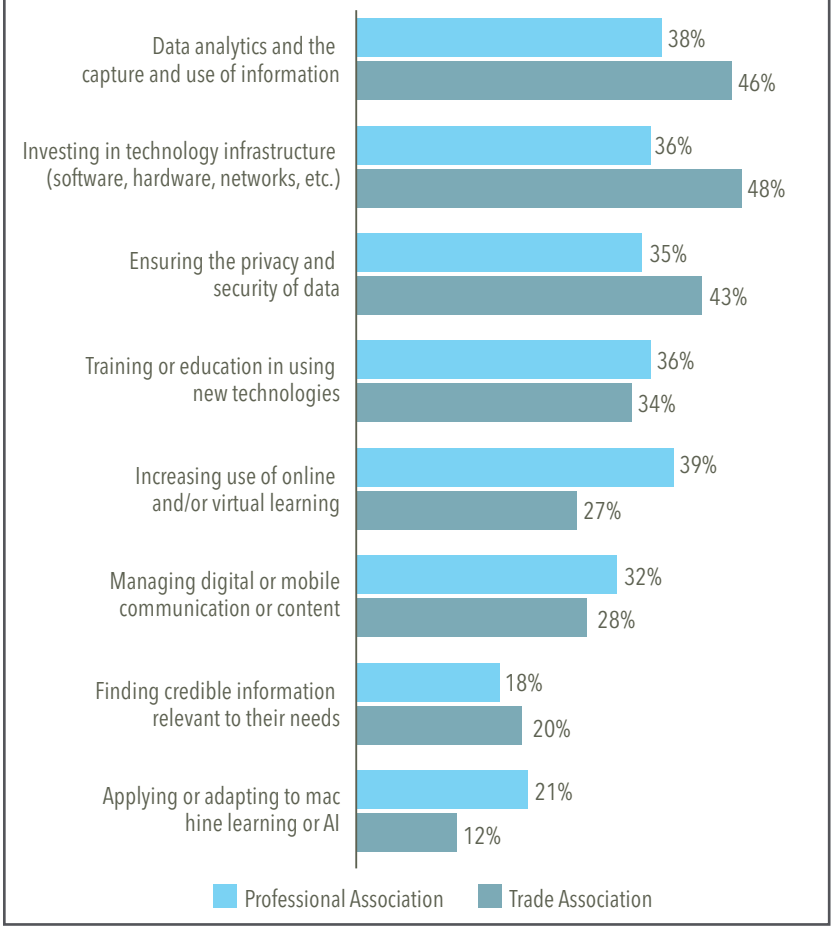
The study examined **11 information & technology factors affecting members**. These factors are shown in the graph below.

Information & Technology Factors Affecting Association Members



The top factors expected to impact association members in 2020 are *data analytics and the capture and use of information* (41%) and *investing in technology infrastructure* (40%).

Information & Technology Factors - by Type of Association



The graph on the left shows the differences between trade and professional association respondents regarding information and technology factors.

Trade association respondents are more likely to expect their members to be affected by:

- *Investing in technology infrastructure* (48% vs. 36% of professional association respondents)
- *Data analytics and the capture and use of information* (46% vs. 38% of professional association respondents)
- *Ensuring the privacy and security of data* (43% vs. 35% of professional association respondents)

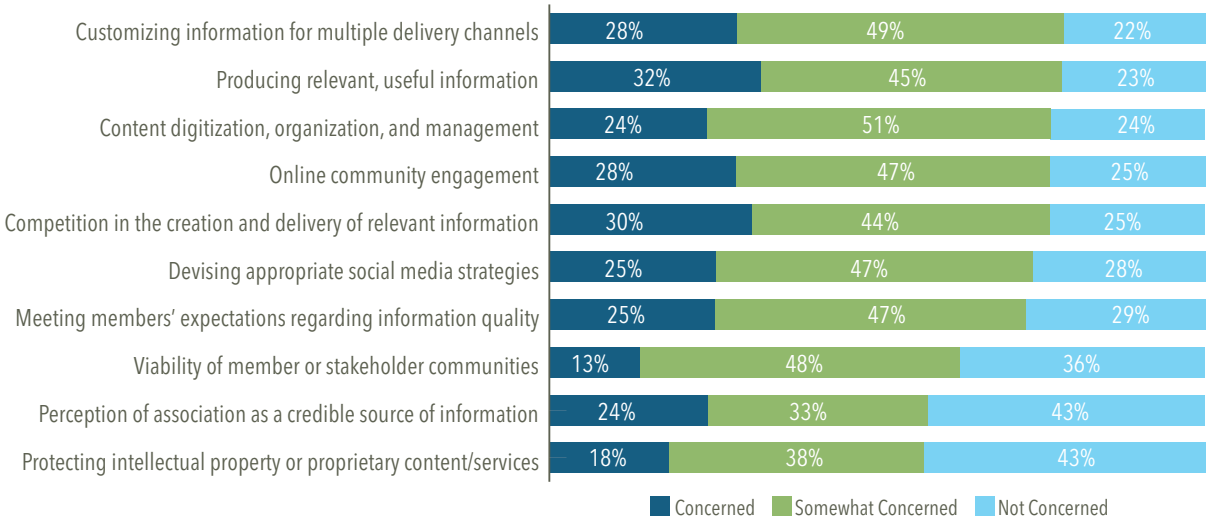
Professional association respondents are particularly concerned about their members being affected by:

- *Increasing use of online and/or virtual learning* (39% vs. 27% of trade association respondents)
- *Applying or adapting to machine learning or AI* (21% vs. 12% of trade association respondents)

Implications of Information & Technology Factors

The study explored **10 information & technology implications affecting association strategy**.

Information & Technology Implications for Association Strategy

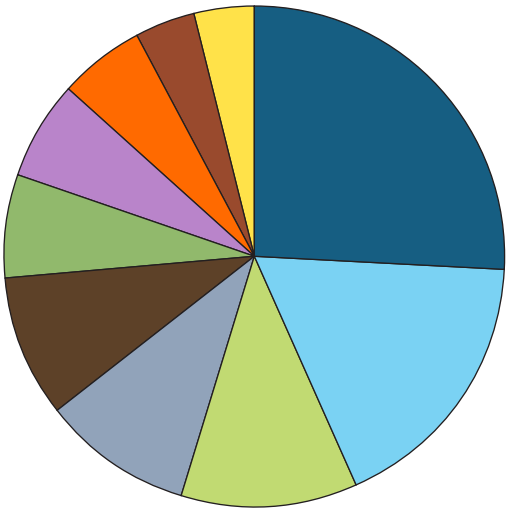


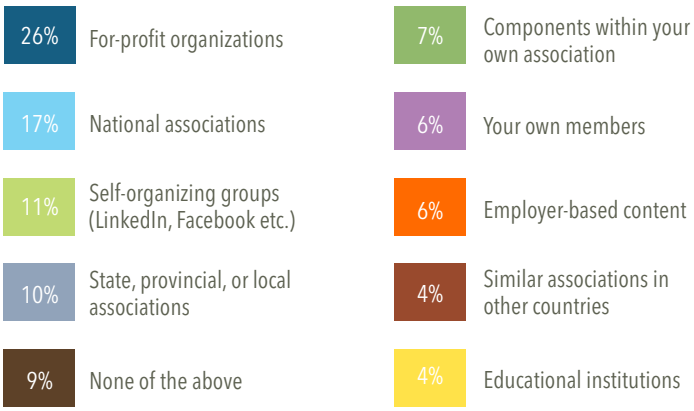
The impacts most likely to concern respondents are a need for *customizing information for multiple delivery channels* (77% concerned or somewhat concerned), *producing relevant, useful information* (77%), and *content digitization, organization, and management* (75%).

Respondents who indicated concern about *competition in the creation and delivery of relevant information* were asked to identify which competitive source was their top concern.

Among these respondents, about a quarter (27%) are most concerned about competition from other associations, be it national (17%) or state, provincial, or local (10%). Another quarter (26%) are concerned about competition from for-profit organizations.

Competitive Sources of Information





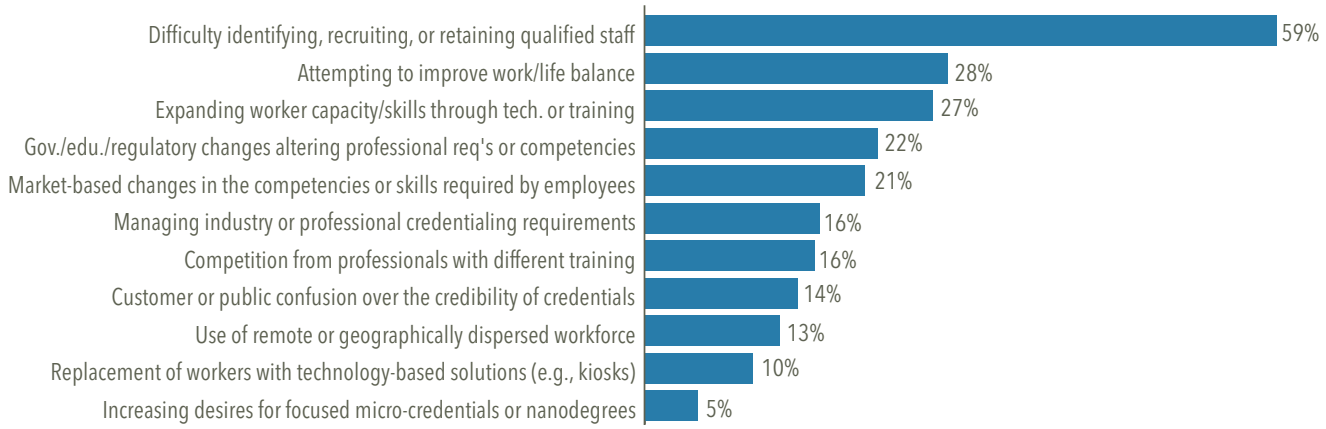
Workforce Factors

The study examined **11 workforce factors affecting members**. These factors are shown in the graph below.

Respondents are most likely to expect their members to be affected by *difficulty identifying, recruiting, or retaining qualified staff* (59%).

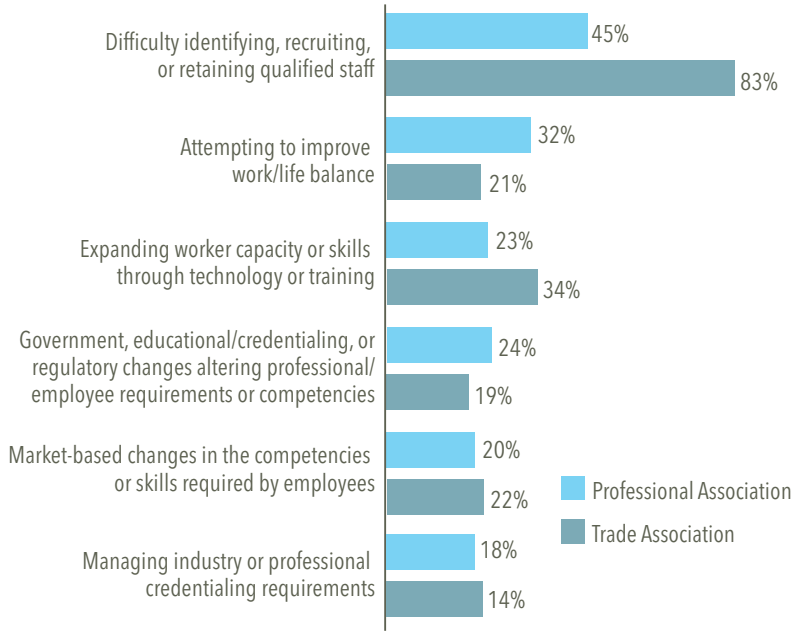
More than a quarter of respondents expect their members to be affected by *attempting to improve work/life balance* (28%) and *expending worker capacity or skills through technology or training* (27%).

Workforce Factors Affecting Association Members



The graph below shows differences between professional and trade associations regarding workforce factors.

Workforce Factors - by Type of Association



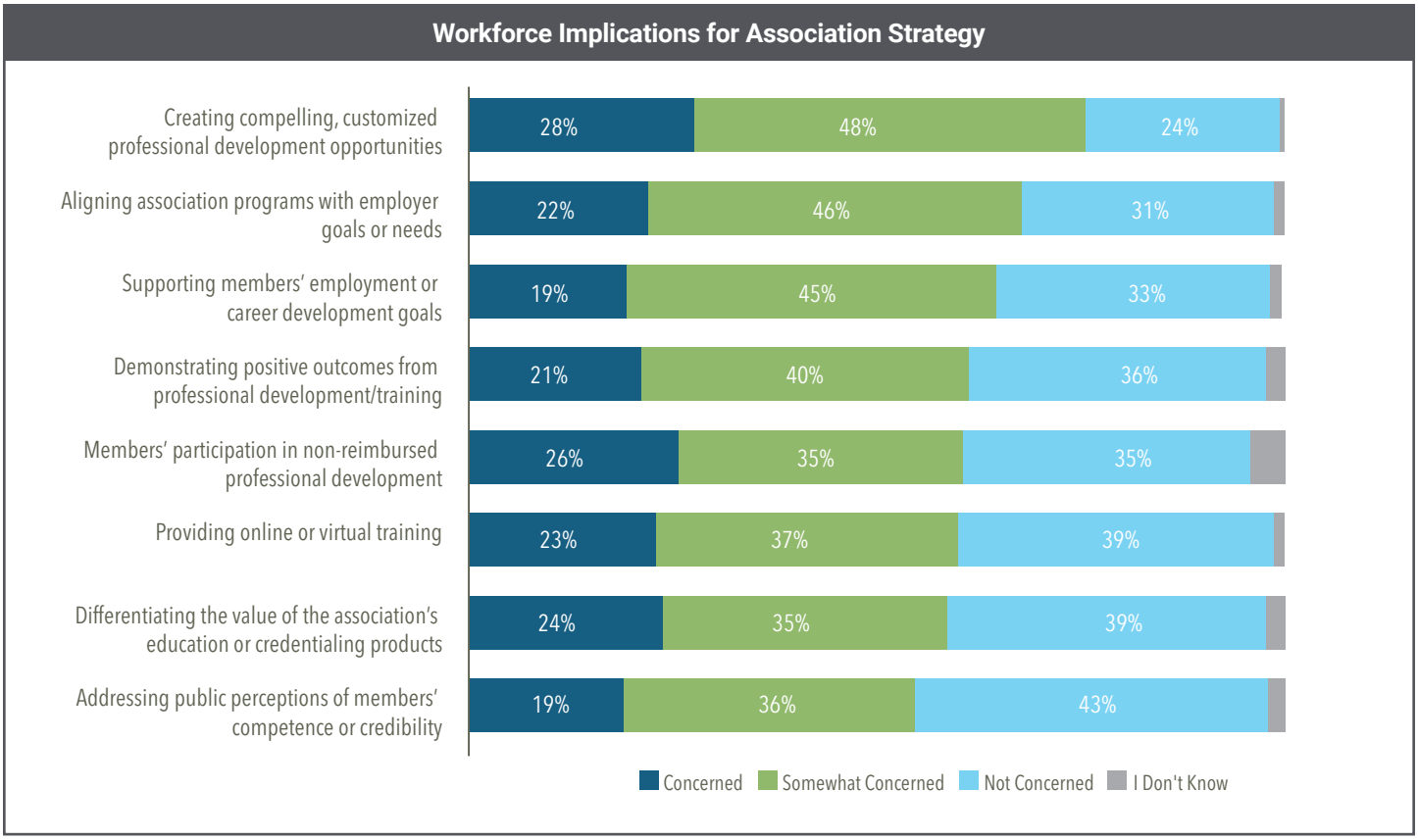
Trade association respondents are more likely to expect their members to be affected by:

- *Difficulty identifying, recruiting, or retaining qualified staff* (83% vs. 45% of professional association respondents)
- *Expanding worker capacity or skills through technology or training* (34% vs. 23% of professional association respondents)

Professional association respondents are more likely to expect their members to be affected by *attempting to improve work/life balance* (32% vs. 21% of trade association respondents).

Implications of Workforce Factors

Association Laboratory looked at **eight potential impacts on association strategy arising from the workforce environment**.



As in recent years, the most concerning impact on association strategy is *creating compelling, customized professional development opportunities* (76% concerned or somewhat concerned).

Respondents also continue to be concerned about *aligning association programs with employer goals or needs* (68%) and *supporting members' employment or career development goals* (64% concerned or somewhat concerned).

Association Laboratory concludes that the impact of the COVID-19 pandemic on travel and anticipated cost by employers will increase the priority for online or virtual training.

Global Factors

Among the respondents to *Looking Forward™* 2020, 40% are from associations with a global or international scope.[4] These respondents were asked about the global factors affecting their members and their association's strategy.

Association Laboratory looked at **10 global factors affecting members**. These factors are shown in the graph below.

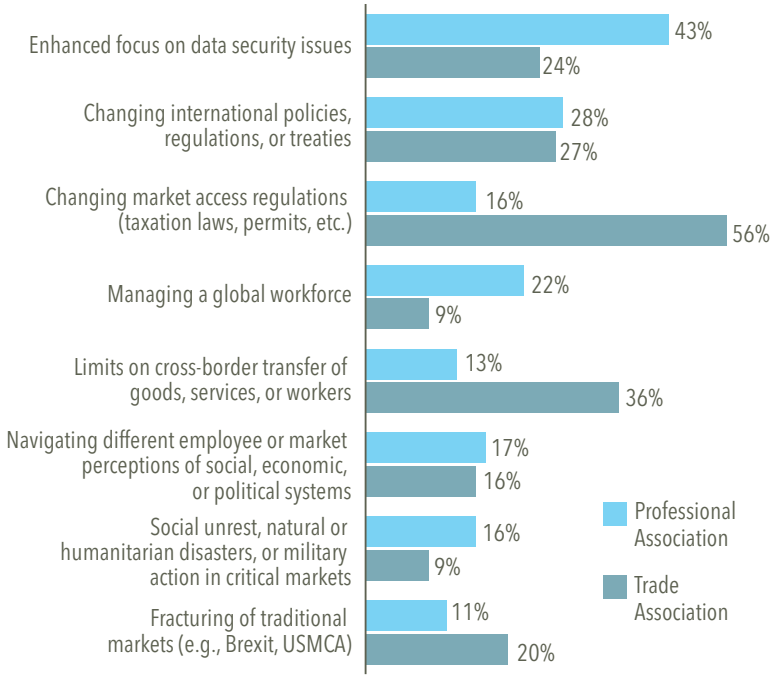
Global Factors Affecting Association Members

The top factor expected by respondents to affect their members in 2020 is *enhanced focus on global data security issues* (38%).

About a quarter of respondents expect their members to be affected by *changing international policies, regulations, or treaties* (27%) or *changing market access regulations* (25%).

Association Laboratory concludes that the impact of the COVID-19 pandemic will have substantial impact on the movement of goods and people across international boundaries.

Global Factors - by Type of Association



The graph on the left shows differences between professional and trade associations regarding global factors.

Global trade association respondents are more likely to expect their members to be affected by:

- *Changing market access regulations* (56% vs. 16% of professional association respondents)
- *Limits on cross-border transfer of goods, services, or workers* (36% vs. 13% of professional association respondents)
- *Fracturing of traditional markets* (20% vs. 11% of professional association respondents)

Global professional association respondents are more likely to expect their members to be affected by:

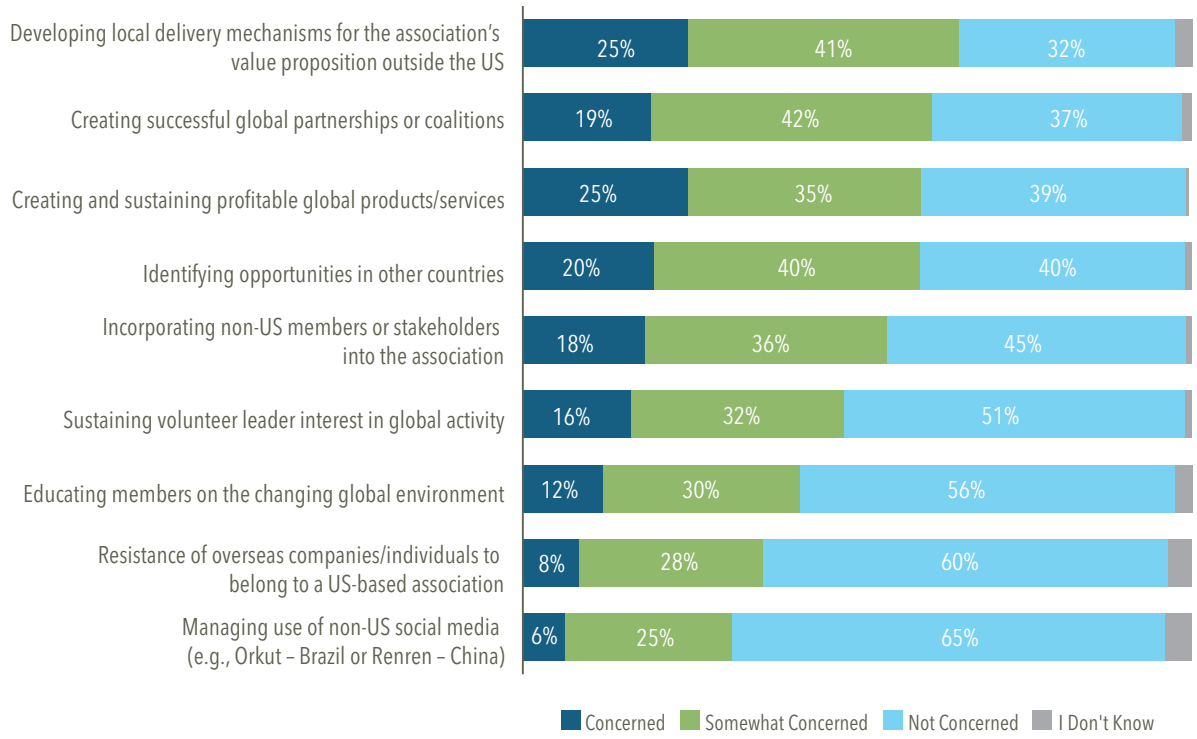
- *Enhanced focus on data security issues* (43% vs. 24% of trade association respondents)
- *Managing a global workforce* (22% vs. 9% of trade association respondents)

[4]*Defined as respondents who indicated that their association's scope is* US + International, Global, *or* Multi-country federation not including the US.

Implications of Global Factors

The study looked at **nine possible impacts of the global business environment on association strategy**.

Global Implications for Association Strategy



The impact of most concern is *developing local delivery mechanisms for the association's value proposition outside the US* (66% concerned or somewhat concerned), followed by *creating successful global partnerships or coalitions* (61%) and *creating and sustaining profitable global products/services* (60%).

Association Laboratory concludes that the impact of the COVID-19 pandemic will make efforts to create local delivery mechanisms even more critical for international and global associations.

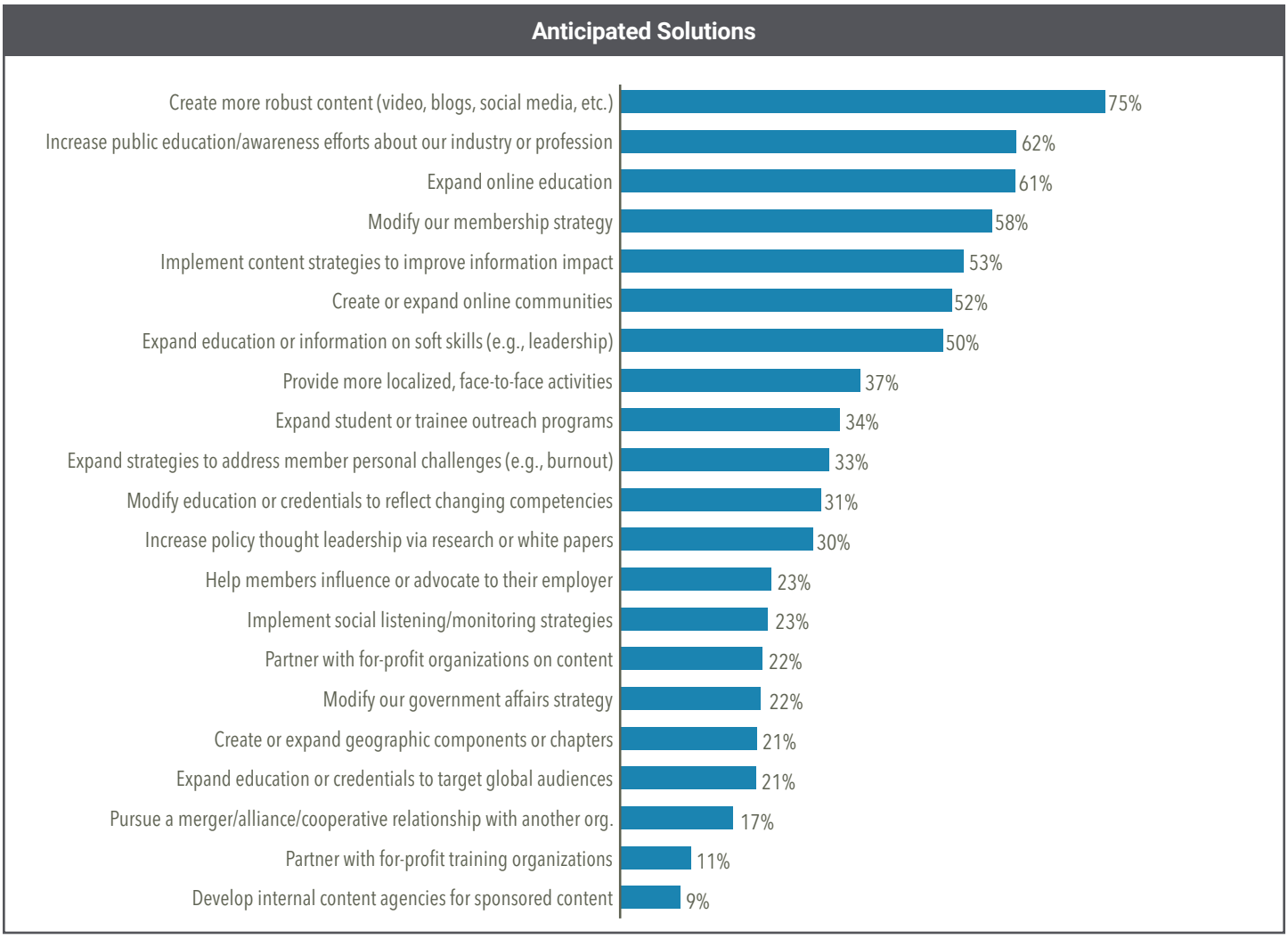
Solutions to Challenges Facing Associations

Clearly, there are many challenges facing associations and their members in today's complex and rapidly changing business environment. **So, what are associations doing in response?**

Top Anticipated Solutions

For *Looking Forward™* 2020, Association Laboratory tested **21 potential solutions to the challenges facing associations**, asking respondents to indicate which ones they anticipate doing in the next 12 months.

The graph below shows the percentage of respondents who anticipate trying each potential solution.



Three out of four respondents (75%) anticipate working to *create more robust content* in 2020.

Additionally, 62% of respondents hope to *increase public education or awareness efforts about their industry or profession* in 2020, and 61% hope to *expand online education*.

Association Laboratory concludes that the impact of the COVID-19 pandemic will only increase the focus on these areas.

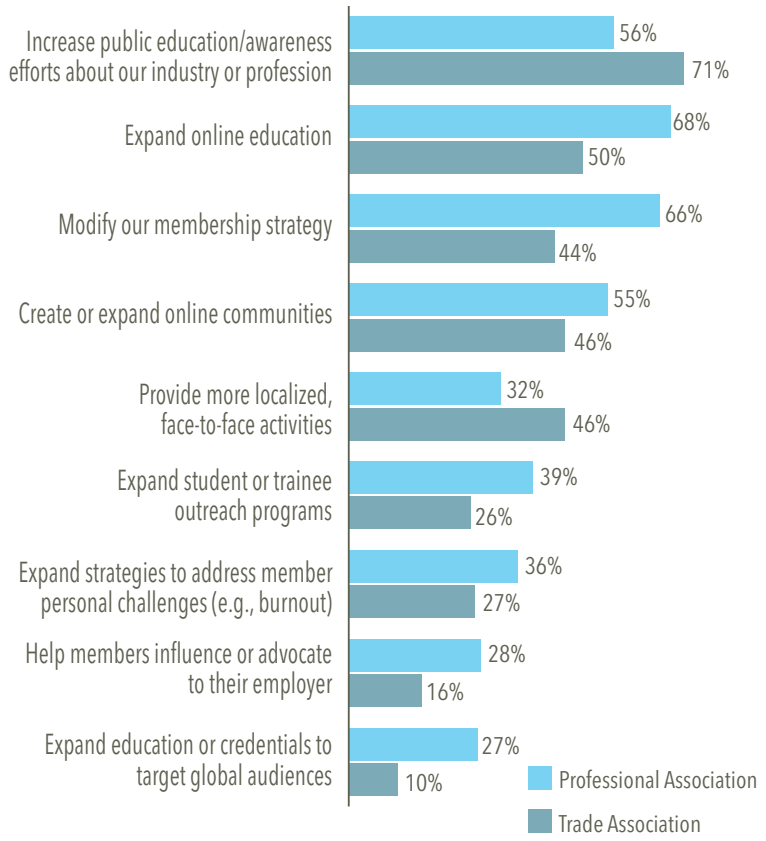
While the top solution for both trade and professional associations is to *create more robust content*, there are differences in the top five solutions depending on association type.

Top 5 Solutions – by Type of Association		
Rank	Trade Associations	Professional Associations
1	Create more robust content (video, blogs, social media, etc.)	Create more robust content (video, blogs, social media, etc.)
2	Increase public education/awareness efforts about our industry	Expand online education
3	Implement content strategies to improve information impact	Modify our membership strategy
4	Expand education or information on soft skills (e.g., leadership)	Increase public education/awareness efforts about our profession
5	Expand online education	Create or expand online communities

In addition to differences in the top five solutions by association type, many solutions are more likely to be preferred by one or the other association type. The following graph shows differences between trade and professional associations regarding anticipated solutions.[5]

Trade association respondents are more likely to anticipate working to *increase public education/awareness efforts about their industry* (71% vs. 56% of professional association respondents). These respondents are also more likely to plan to *provide more localized, face-to-face activities* (46% vs. 32% of professional association respondents).

Anticipated Solutions - by Type of Association



Professional association respondents are especially likely to expect to:

- *Expand online education* (68% vs. 50% of trade association respondents)
- *Modify their membership strategy* (66% vs. 44% of trade association respondents)
- *Create or expand online communities* (55% vs. 46% of trade association respondents)
- *Expand student or trainee outreach programs* (39% vs. 26% of trade association respondents)
- *Expand strategies to address member personal challenges* (36% vs. 27% of trade association respondents)
- *Help members influence or advocate to their employer* (28% vs. 16% of trade association respondents)
- *Expand education or credentials to target global audiences* (27% vs. 10% of trade association respondents)

[5]*Solutions shown in graph are those with a minimum 8 percentage point difference between trade and professional associations.*

Additional Detail on Specific Solutions

For some solutions, Association Laboratory asked a follow-up question gathering more detail on what that solution might look like.

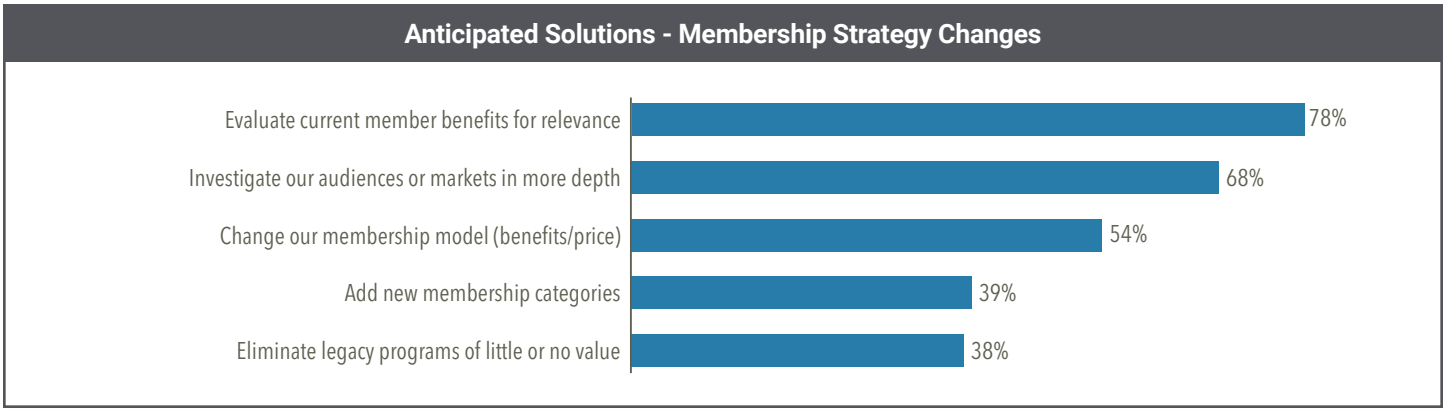
Content Strategy Goals

Respondents who hope to *create more robust content* in the coming year were asked to indicate the goals of their content strategy.

Almost three-fourths of these respondents (73%) aim to *increase awareness of association programs or services*, while 69% hope to *improve relevancy of information to members or stakeholders*.

Membership Strategy Changes

Respondents who anticipate that they will *modify their membership strategy* were asked to indicate where they will focus their changes.

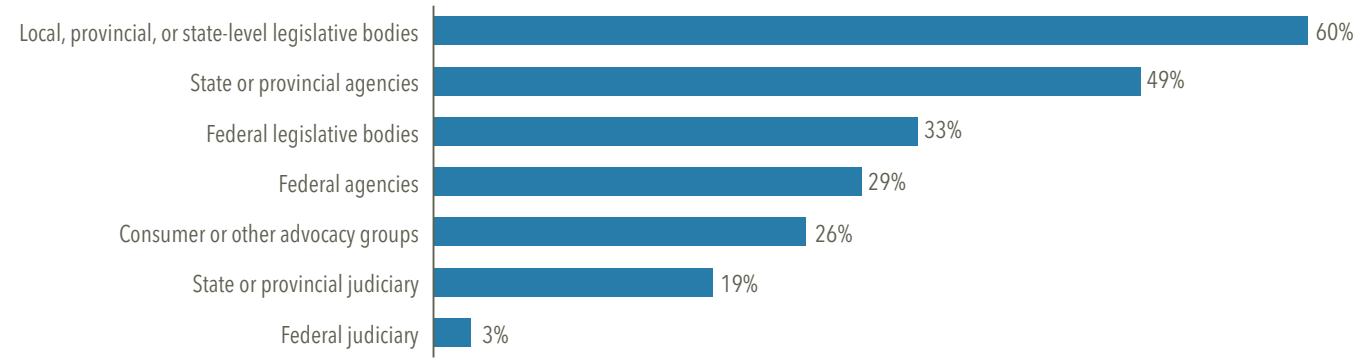


More than three-fourths of these respondents (78%) expect they will *evaluate current member benefits for relevance*. About two-thirds (68%) plan to *investigate their audiences or markets in more depth*, and over half (54%) plan to *change their membership model (benefits/price)*.

Advocacy Strategy Changes

Respondents who anticipate that they will *modify their government affairs strategy* were asked to indicate where they will focus their changes.

Anticipated Solutions - Advocacy Strategy Changes

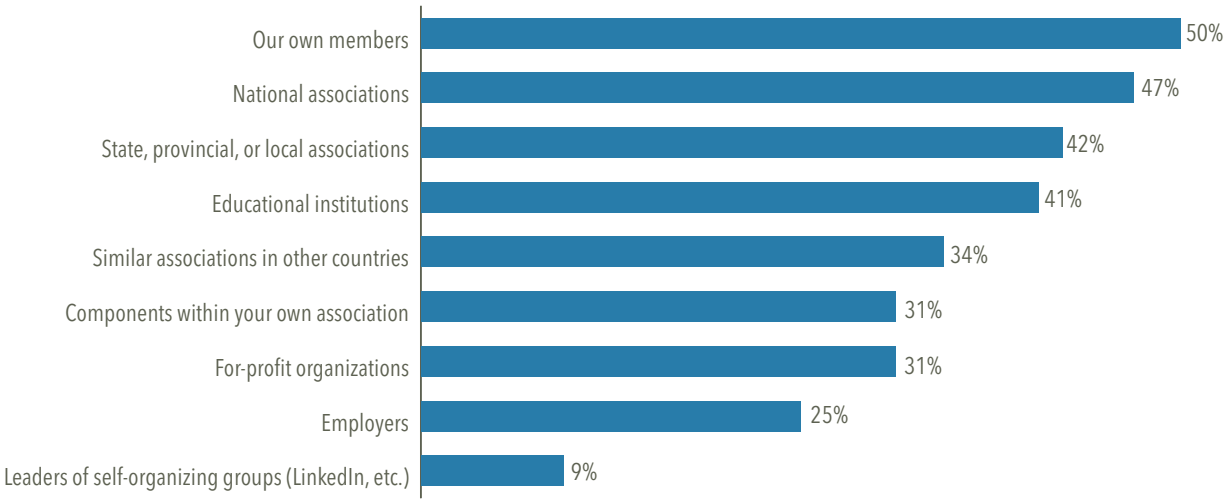


Most respondents plan to focus their efforts at the local level: a majority (60%) plan to focus their advocacy strategy changes on *local, provincial, or state-level legislative bodies*, while almost half (49%) plan to focus on *state or provincial agencies*.

Cooperative Relationship Changes

Respondents who anticipate that they will *pursue a merger, alliance, or other cooperative relationship with another organization* were asked to indicate where they will focus their changes.

Anticipated Solutions - Focus of Cooperative Efforts



Half of these respondents (50%) expect to partner with *their own members*.

Another 47% expect to partner or cooperate with *national associations*.

Association Laboratory concludes that the impact of the COVID-19 pandemic will increase pressure on associations to work together more cooperatively to share access to audiences, combine financial risk, or to gain access to necessary content or other resources.

Solutions Most Important to Success

In addition to looking at the top solutions overall, respondents were asked to indicate which of the solutions they expect to try will be most important to their association's success. The graph below shows the top solutions most likely to be prioritized as important to the association's success (graph shows the 8 solutions that were placed in the top three by at least 10% of respondents).

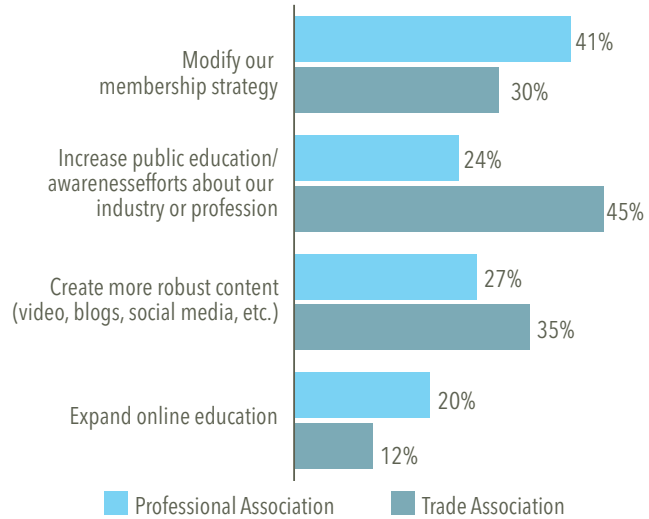
Solutions Most Critical to Success

While creating more robust content is the solution most likely to be attempted by associations, the solution most likely to be identified as being critical to success is *modifying our membership strategy* (37% of respondents placing it in the top three most important solutions).

Rounding out the top three most critical solutions are *increasing public education/awareness efforts about our industry/ profession* (32% placing in top three) and *creating more robust content* (30% placing in top three).

Association Laboratory concludes that the impact of the COVID-19 pandemic will force efforts to expand online education and online communities to the top of this list, but continued modification of membership models to incorporate digital or online benefits will be a priority. The graph below shows the differences between trade and professional association respondents regarding the solutions most critical to success.[6]

Solutions Most Critical to Success - by Type of Association



Trade association respondents are more likely to consider the following solutions critical to their association's success:

- *Increasing public education/awareness efforts about the industry* (45% vs. 24% of professional association respondents)
- *Creating more robust content* (35% vs. 27% of professional association respondents)

Professional association respondents are more likely to consider the following solutions critical to their association's success:

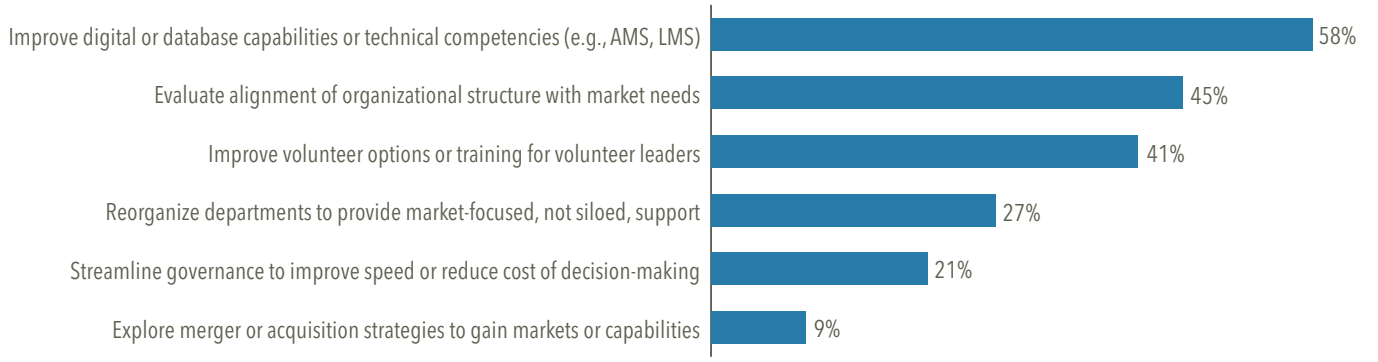
- *Modifying their membership strategy* (41% vs. 30% of trade association respondents)
- *Expanding online education* (20% vs. 12% of trade association respondents)

[6]*Solutions shown in graph are those with a minimum 8 percentage point difference between trade and professional associations..*

Internal Solutions

In addition to asking about Mission-focused solutions, Association Laboratory explored six potential internal solutions that associations might use to better enable them to implement change.

Anticipated Internal Solutions



A majority of respondents (58%) anticipate that they will *improve digital or database capabilities or technical competencies* in the coming year, and nearly half (45%) expect to *evaluate alignment of organizational structure with market needs*.

Only one internal solution was more likely to be pursued depending on association type — trade association respondents are more likely to anticipate *evaluating alignment of organizational structure with market needs* (52% vs. 42% of professional association respondents).

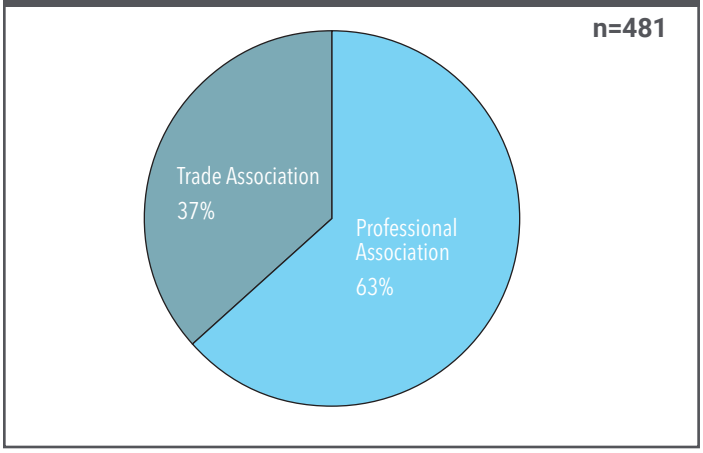
Appendix 1: Who Responded?

Association Laboratory seeks research participants representing the diversity of the association sector. The broad representation allows us to identify sector-wide trends. **For 2020, the study had 481 total participants**.

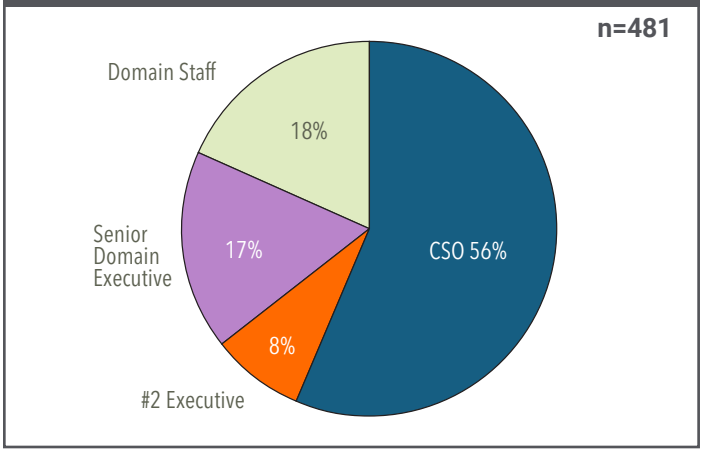
Of these 481 participants, 63% are from professional associations and 37% are from trade associations.

Association chief staff officers make up 56% of respondents, with assistant executive directors and senior and professional domain staff rounding out the remaining 44% of respondents.

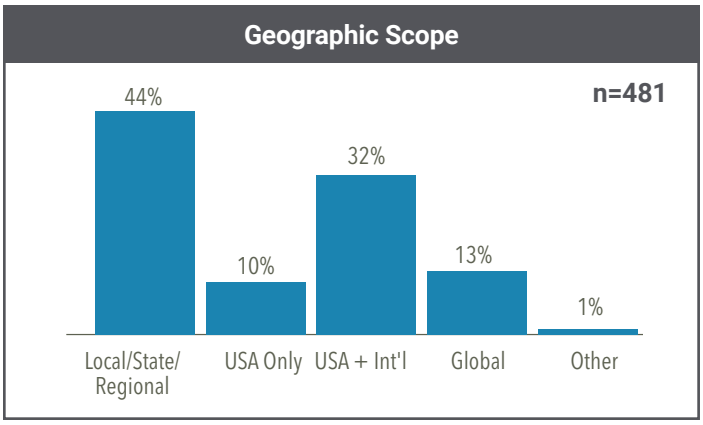
Type of Association



Respondent Job Title



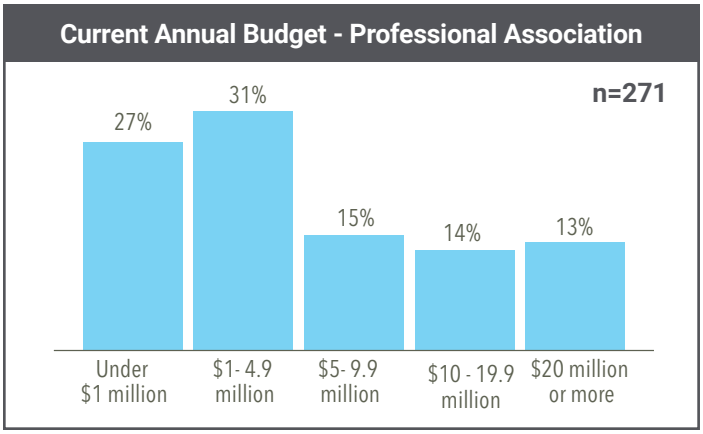
Geographic Scope



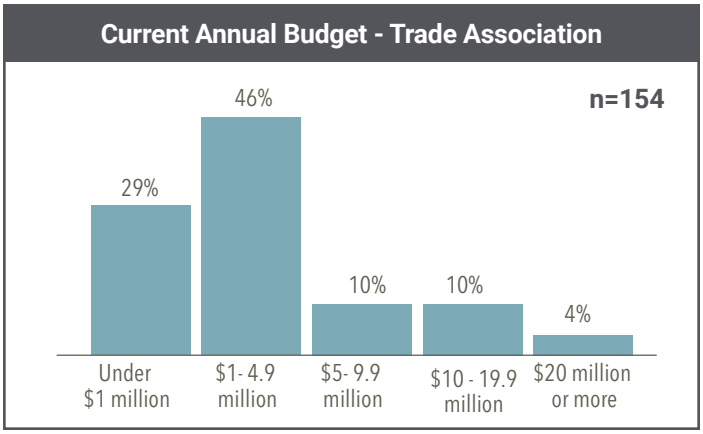
Nearly half (42%) of respondents work at national or US-based international associations, and another 44% are at local, state, or regional organizations.

Among professional association respondents, 59% are from organizations with a current annual budget under $5 million; 79% of trade association respondents are from organizations with a budget of this size.

Current Annual Budget - Professional Association

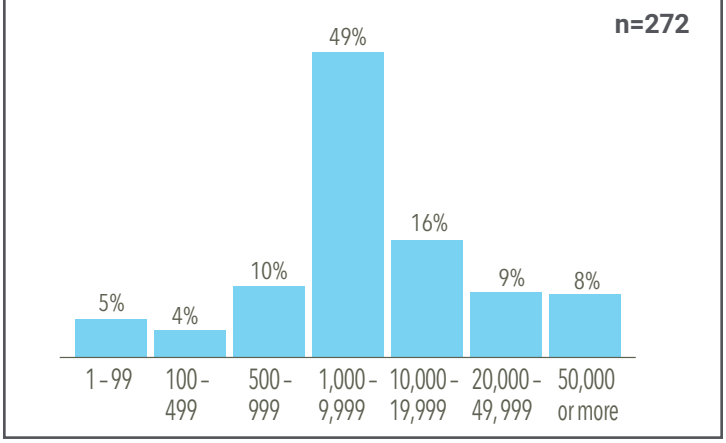


Current Annual Budget - Trade Association

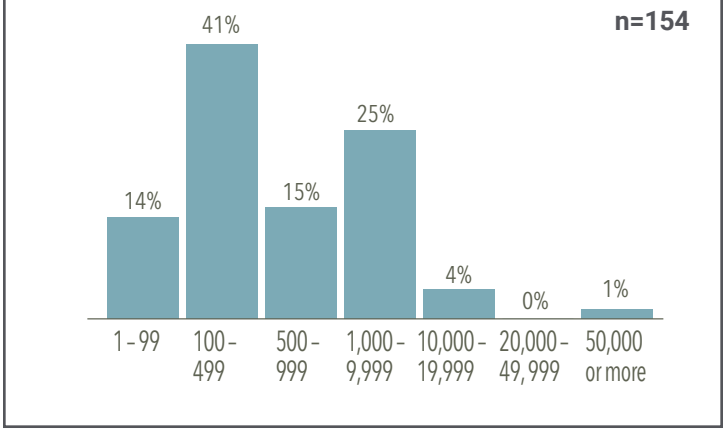


The majority of professional association respondents (82%) are from organizations with at least 1,000 members. Among trade association respondents, 66% are from associations with a membership of under 1,000.

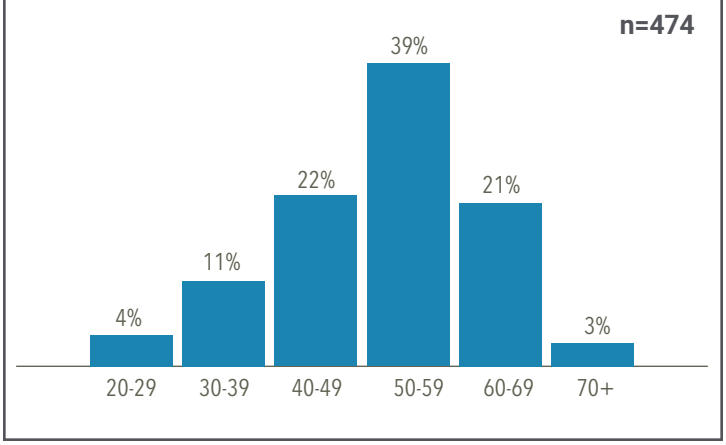
Size of Membership - Professional Association Respondents



Size of Membership - Trade Association Respondents



Respondent Age



Industry or Profession	Professional	Trade
Sample Size	204	96
Aerospace & Defense	8%	1%
Agriculture	5%	5%
Automotive	6%	2%
Chemicals	6%	4%
Construction	8%	21%
Consumer Goods & Services	7%	6%
Energy, Oil or Gas Industry	10%	7%
Financial Services	9%	9%
Firearms & Explosives	1%	0%
Food & Beverage	6%	5%
Health Care	40%	16%
Hospitality & Tourism	6%	6%
Housing & Real Estate	5%	9%
Manufacturing	10%	10%
Mining & Drilling	5%	1%
Pharmaceuticals & Biotechnology	12%	2%
Printing & Publishing	3%	2%
Telecommunications & Media	5%	4%
Transportation & Logistics	7%	3%
Other	41%	31%

Over half (63%) of respondents are over age 50. This is to be expected, given the seniority of respondents.

Appendix 2: Looking Forward™ 2020 Discussion Guide

Introduction to the *Looking Forward™ Discussion Guide*

Without understanding the future in which your members live and work, it is impossible to develop successful, sustainable long-term strategy.

It is therefore essential that forward-looking leaders are prepared to **foster and facilitate engaging conversations about the future.**

This ***Looking Forward™ 2020*** **Discussion Guide** is designed to help you lead a productive conversation about the future of your industry or profession. As a companion piece to the ***Looking Forward™ 2020*** **White Paper** and the **Looking Forward™ 2020 PowerPoint Template** (template available separately)**,** it helps you identify, deepen understanding, and reach consensus on three essential questions:

- *What are the **environmental factors** with the greatest impact on your members?* – Identify the issues with the most impact on your members and the decisions they will be making over the next three years.
- *What are the **implications of these factors** for your association's strategy?* – Assess the impact of evolving member decision-making on the future strategies of the association.
- *How should the association **act on this information**?* – Determine what the association needs to strengthen, evolve, or reduce to be more successful, given these implications.

By using the *Looking Forward™ 2020* Discussion Guide and companion materials you will arrive at a research-based, consensus understanding of the future of your industry or profession and the implications for your association's strategy.

Consider the following:

In 2016, the *Harvard Business Review* published a study of 30,000 publicly listed companies over a 40-year span that reached a striking conclusion:

> "Companies are dying at a faster rate than ever before."

The reasons, according to the research:

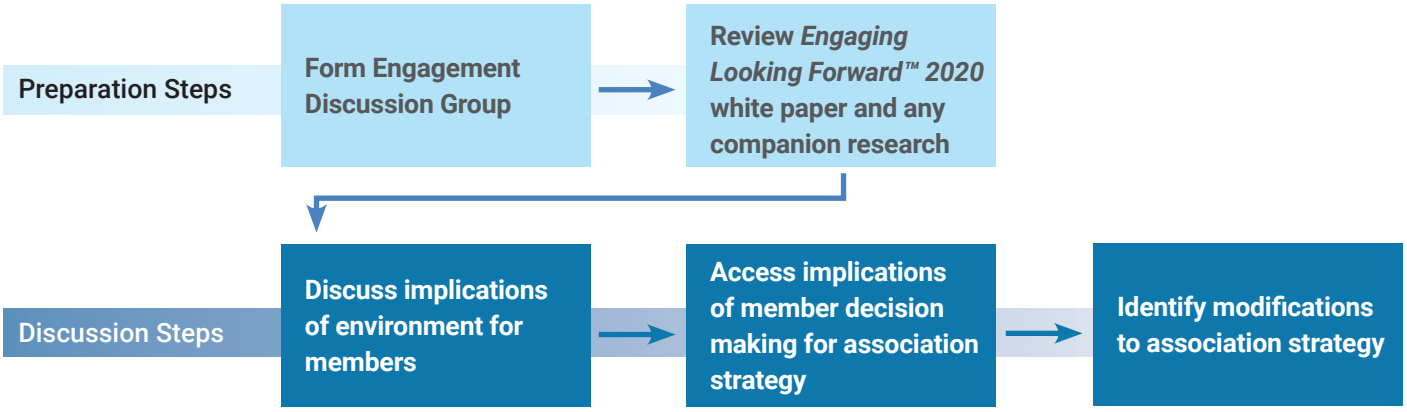
> "Organizations are dying younger because they are failing to adapt to the growing complexity of their environment."[7]

The **Looking Forward™** tools will help prepare you and your volunteer leaders to adapt to an uncertain future, and to continue advancing your Mission and serving your members and other stakeholders.

[7]*The Biology of Corporate Survival, Harvard Business Review Jan/Feb 2016*

Overview: Leading the Futures Discussion

The futures discussion process involves a series of iterative steps resulting in consensus on the factors with the greatest impact on your members and corresponding association strategy. The process involves the following key steps:



These steps provide a structured process for reviewing, understanding, and applying data-driven, future-focused knowledge to your association's strategy.

How to Use This Discussion Guide

The following sections will guide you through the process of creating a productive futures discussion within your organization.

Section 1 provides information on creating the discussion group, reviewing the research, and tips for successful facilitation.

Section 2 provides a sample agenda for a full-day meeting, and participant worksheets to be used during the meeting to facilitate the conversation and reach consensus on critical issues.

Section 1: Preparing for a Futures Discussion Meeting

The following steps will help you create an effective discussion group and guide the preparation and setup of a productive futures discussion meeting.

Create an Environmental Scan Discussion Group

Assemble a group of 8–12 people to participate in the discussion.

This group can consist of staff only, volunteer leaders only, or some appropriate combination based on the culture of your association. You can also include external subject matter experts (SMEs).

The participants in your discussion should meet the following criteria:

- Intellectual Diversity – Participants should represent a diversity of perspectives and opinions regarding the association, its activities, and its members.
- Association Commitment – Participants should be important to the long-term successful implementation of strategies designed to address the issues identified in the discussion; and they should be willing to take the time to participate fully in discussions and, if necessary, post-discussion follow-up.
- Personal Capability and Capacity – Participants should have the intellectual curiosity and willingness to think strategically about the future of your industry, profession, and association.

Advice and Tips

- There is no perfect group. Don't worry about precision.
- The size of the group should be large enough to have diverse perspectives without creating extensive logistical expense or hassle.
- In Association Laboratory's experience, the group should be no less than 8 people and no more than 12 people.

Organize an Environmental Scan Discussion Meeting

Identify a one-day timeframe to organize the group to discuss and decide on the changing nature of the environment facing your members and the implications for your association's strategy.

You will need space for a group of 8–12 people to meet. In addition, you will need enough space for 2–3 small break-out groups and their corresponding discussions.

Advice and Tips

It is important to have a quiet, reflective environment without the daily distractions of work. Consider an off-site meeting venue or other place that allows you to have robust conversations.

Conduct a Pre-Meeting Review of the Goals, Process, and Research

Prior to the meeting, provide Looking Forward™ 2020 and any other research or information you believe is valuable to participants and organize a 90-minute webinar or meeting to orient individuals to the onsite discussions.

The goal of this advance webinar or meeting is to address any questions about the goals, process, or data prior to discussions onsite. This improves the efficiency of the onsite interactions by reducing the amount of time necessary for administrative, logistical, or process discussions.

Agenda items include the following:

- Introduction of participants
- Review of the logistics, agenda, and process for the onsite discussions
- Presentation of the data using the **Looking Forward™ PowerPoint Template** (available separately), modified to your unique situation and incorporating any custom information
- Answer questions regarding the data, process, or other issues

Following this webinar, participants should be prepared to discuss the issues onsite without extensive additional orientation.

Organize Small Groups and Leaders for Onsite Discussions

The following are key steps guiding the onsite discussions. Modify as you see fit given your needs and resource constraints.

Create small discussion groups:

Once your participants have been recruited, divide the participants into smaller subgroups, each with a small group leader (more about leaders below).

Small discussion groups make participation easier because many people interact more productively in small groups.

In addition, when separate small groups consider the same question or issue independently and simultaneously come to the same conclusion, it creates **organic consensus**.

Each group should be approximately the same size, and the makeup of each group should represent the diversity of participants and perspectives.

Designate a moderator:

The moderator is responsible for acting as a resource on the process for each small group and, if necessary, helping address any challenges that may occur with the discussion. The moderator can also act as an independent or objective voice on an issue.

Designate a leader for each small group:

Small group leaders are responsible for keeping the participants on task, making sure the groups are finished within the designated time, and organizing the small groups report to the larger group.

Advice and Tips

The following are tips to improve the productivity of your discussions based on Association Laboratory's experience facilitating staff and leadership retreats.

- Abide by the following **standards of conduct** throughout the process:
    - Participants are to discuss and decide issues with the best interests of the association in mind.
    - Participants are not "representing" a department, constituency, or organization.
    - Participants should participate in an objective, open, and honest manner.
- **Be patient** – Keep the conversation high-level, and don't rush ahead. Develop understanding before conclusions and develop conclusions before recommendations.
- **Be open** – If you find that you disagree with someone, explore why. Do you have different definitions of terms? Do you have different perspectives on the issue? Do you have different priorities or goals?
- **Be trusting** – Trust the process but don't sacrifice outcomes on behalf of the process. If you need to adjust the agenda or explore an unplanned question, do so. But do so with intent and try to stay within the basic parameters of the process.
- **Be fearless** – Don't be afraid to ask difficult or non-traditional questions. Questions lead to understanding and unique perspectives.

Section 2: Onsite Discussion Steps & Supporting Materials

Template Agenda for a One-Day Meeting

The following page outlines a potential agenda for a one-day meeting.

Association Laboratory believes that one full day of discussions allows for sufficient consideration of the issues without taking undue amounts of time or logistical expense.

This agenda may be modified onsite to ensure enough time is devoted to important issues.

Time	Activity	Discussion
8:00– 8:15 am	Welcome	
8:15 am	Call to Order	
8:15 am – 8:30 am	Overview of Agenda and Process	
8:30 – 8:40 am	Given the information in *Looking Forward 2020*, what are the **top three challenges** we face?	*Individual Reflection*: Participants complete Question 1 of the Worksheet on their own, identifying the top three challenges..
8:45 – 9:45 am		Allow 5 minutes to break into small groups. *Small Group Discussion*: Each small group reviews the individual responses of the other participants in their group and agrees on the top three challenges.
9:45– 10:00 am	Coffee Break	
10:00–10:30 am		*Large Group Discussion*: Each small group presents their top three challenges. Moderator identifies common themes among the issues..
10:30–10:40 am	Given the identified thematic challenges, what can we do to **improve** our response to Environmental Factors?	*Individual Reflection*: Participants complete Question 2 of the Worksheet on their own, identifying the top three ideas to improve response to Environmental Factors.
10:45–11:45 am		Allow 5 minutes to break into small groups. *Small Group Discussion*: Each small group reviews the individual responses of the other participants in their group and agrees on the top three ideas to improve response to Environmental Factors.
11:45–12:00 Noon	Email and Relaxation Break	
12:00 Noon – 12:30 pm	Lunch	
12:30–1:10 pm		*Large group discussion*. Each small group presents their top three implications. Moderator identifies common themes among the implications.
1:10– 1:25 pm	Given our discussions, and general agreement on ideas to improve engagement, what do we **need to do differently** to successfully implement these ideas?	*Individual Reflection*: Participants complete Question 3 of the Worksheet on their own, describing the top three keys to successful implementation.
1:25 – 2: 30 pm		Allow 5 minutes to break into small groups. Each small group reviews the individual responses of the other participants in their group and agrees on the top changes the association needs to consider to be successful.
2:30 – 2:45 pm	Coffee Break	
2:45–3:45 pm		*Large group discussion*. Each small group presents their top three identified changes. Moderator identifies common themes among the identified changes.
3:45 pm – 4:30 pm	Discussion Question: What are **next steps** in the process necessary to translate the preliminary ideas into action?	*Large group discussion*. The large group agrees on the priority of the issues to be addressed and discusses and decides on next steps necessary to advance the discussion throughout the association and assess how best to implement change.
4:30 pm	Adjournment	

Onsite Worksheet for Participants

The following worksheet is designed to guide discussion group participants through the key questions affecting future-oriented strategy and arrive at consensus. It should be used in conjunction with the full-day meeting agenda on the previous page.

Instructions to Participants

This worksheet is designed to help you organize your thoughts and ideas before discussing your views with your colleagues. It should be used in conjunction with the information from *Looking Forward™ 2020* and any complementary research or information you have received.

You will answer the question in each area just prior to the period of discussion.

Do not complete all the questions at once – your response to each question will be based on the outcome of the small group discussions for previous questions.

Advice and Tips

The following are tips to improve the productivity of your discussions based on Association Laboratory's experience facilitating staff and leadership retreats.

- The point of the worksheet is simply to help each participant organize their thoughts prior to discussion. It is not a test.
- People will complete the worksheet differently. Some will scrawl notes, some write paragraphs, and some won't write anything. They can decide to use the tool in any manner they see fit.
- While for prioritization purposes Association Laboratory recommends 3 responses for each question, some people will have more, some less. Note though, that a short, undeveloped answer may be insufficient to determine implications and a long list of potential issues make prioritization difficult.

Question 1: Member Environment

Given the information in *Looking Forward™ 2020*, supplementary association research, and our experiences with members, what are the **top three issues** with the most impact on our members?

1.

2.

3.

Question 2: Implications for the Association

After completion of Question 1.

Given the identified thematic issues facing our members and considering the data in *Looking Forward™ 2020*, what are the **three most important implications** for the future of our association and its strategy?

1.

2.

3.

Question 3: Changes to Association Strategy

After completion of Question 2.

Given our discussions, and general agreement on changes impacting our members and the implications for our association, what **three things do we need to do differently** over the next three years to be successful?

1.

2.

3.

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Association Laboratory helps association leaders make better strategic business decisions through collaborative engagements led by experienced executives and informed by state-of-the-art research designed to achieve measurable outcomes.

Association Laboratory specializes in research, strategy and strategic education for trade and professional association leaders. From membership and meetings through global expansion and education, the company has served leading associations through offices in Chicago, IL and Washington, DC since 1999..

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