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WHAT NEXT FOR ASSOCIATIONS?

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Summary

As the world changes overnight, I started thinking about what Associations need to do to stay relevant in this rapidly changing environment. The simple answer is there are no easy answers and each organisation will find its voice or wither on the vine. At the end of the day the organisations that thrive will do so through strong leadership, a sense of community, a delivery of purpose, some creative thinking, expert assistance, and most importantly a credible and respected brand from which members get value and belonging.

The aim of this paper is to generate within your Board and Executive some thoughts which you may well have already considered, which might spark some ideas, but most importantly start you thinking in a positive light about the way ahead. We all need to take care now, but we also need to be cognisant of the future and how we can deliver our goals in the right way for those who come after. With the exception of the first point, there is no order to these thoughts – just things that came to mind! If you want to discuss any of the points further please don't hesitate to contact me at francis@theassociationspecialists.com.au or on 0416 113 200.

Association Purpose

In times when strategy is on the line, I always say the first thing to do is go back and look at your purpose – why were you formed, is the purpose still relevant today and if not what needs to change to remain relevant?

Communities exist for one, or more, of four reasons:

1. To provide credibility to your personal brand
2. To provide information / education to help you grow personally and professionally
3. To provide forums and meeting paces for you to network and share experiences and ideas with like-minded individuals
4. To build a source of collective power to influence third parties

Where does your organisation fit in this? Do your purposes drive you to fulfil one, two or all of the above criteria to exist?

Community

Every association is effectively a community of people with common interests. This has not changed, but the need to expand that sphere of interest has. To look after your members, you need to be as influential and community-minded as possible, and you need to act with integrity and transparency at all times. Members need to know consistently and constantly what the organisation stands for and who it stands with. Associations should consider partnerships and collaborations with fellow / related organisations to maximize and broaden their sphere of influence. Make sure you communicate with one voice for your sector, to ensure you have good relationships and regular discussions with other representative bodies in your sector. The bigger and more powerful your community, the louder your voice.

Make sure that if you are making statements concerning your organisation or on behalf of your organisation / industry sector that they have been thought through, been approved properly by the Board and are delivered professionally. Ensure you have an appointed expert ready to answer any questions from media and Government, have someone ready to participate in key stakeholder discussions at all times.

Communication

Regular, credible communication with your members is critical. We are all hurting in one way or another, whether it be physically, mentally, economically, purposefully or socially, and we need to speak regularly with people who are in the same boat or who may need help. Communication can take many forms but it needs to be planned and executed well. The following are areas to consider:

- Online forums / blogs / chat rooms – more informal discussion areas restricted to your network
- Online meetings (see below) – for formal and informal learning and discussion
- Newsletters / Publications – to provide credible relevant information (beware of the frequency and messaging)
- Telephone – why not get your Board to each ring a portion of the membership to simply ask - how are you and how can we help?
- Online Surveys – seeking feedback to address member requirements and ensure value for their membership investment
- Annual report – not just (or not even) a set of financials. What about a short document saying what the organisation has done, for whom, and what the results have been? Put an ROI on the member investment if possible
- Website – make sure this is up to date and relevant. Make it somewhere members want to go to regularly for credible information and guidance
- Social Media – make sure you are part of the conversation in a credible, professional manner
How can you do this? Which channels are your members on and how can you reach them there?

Creativity

There is no better time than now to share new ideas and thoughts. Take time to talk to other organisations, to read broadly, to watch appropriate social media and to try new things. They will not all work but members will appreciate the effort. Don't be afraid to take measured risks.

Data

With more online interaction with members, data becomes more important. So ask the question – what data do we really need to service our members well and do we have the systems that allow us to do this? It is all very well having a good-looking website but if the back-end does not support what you are trying to achieve it is worthless. So, consider:

- What data do I need to service my members best?
- What data do I currently have?
- Does my current system allow me to effectively access this data in the most appropriate way to meet my aims?

- If not, what do I need to do to put it right or can I work better with what I have?

Now is a perfect time to communicate with your members to find out what they want, but also to get from them what you want. Use the membership renewal time as an opportunity to collect what you need or what is missing.

Employees

As with suppliers (see later), treat your employees with respect and don't be afraid to discuss options with them. In times like these people would rather have some purpose and some income rather than nothing at all. So, know what you can afford (see finance below), know what your options are legally if you need to make changes (redundancy, "stand down rules", dismissal etc.), but also know where you can structure your resources fairly without taking undue risk to the welfare of the organisation. You can always re-visit if metrics change. If in doubt take legal advice. Most importantly, make sure everything is in writing and agreed by both parties.

Finances and Cash-Flow

In times of uncertainty (and speaking as an accountant) it is vital to stay on top of the finances, cash-flow projections and the "what-if" scenarios (budgets and forecasts). This is a constantly changing environment with probable loss of income from traditional sources (events and membership), possible gains from other areas (government) and the option to adjust your cost base to meet expectations. All associations should quite simply have a rolling forecast for a minimum of 12-months supported by a cash-flow model to ensure survival and assist in good decision-making at Board level. Regular and timely monthly management accounts must be produced, circulated to Board members and be scrutinized against the forecast expectations. If things are not going to plan, then don't hesitate – update the forecast with the new assumptions / knowledge and make the necessary changes to your decisions.

As a Board you have two responsibilities, to manage the finances of the organisation with due care and to ensure that there is an association with funds to continue when the skies clear to the best of your ability.

Income

In line with creativity, you need to ensure your organisation continues to generate income. Hibernating is not an option when you want to be seen as the "Thought Leader" for your members. So, make sure you receive fair value for what you do and make sure you are aware of all potential income sources – membership income, sponsorship, government grants, tax rebates, event fees (how do you price online deliveries?), information (research papers / benchmarking surveys etc).

Expenses

As a supplier to the sector (and also a partner to many) it is not easy to be objective with advice in this sector. However, I believe community groups by definition have a responsibility to not only serve their members but also the wider community. All expenses should be reviewed and questioned, but all suppliers should be treated fairly. Taking advantage of a situation for personal gain is probably against

most organisations purposes. So, treat suppliers fairly, speak to them transparently about your decisions (there may be options you have not considered) but where possible, ensure your costs are structured to meet your budget and adjust accordingly. We all need to keep the economy going as much as possible and community groups (with not-for-profit status) have an important part to play.

Control

Control over your cash is more important now than ever. This is not in reference to your budgets but equally importantly your processes and procedures for authorising spend. You need a Treasurer / Board who know where their cash is, what it is doing, how secure it is and if it is being spent appropriately. So, make sure you have the correct authorisations in place to carefully manage your expenses, ensure your deposits (PCOs, venues etc) are secure, and ensure your approvals are careful (avoid scams).

Governance

Put bluntly, good governance must continue and, if anything, should be extended. Board meetings should be run online and go ahead as scheduled. Make sure there is a properly constructed agenda, that key decisions are properly recorded and that action points are followed up. TAS is currently offering a new product called Our Cat Herder to our clients, which is an excellent, cost effective option for managing Boards and committees online. It aids agenda management, minute taking, meeting management and follow up whilst retaining all documents in a centralised, safe location.

As it currently stands AGMs are still required, although a moratorium has been given until 31st July 2020 for December 31st 2019 year-ends. So, make sure you know how your meeting can be held (electronically) and if you have the capability to manage this in compliance with your constitution. TAS is lobbying for a hold over for all AGMs for a year but suspect bureaucracy will not permit this.

Don't be afraid to publicise the results of your decision-making to your members – keep them informed at all times. Also, consider whether you have time now to indulge in some Governance training. The Governance Institute has some excellent not-for-profit online courses which we at TAS can direct you to at preferential rates.

Members

Many of your organisations will be coming up to membership renewal time in June. Now is the time to get ready and send a strong message of support to your members. You need to make it easy for them to renew even though they may have financial difficulties. So, think about the following:

- **Who do I want to send the message to?** Just last year's members or lapsed members – is there a marketing opportunity as well – renew and sign a new member for 20% off, for instance? Is there a new target market we should be attracting – students, affiliated sectors, suppliers etc.?
- **What message do I want to send?** This is not just about sending out an invoice, this is a chance to really engage with the value perception of your member. Tell them what you have been doing and most importantly tell them what you will be doing – make it easy for them to say YES
- **Pricing** - Do you want to reduce the price for reduced interaction or do you want to give payment options – early-bird discounts / monthly instalments etc.?

- **Renewal process** – Is this easy and do members know what to do? Is there a help desk if things don't go to plan for the member?
- **Reminder / Follow Up** – Is there a follow-up plan? Regular (ideally automated) reminders, calls to check details / receipt of information, text messaging to assist, hard copy to non-electronic participants etc. Document the procedure early and make sure it is followed. Be prepared to negotiate if times are hard.

Products and Services

As previously noted, the removal of the “live” event option from the product mix is a major issue for many associations but we are already seeing this being overcome through online delivery. TAS will be distributing a paper this week on online options in much greater depth, so please keep an eye open. But what product and service offerings should be considered? Below is a “brain dump” (not exhaustive) of possible products and services your organisation might be able to offer – nothing should be off the table but everything should be considered and planned carefully. It is better to do a few things really well than lots of things badly!

- Membership – see above
- On-line Trade Show – from a simple supplier directory to a full-blown 3-D experience
- Online Conference – pre-recorded, live, session-by-session, full days, panel sessions. Timing, content, marketing and pricing all need to be considered
- Sponsorship – new opportunities – online events, websites, EDMs for instance
- Online Education – seminars, workshops etc. for CPD points / certification
- Certification / accreditation programs – be careful to ensure this has real value to your target market (your members)
- Recruitment / Job Portal – may not be just for your industry – options to advertise opportunities in other areas if your sector is struggling
- Online member directory for work / network – can be of great value to a member looking to boost their brand and market presence
- Affinity programs – will depend to some extent on size of your organisation and likely reach into your community. Be careful you don't end up doing all the work
- Insurance programs – very successful in associations where there is a “compulsory” need for insurance and many members are self-employed / small business owners
- Retirement funds – similar to insurance based on scale and needs of your members
- Advertising – journals, newsletters, banner ads etc – similar to sponsorship – do an audit of your membership value proposition to a prospective supplier. You are often worth more than you think!
- Publication sales – if your organisation and members have real credibility and value in terms of content then commercialise it
- Data rentals (subject to privacy laws) – may be controversial so be careful. Will officially need member buy-in
- Donor / Endowment Contributions – you can but ask!
- Supplier Directories – what value do your members have for a supplier that they are willing to list for

- Group marketing / purchasing – do you have power to influence price through your membership and scale to the benefit of your members. If so for what?
- Standard setting documentation / Research papers – similar to publications – do you have something that could be commercialised?
- Licensing / Permits – links with Standards etc. but would probably need Government buy-in
- Asset disposal
- Industry benchmarking surveys –big data crunching
- Loan financing for members – risky and only worthwhile with a genuine understanding of risk and clear funds available
- Online Public shows – to sell / promote member goods and services
- Public information brochure / information piece sales
- Government grants – know what is available and assess ROI for investment of time
- Legal and Management Consulting – can you sell the expertise of your members?
- Merchandise sales – needs to be carefully considered and assessed
- Office rental – if you have some spare space
- Media contracts – sell your expertise to media
- Collaborative events – could you run a better, bigger and more profitable event with a partner?
- **And many more...**

Respect

Now more than ever is a time for respect amongst all stakeholders – members, suppliers, sponsors, etc. Take time to ensure your Code of Conduct is relevant in today's market and make sure you are seen as a standard setter for your industry. As they say a fish rots from the head, so make sure you are sending the right messages from the top.

Systems

Now is probably the best time to look at the systems supporting your organisation, and whilst you may not want to spend money at this point in time, you can truly assess what your needs are. TAS has a good paper outlining the benefits of doing this right, but the right system can save you money in the long term as well as improving member interaction.

Value

Finally, at the end of the day you need to provide a value proposition to your members. Tell them what you have been doing, tell them what you will be doing, and most of all tell them why they need to stay a member. Make sure you are the voice of credibility for your sector, make sure you give value for money and most of all remember you are part of a community who want to be engaged, so engage with them.