

Associations and “The New Normal”

By E. Lander Medlin

Happy Anniversary, APPA, as the association enters its centennial year! There are many people and accomplishments we are (and will be) celebrating over these past 100 years. We launched the celebration at the close of the APPA 2013 Conference in Minneapolis, Minnesota. We will culminate it at the APPA 2014 Conference this coming July 21-23, 2014 in beautiful downtown San Diego, California (online registration goes live on February 1).

Celebrating the traditions and rich history of this fine association is one aspect of our focus and attention this year. Yet we remain steely-eyed on the future—the next 100 years—and what that portends. The intent being to reflect on the future of the association given the driving forces, challenges, and radical changes necessary for continued relevance well into the future.

A NEW ECONOMIC ORDER

Ian Davis, worldwide managing director for McKinsey & Company, stated: “It is increasingly clear that the current downturn is fundamentally different from recessions of recent decades. We are experiencing not merely another turn of the business cycle, but a restructuring of the economic order.”

Indeed, a restructuring of the economic order is well upon us as we face “the new normal.” A world filled with heightened competition in the face of a convergence of fundamental changes in markets, member engagement preferences, and technology. This is described in greater detail in a couple of books titled *Race for Relevance* and *Road to Relevance*. The authors, Harrison Coerver and Mary



Byers, respectively, have targeted their research and experience on the nonprofit association marketplace. Their concepts and premise are strategically important to consider by APPA, its Board of Directors, and the membership.

IDENTIFY AND CHANGE

The authors identify six pressures from market changes and external forces that have created a new landscape for nonprofit associations, along with five radical changes for adjusting and modifying structures and delivery systems to ensure relevance and vitality in the future marketplace. The six challenges facing today’s associations are:

1. **Time Pressures** – The traditional association model is too time inten-

sive given today’s pace of change and competing work life/personal life balance issues. Members are compelled more than ever before to reexamine their time commitments and corresponding engagement in an association’s programs, products, and services.

2. **Value Expectations** – There is a renewed focus on demonstrated value and a clear return on investment of time and money.
3. **Member Market Structure** – Member markets are more dynamic and rapidly changing. We must consider our existing market niche and rethink markets in light of those we can competitively serve. We cannot be all things to all people.

4. **Generational Differences** – There is clearly a difference in what membership means to each generation and the expected return it provides.
5. **Competition** – From association to association, association to the for-profit sector, and association to the Internet, competition abounds for every program, product, or service offered! The challenge is differentiation and how that can be achieved.
6. **Technology** – We must proactively adopt technologies not only to remain relevant, but to effectively respond to and with the potential of technologies available today and quickly coming tomorrow.

These challenges should be addressed if we expect to continue to provide relevant value propositions. At the same time we must recognize the lesser time members have to take advantage of them. To do so will compel us to focus on the authors' five radical changes:

1. **Rethink the Governance Model**
Boards and committees composed for performance are critical to ensure strong leadership and clarity of focus and direction.
2. **Empower and Enhance Staff and Volunteer Expertise**
It will be critical to optimize staff and volunteer time and expertise and have overall board support.
3. **Rigorously Define the Member Market**
It is equally important to serve targeted, strategic, and evolving markets and professionals. This requires a disciplined analysis of member markets that exist today and will evolve tomorrow.
4. **Rationalize Programs and Services**
Membership value should not equate to the quantity of programs, products, and services, but to their quality. We must ensure we allocate resources to the critical few ensuring quality and excellence.
5. **Bridge the Technology Gap**
We must invest and reinvest in

technology and its promise to position the association to more effectively compete in the future. It is an imperative to capitalize on technology.

Success will hinge on our discipline to be structured correctly, have the right leaders and staff in place, carefully identify the market(s), establish a narrowly focused value proposition, and leverage technology strategically. Jim Collins emphasized, *"There is great solace in the simple fact of clarity – about what is vital, and what is not."*

APPA'S POSITION

APPA's Strategic Plan has positioned us well to clearly recognize these challenges and address the necessary changes so that we are more focused, more competitive, and more adept at using our resources strategically. At its January 2014 meeting,

APPA Board members were engaged in a targeted, strategic discussion of the accomplishment of our plan's four objectives/outcomes:

1. Engage All Stakeholders
2. Broaden the Market
3. Define Roles & Responsibilities
4. Gain Credibility & Influence

In a future column, we will explore how APPA has and will continue to respond to these challenges and changes.

Our goal is to continue to help members work less stressfully, more profitably, and more productively. We can do so if we ensure clarity of focus and discipline in execution as we engage you over the next 100 years. ☺

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