



ASSOCIATION AGILITY IN TODAY'S COMPETITIVE ENVIRONMENT

--- Staying Nimble, Aligned and Alive

PART ONE (of two)

This white paper presents a model for examining your association's agility to continually re-align priorities and resources with your members' evolving outcome objectives --- especially as you face competitive threats to your association.

If members are not pushing you to have a greater impact --- your association's relevance may be in more danger than you realize. Don't wait until membership declines or the next recession to address it. Organizational agility is now more critical than ever.

As member needs evolve, various solution providers increasingly seek your members' time, monies and "mind-share". Although you may have a "cash cow" like a convention, or are the only game nationally for advocacy, standards or certification, you likely have members asking: "*what have you done for us lately?*" Even scarier is when they aren't asking because of minimal expectations that you can impact the outcomes they are struggling to achieve.

Providing a compelling value premise takes far more than running meetings, talking to regulators and publishing information. It requires the organizational agility to proactively address your members' evolving objectives and the disruptors impacting their industry/profession.

Nimble associations recognize the difference between member satisfaction with their current outputs, and staying in-tune with how they might best impact members moving forward. Obviously, you cannot address all their objectives, nor should you try. But, your impact opportunities likely extend beyond your association's traditional core offerings and current competencies. Your challenge is maintaining the agility to continually re-align resources as your members' objectives evolve. And, to the extent that you face stiff competition --- compelling member engagement approaches are now more important than ever.

What has been striking in our continuing conversations with association executives since publishing "***Accelerating Strategic Member Engagement***" --- is their admitted tendencies to be more reactive than proactive. They feel challenged to maintain the agility to get out in front of rapidly evolving member objectives and disruptors to the members' business or profession. When stagnant, competitive threats to the association can quickly appear.

UNDERLYING CONCEPTS

The following concepts are the foundation of the model we are presenting:

- **It's all about them** --- Members and key stakeholders are focused on their objectives; especially those that:
 - most keep them up at night
 - make their companies successful
 - advance their careers.

They want results, and will “tune-out” when staff and volunteer leaders talk about the Association’s outputs (products, services, meetings, etc.). And, today’s *internet of everything can* quickly make your information redundant or outdated. Many associations have found that a large percent of their membership no longer open their email communications.

- **Their Perceptions (about your competition) are your reality** --- Typically, there are many solution providers (associations and for-profit) happy to sell stuff to your members, and secure their patronage. While most board members fully understand competition in their own business or field, many still don’t think of their association as having competitors. They speak of them as “potential alliance partners”.

Looking to optimize their business or professional success, members often belong to other associations, and participate in multiple online communities. They access services from publishers, event management companies, online services, research firms, consultants and others. Board members may even be active volunteer leaders within other associations, without giving any thought to conflicts of interest, strategy confidentiality, or your market positioning and business model --- unless, of course, they believe they can cut costs on dues and meetings by merging your association with another entity.

It’s not that your volunteer leaders are purposely doing something to diminish the impact of your association or your business model. It just doesn’t occur to them. Your association is likely just one more organization to enhance their network. Because of the “*we/they culture*” discussed in our e-book (**), members and even volunteer leaders may not even think about your association for some types of solutions, much less how they might create solutions together.

Often, association staff are so focused on internal matters that they don’t track what their competition is doing, or how their competition is perceived by their members. As a result, it’s easy to be blindsided, especially by those with disruptive technologies or business models.

In a rising economic tide, the competition for members’ “mindshare”, time and monies may be less of an issue. But, emerging from the great recession, and with knowledge-based solutions as a value premise, some associations are preparing for the next downturn. They are practicing strategic member engagement as a marketplace differentiator and growth accelerator, regardless of competition.

- **The 3 C's of Strategic Member Engagement** --- In our e-book, we define strategic member engagement as: *“Creating unparalleled and sustainable value by bringing people together in ways that they find meaningful and practical, because they perceive an ability to impact something that they desire, individually and collectively”*. **The 3 C's** recognize that member knowledge **Contribution** --- when facilitated and actively appreciated --- stimulates **Collaboration** with other knowledge contributors. Leveraging these, while creating a careful balance of “push” and “pull” offerings, drive member **“Connectedness”** to your association. Unlike “loyalty”, the 3 C's are comprised of engagement behaviors that can be stimulated, reinforced and measured.

Remember, your competition often lacks the ability to be the neutral integrator that brings peers together in powerful ways to share knowledge and collaborate to create better solutions for the industry or profession.

*** Over the past three years, we've received terrific, validating feedback from many of the over 1,000 association executives who continue to download our e-book “Accelerating Strategic Member Engagement”. Some have asked their board and/or senior staff to read the e-book and discuss the concepts. The e-book was written in collaboration with Potomac Core Consulting and icimo LLC. This free, how-to guide to strategic positioning of an association was the result of extensive research that included interviews, executive forum discussions and a survey of over 300 association executives.

Strategic member engagement is about the power of creating compelling opportunities for members to contribute knowledge and collaborate in the creation of better solutions to shared challenges. And, this can result in driving the association's business model. Unfortunately, there is still much confusion about the concepts and application of strategic member engagement. Many traditional associations still think member engagement is just about refining communications, customer service and/or “selling louder” the benefits of membership.

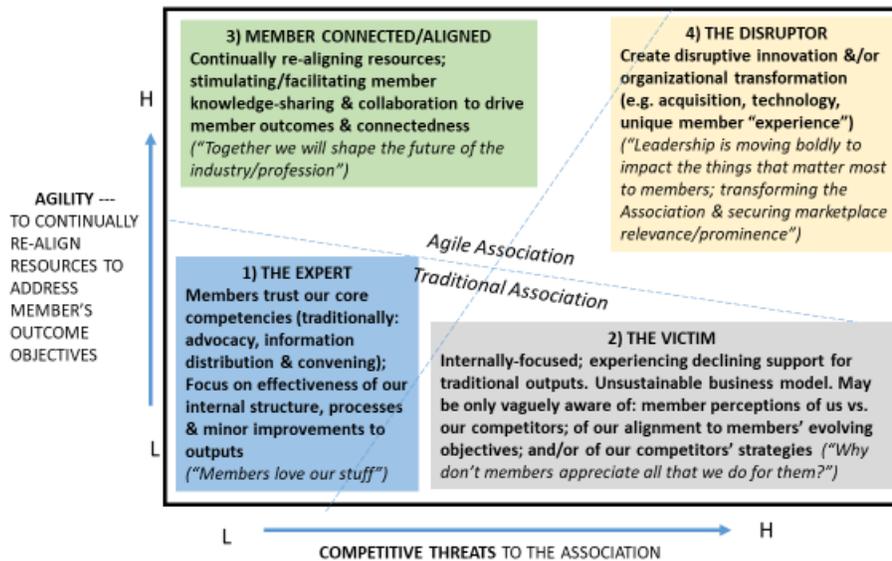
- **Stretch to be Agile** --- As any athlete will confirm, you must stretch to remain agile. For associations that means stretching outside of your comfort zone. For a variety of reasons, too few associations demonstrate agility. Most embrace a traditional association model; providing advocacy, meeting orchestration, standards development, and obtaining insights from knowledge experts to “push out” information and education to members. By their nature, these activities often result in a culture that perpetuates a focus on functional efficiency. When faced with stiff competition and evolving member objectives, many associations lack the agile structure and culture to embrace new impact opportunities. For example, if asked to address a new industry challenge/disruptor, they might only search for a speaker or create a new webinar to “push” at members.

Agile associations place far less importance on procedures, job descriptions and organization charts. Yes, these are important if kept appropriate to the challenges at hand. However, member impact should be top of mind as these are created. Agile associations favor short-term, targeted task teams over chain of command controls and long-term committees with broad agendas. Agile associations

continually assess the need for staff competencies to evolve, and leverage individual strengths across traditional functional boundaries.

With these underlying concepts in mind, we present a competitive positioning model for your consideration. Of the 4 positions, two tend to apply to traditional associations, while two are more common in agile associations. Note how the degree of competition often moves the traditional association from an “expert” to “victim” mindset.

COMPETITIVE POSITIONING MODEL FOR ASSOCIATIONS ©



COMPETITIVE POSITIONING MODEL FOR ASSOCIATIONS

As depicted in the model above, we often find associations in one of four distinct competitive positions:

Traditional Associations

- 1) The Expert Association**--- *When competitive threats are perceived as minimal*, traditional associations often aspire to be the advocate, knowledge dispenser, and/or meeting convener. They build structure, processes and a culture with an internal focus. These “inside-out” associations apply most of their resources to perfecting their own process and operational outcomes. Their marketing communications boast “member benefits”. Whether verbalized or not, the implied messages are: “Members trust our core competencies”, and we do great things for them”.

Traditional staff competencies involve communicating information, setting up meetings and providing advocacy/regulatory interface; i.e. “what WE do FOR you”. Without competition, these associations have been successful for years, if not decades. Decisions are often made with the feeling of: “if it ain’t

broke” ... Yet, as member needs evolve or the competitive landscape changes, associations in this competitive position must beware creating a bureaucracy of systems and procedures that may ultimately be their undoing.

- 2) **The Victim Association** --- *When competitive threats are high* and especially if the organization’s leadership and culture tend to be reactive and risk-averse, the traditional association often falls into the trap of playing victim. In their desire to be responsive, they get caught up in what they are building, and end up with an “all-u-can-eat” buffet of “outputs” that members take for granted and view as commodities. They assume that if they offer enough, members will surely value all that they do for them. Or, to reduce cost and effort, offerings are designed as one-size-fits-all; disregarding the diverse needs of various member segments.

Then, when the satisfaction results come in, staff feel demoralized that so many members don’t even know (much less appreciate) all that is offered. The executive team complains about declining member support and a failing business model. Too often, staff and volunteer leaders are in denial about the true causes of the decline, so they blame it on the latest recession, a need to rebrand, a need to promote their offerings “louder”, etc. These organizations have been so focused on building internal capabilities, structure and infrastructure to support their role as the industry/profession “expert”, they’ve lost track of what’s currently keeping members up at night. The explicit message is: *“Why don’t members appreciate all that we do for them?”*

However, these organizations have a choice. They can decide that it’s time to become more agile and aligned.

Agile & Aligned Associations

3) **The Agile/Member-Connected/Aligned Association** --- These agile and resilient organizations withstand competitive challenges by continually staying in-tune with members’ evolving outcome objectives. This proactive, “outside-in” focus requires clarity about how challenges vary across member segments.

Being member-connected requires a careful balancing of “push” informational offerings and “pull” engagement mechanisms. Rather than just pushing information and services out to members (and hoping they care), these associations build knowledge-sharing platforms and conduct forums wherein members and other stakeholders learn from each other. Opportunities to advance new and unique solutions and shared outcomes are identified and executed.

And, rather than continuing to perpetuate current offerings, these associations regularly assess the relative impact of current activities and potential new initiatives. Those which no longer provide sufficient relative value are honored, but then sunset or reduced in scope. The key word here is “relative”. With limited resources, comparing the relative impact and member ROI is critical.

Recognizing that it is human nature to care most about that in which one personally participates, these associations make a conscious effort to engage those who approve the budgets and travel expenses of the individuals most engaged with the association.

Staff competencies of member-connected associations include: facilitation, knowledge-capturing mechanisms, relationship-building, designing compelling member experiences, and utilizing community and learning technologies. These leading associations emphasize the potential of “WHAT WE DO TOGETHER”. They make it clear that staff and volunteer leaders are “in the boat” paddling with members, not just standing on the shoreline handing them an oar. The implied message is: “*Together we shape the future of the industry/profession*”, not: “*Good luck, come back next year and tell us how you did*”. You want your members asking your competitors (not you) “what have you done for me lately?” and seeing their offerings as commodities.

- 4) The Disruptor Association --- *When competitive threats are intolerable, and/or the opportunity is truly compelling*** some associations move boldly to create space between themselves and the rest of the field. The disruptor association might also be an emerging association formed to address a compelling and unmet need in the marketplace. These agile associations step outside of their comfort zone. Some create their own disruptive technology. Some acquire non-traditional resources & capabilities (subsidiaries, partners, etc.). Others expand their umbrella to cover adjacent professional fields or segments within the value chain.

Disruptive positioning is focused on making big leaps to impact members’ outcome objectives, while making it clear: “*we are in this together*”. The explicit message is: “*Leadership is moving boldly and collaboratively to impact the priority outcomes of members*”. In doing so, they transform their association and establish marketplace relevance, brand recognition and perhaps prominence.

It is also important to recognize that disruptive positioning is a situational and relatively short-term strategy for a relationship-based, solutions organization like an association. Once repositioned, it is important to remain agile to address innovation opportunities within the Member-Connected/Aligned position in this model.

IN SUMMARY: Common Characteristics of Nimble, Aligned, Successful Associations:

- Stay in-tune with members’ evolving business and professional objectives
- Understand their own competitive landscape
- Strategize how best to provide compelling value and a differentiated experience
- Identify and engage target audiences with segmented approaches
- Identify specific member behaviors that foreshadow future increases in knowledge contributions and collaboration

Watch for Part Two to be posted in the next couple of weeks. Part two focuses on:

- Your competitive landscape
- Partners and “Frenemies”
- Assessing your status within an organizational lifecycle perspective

- Finding your “sweet spot” in the marketplace
- Additional thoughts about competitive positioning
- Getting started on your journey to agility and alignment

As always, we’d love to get your feedback on the concepts provided in this white paper.

About the Author

Steve Lane



Steve is the President of Vertical Leap Consulting, LLC having founded the firm in 2002. Previously, Steve spent 25 years on executive teams in publicly and privately held corporations and not-for-profit organizations. As an operations and organizational strategy executive, Steve worked in diverse industries including: hospitals, a publicly held printing corporation, electric and telephone utility financing, mortgage banking, and a mobile communications trade association.

A common thread throughout Steve's career has been his impact on organizations entering periods of strategic transition (deregulation, rapid growth, restructuring, IPO, technology conversion, and competitive re-positioning). Some were rapid-growth companies needing scalable practices and infrastructure, while others were mature organizations seeking to re-position in the marketplace and regain the external focus and innovation that drove their early success.

Described by various business leaders as a high-level strategic thinker and a trusted advisor, Steve's extensive experience in leading change initiatives, provides a blend of leading-edge theory and practical applications. Steve excels in helping associations assess their market opportunities and competitive positioning; developing strategies aligned with members’ business and professional objectives, and creating organizational and stakeholder alignment with the association’s vision and strategies.



Steve is an established thought leader and collaborator in the Association community. He is a co-author of the 2014 e-book “*Accelerating Strategic Member Engagement*”, and author of a number of white papers available at: www.VerticalLeapConsulting.com/Defyinggravity including:

- “*The Power of Conducting a Member Impact Survey*” (and how they differ from satisfaction surveys)
- “*Strategic GPS: The Missing Link for Associations in Strategy Execution*” which describes the importance of translating vision and strategy into a multi-year action plan (roadmap)
- “*New CEO’s, Beware of the Fast-Drying Cement*” which looks at executive transitions from the perspective on the incoming executive

Steve is active in, and a frequent speaker at, a wide variety of association and executive forums. Steve has served on the Board of the Maryland Society of Association Executives. He also hosts and facilitates several association executive forums including: The Healthcare Association CEO Forum, the CEO Growth Strategies Forum, and the NAM – Council of Manufacturing Associations (CMA). To learn more about Steve and Vertical Leap Consulting, see www.verticalleapconsulting.com.