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Looking Forward 2015

An Environmental Scanning Whitepaper for the Association Industry

"The more things change,
the more they are the same."
Alphonse Karr

January 2015

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Letter from the President

Association Laboratory helps associations make better strategic decisions.

The company is nationally recognized for its expertise and thought leadership in association research and strategy, serving a client base of leading state, national, and global professional, trade, and credentialing organizations through staff in Chicago, IL, and Washington, DC.

Association Laboratory provides your association with a unique value proposition:

Full Service, Sophisticated Research

You receive objective, in-depth qualitative investigation linked to empirically-validated data using the most sophisticated research techniques in the industry to inform your decisions. *Customized methodologies using leading techniques result in better data to inform your decisions*.

Passionate, Experienced Professionals

You work with association executives and corporate researchers with decades of practical experience providing you with real world insights and ideas. *Practical insights mean workable solutions for your association.*

Collaborative, Outcomes-based Engagements

Your engagement is designed around you and your desired goals so that the learning from the research and discussions resides in your association. *By developing informed, consensus-driven decisions, you ensure that you and your leadership move forward together*.

I hope this report provides you with information that helps you lead your association more effectively. If we can ever be of assistance, never hesitate to contact us.

We look forward to working with you.

Dean West
President and Founder
Association Laboratory Inc.

Introduction

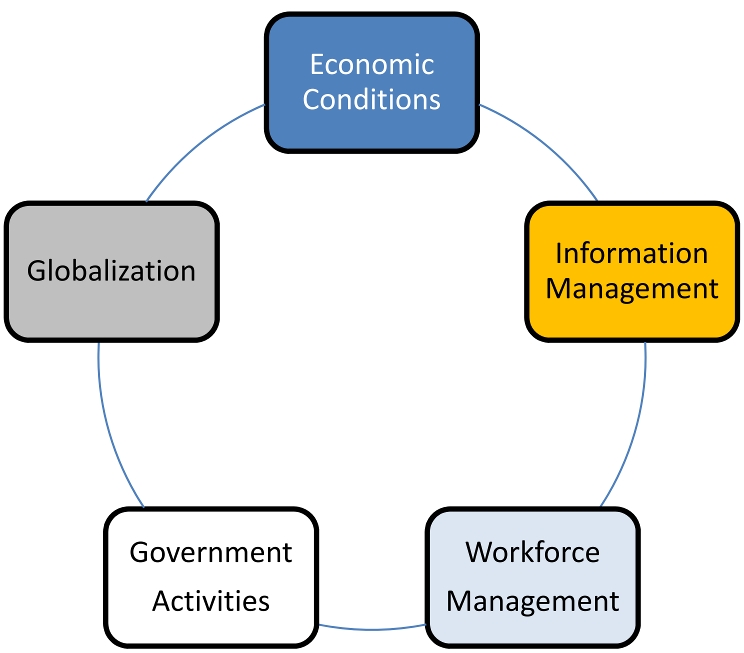
Overview of Association Environmental Scanning Project

This Annual Association Environmental Scanning Project, conducted by Association Laboratory, identifies critical factors affecting associations and the potential implications for association strategy.

To obtain data for *Looking Forward 2015,* Association Laboratory conducted an online survey targeting association management personnel at various levels, including chief executives and their deputies, middle managers, and department directors. For the first time in the project's history, consultants and suppliers to the association industry were invited to participate and are included in the dataset.

The recruitment effort included 20 state societies of association executives who cooperated with Association Laboratory to expand awareness of the survey. The objective was to achieve as broad a sample as possible from across the United States and to represent associations serving the smallest (city or county) to the largest (global) geographies.

Participants identified the trends of most concern across a range of topics from *the perspective of their association's members*, or from *the perspective of their association clients* in the case of suppliers and consultants serving the association industry. Topics addressed include:



Association Laboratory conducted the same survey at the end of 2013, looking ahead to the issues anticipated to be of concern to associations and their members in 2014; these findings were published in the report, *Looking Forward 2014*. Results from the earlier survey are compared to the current findings, as appropriate, throughout this report.

For each topic area, association executives were asked to select from a list up to three issues or concerns that would most impact their members over the next twelve months. For example:

> **Which of the following <u>government</u> activities do you believe will most impact your members/your clients' members over the next 12 months? Please select up to three categories.**

Following selection of the issues likely to have the greatest impact on members, they were asked to identify how those issues or problems would affect their own association, or their clients' associations in the case of consultants and suppliers. Again, they were provided a list and asked to choose up to three likely effects or outcomes. The corresponding question for government activities is presented below.

> **Given the situation you just described, how concerned are you about each of the following issues affecting your organization/your clients' organizations in the next 12 months?**

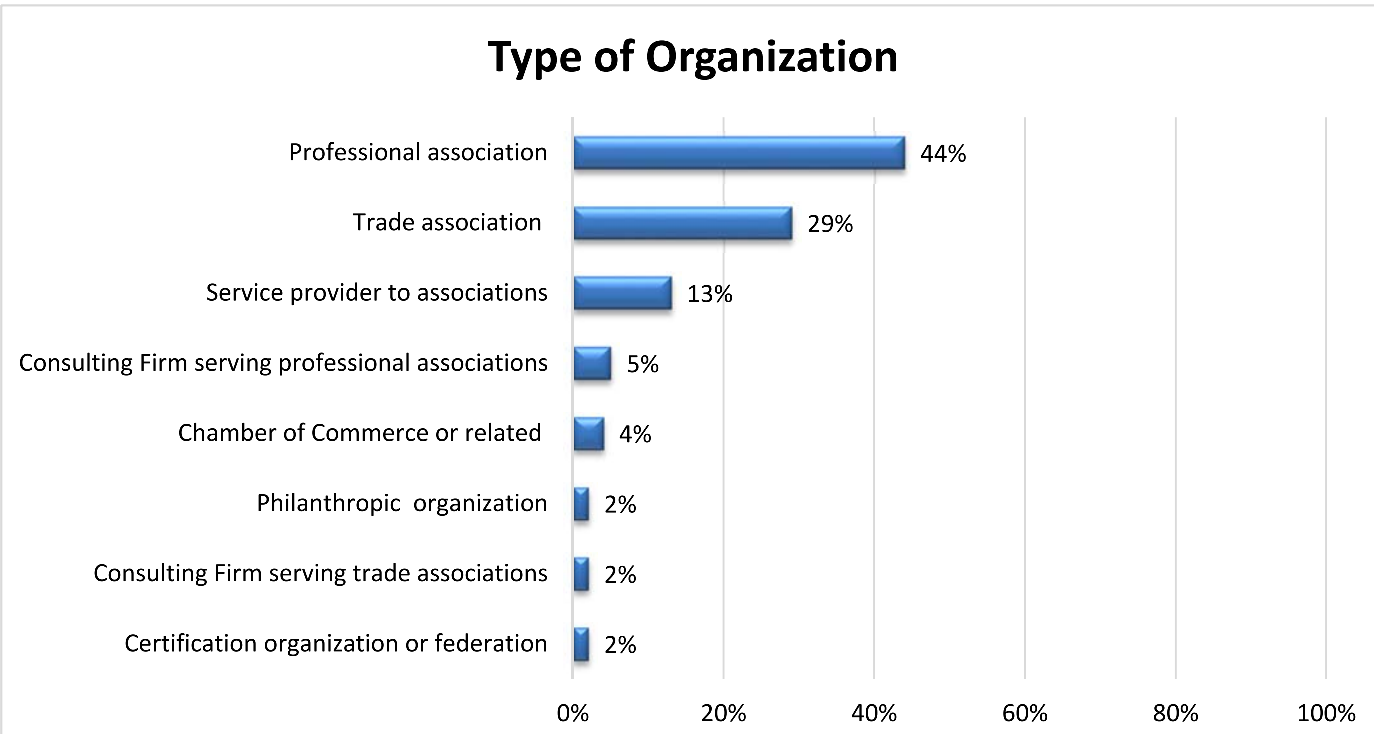
A total of 542 individuals from the association community completed the survey.

Association Laboratory recruited participants via email invitations sent to association managers and consultants serving the association industry and by posting links to the survey on websites frequented by association managers. Twenty state societies of association executives also publicized the survey and encouraged their members to respond.

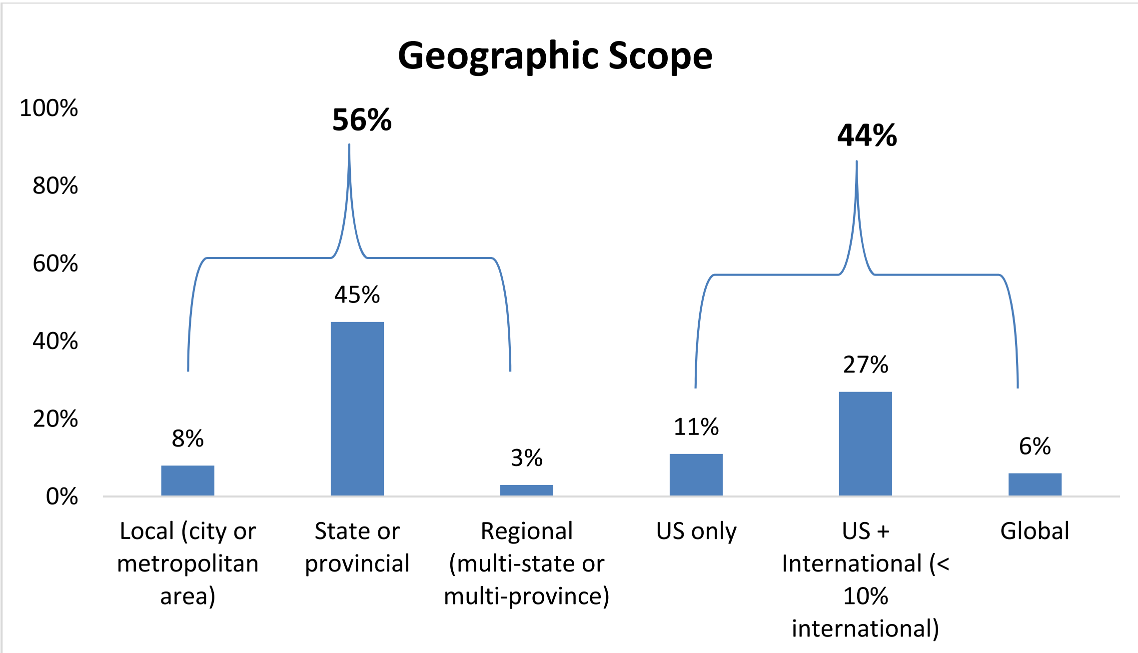
Description of the Sample

A total of 542 individuals responded to the *Looking Forward 2015* survey. Almost three-quarters (73%) work with trade or professional associations. The remainder includes consultants serving professional (5%) and trade associations (2%) or service providers (13%) offering hotel and meeting facilities or other business services to associations.

The 2015 dataset also includes representation from more than 33 industries and 33 professions.
A table listing industries and professions can be found on page 42.



For this year's study, a concerted effort was made to obtain participation from associations with a local, state, or regional geographic scope, as well as organizations with a national or global focus.



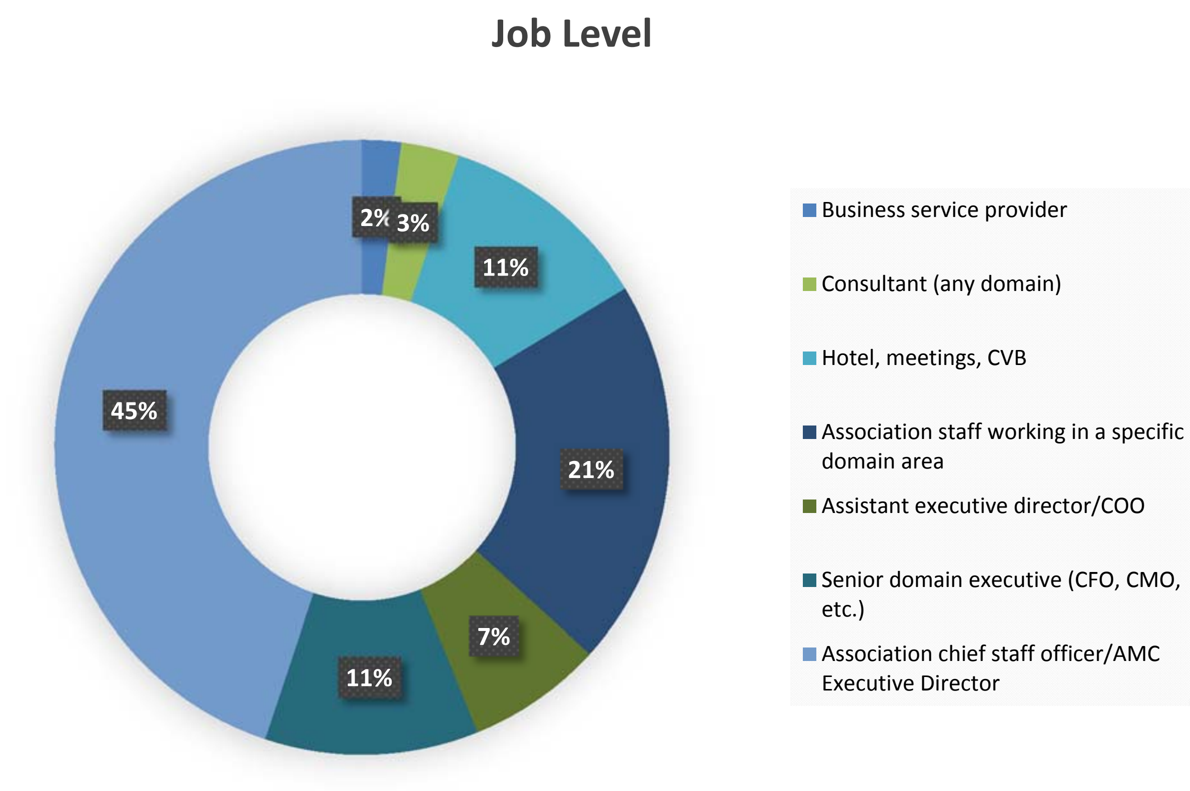
Thus, the distribution this year differs considerably from the *Looking Forward 2014* sample.

The proportion with a local, state or regional focus increased from 30% in 2014 to 56% in the current sample. In last year's sample, 59% of respondents represented associations that were either completely or primarily focused on the United States; this year that proportion decreased to 44%.

Compared to last year, the sample for *Looking Forward 2015* is larger and more diverse, including association staff and suppliers to the association industry.

In 2014, 72% of respondents to the study were chief staff officers for an association, but this year they constitute 45% of the sample, with another 18% serving as assistant staff officers and other senior domain executives. Twenty-one percent are association staffers or middle managers.

Suppliers to associations represent 16% of the sample; suppliers include providers of meeting/event/hotel services, consultants to the industry, and business services suppliers.



As a consequence of broadening the respondent base, respondent demographics also differ from the sample obtained in *Looking Forward 2014.* Because more mid-level association managers participated in this study than in the past, the sample contains more women and the average age of respondents has declined.

Further details about the characteristics of respondents and the associations they represent are provided in Appendix 1 of this report (page 40).

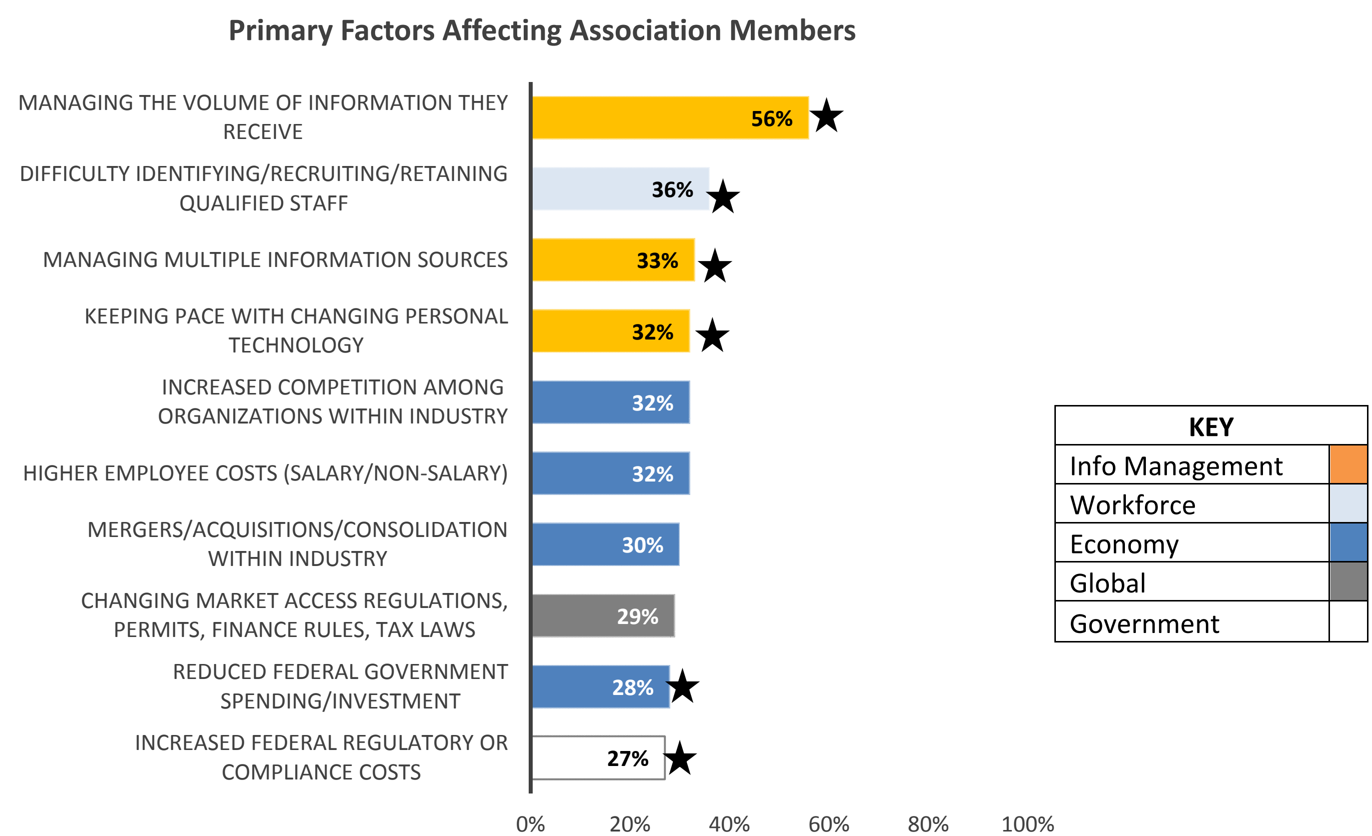
Overview of Influences on the Association Environment

Primary Environmental Forces

Despite differences in the sample, results are generally consistent with those in *Looking Forward 2014*. The text highlights instances where results between the two years vary.

The research tested 60 environmental drivers with potential to significantly impact association members. Response options were customized to the perspectives of trade and professional associations.

The top ten environmental drivers association executives expect to affect their members in 2015 are shown in the graph below. Indicative of the consistency in findings across the two years, six of these drivers also were among the leading drivers identified by association executives in 2014; *they are marked with a star on the graph.* However, the frequency of mentions for all of the top drivers declined in 2015 compared to 2014; differences in the composition of the sample between the two years may account for this change.



Factors that appear within the top 10 in both 2014 and 2015 are noted with a star.

Although missions vary, many associations focus much of their attention on providing industry/professional information or promoting the economic wellbeing of their members.

Consequently, it is not surprising that drivers pertaining to Information Management and Economic Conditions lead the list of drivers expected to affect association members in 2015.

As in 2014, the most frequently mentioned problem for members remains managing the volume of information. However, the number of economic drivers in the top 10 list outweighs the number of information management drivers (4 vs. 3, respectively) among this year's top 10. By contrast, *no economic drivers made the top 10 list in 2014*.

Information management now garners second position with respect to the number of drivers on the top 10 list.

The 2015 top 10 list includes one factor each from the workforce, global, and government categories. By comparison, three drivers pertaining to the federal government and one from the workforce category were among the top 10 factors last year.

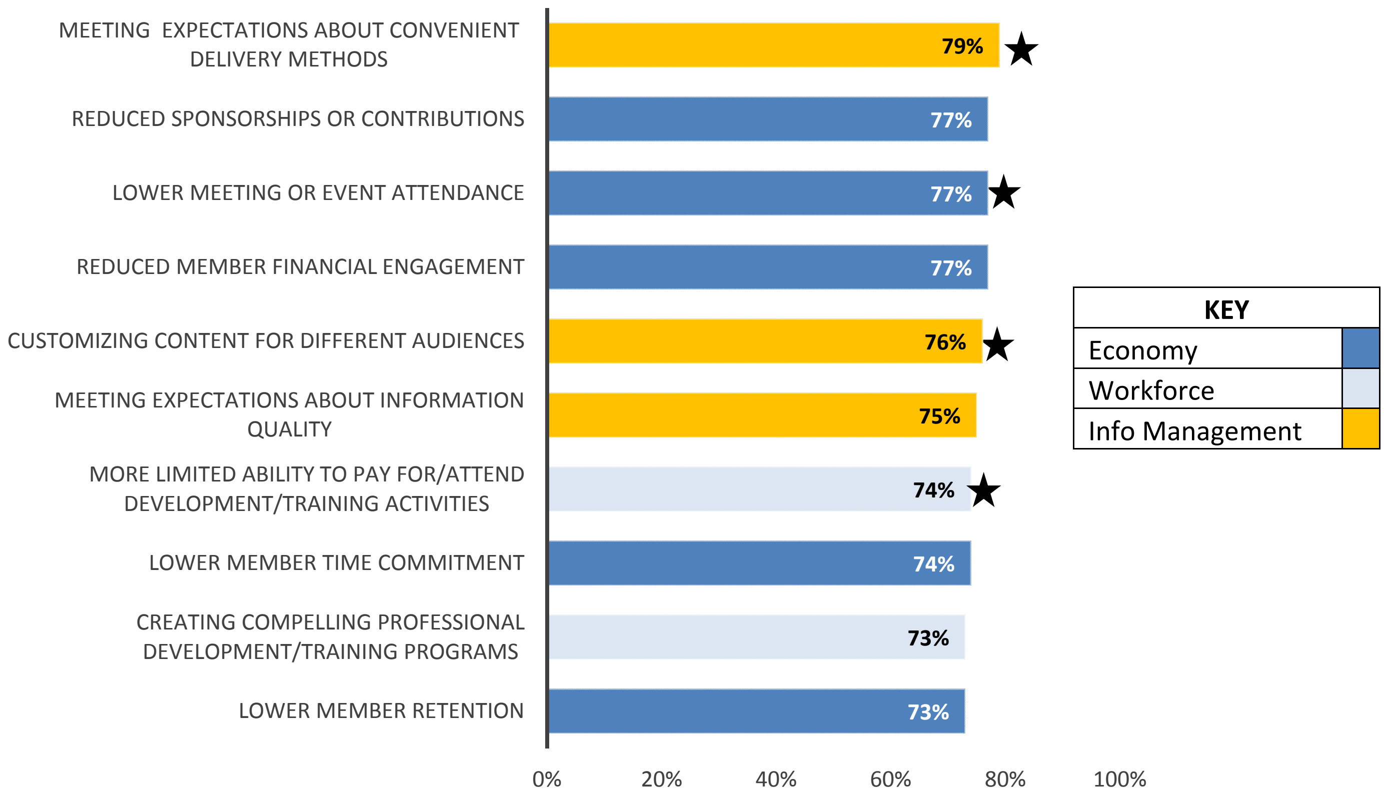
Association Laboratory hypothesizes the impasse about the federal budget and the 2013 government shut down; problems with the roll-out of the Affordable Care Act; and sequestration in late 2013 contributed to heightened concern among association members about the effect of government activities in *Looking Forward 2014*.

Primary Implications on Associations

The study tested 64 different potential implications on associations. Implications were linked to the environmental drivers tested, such as Workforce, Economy, and Government Activity.

Respondents identified implications that were of "concern" or "somewhat of concern" to their association. Four among the top ten implications for 2015 also were on the top ten list last year. Meeting members' expectations about convenient methods for delivering information garnered #1 position for the most frequent mentions both years.

Primary Implications on Associations



Implications that appear within the top 10 in both 2014 and 2015 are noted with a star.

Examining the **implications association executives identify as most likely to affect their own organizations reinforces the importance of Economic Conditions** for 2015. Among the top ten implications identified by association executives, **half derive from perceived changes in members' economic situation**.

In contrast to 2014, when five of the top implications related to information management issues, three implications from this category made the list of the top 10 for 2015. The two remaining implications on the list are workforce-related. As previously noted, economic well-being and education are key to many associations' mission; consequently it is to not surprising to find issues in these realms at the top of a list of concerns.

No global or government implications appeared on the top ten list in either year.

The absence of global implications for 2015 may result, in part, from the preponderance of associations of limited geographic scope; 56% of respondents work in organizations with a local, state or regional membership compared to 44% who work in organizations whose membership is national or international.

Association Laboratory believes the absence of governmental implications may reflect greater knowledge by the end of 2014 about the effects of government activities that occurred toward the end of 2013, including implementation of the Affordable Care Act, sequestration and the impasse surrounding the 2014 federal budget.

While the impact of government action on members remains important, the increased predictability of this impact reduces the level of concern relative to other issues.

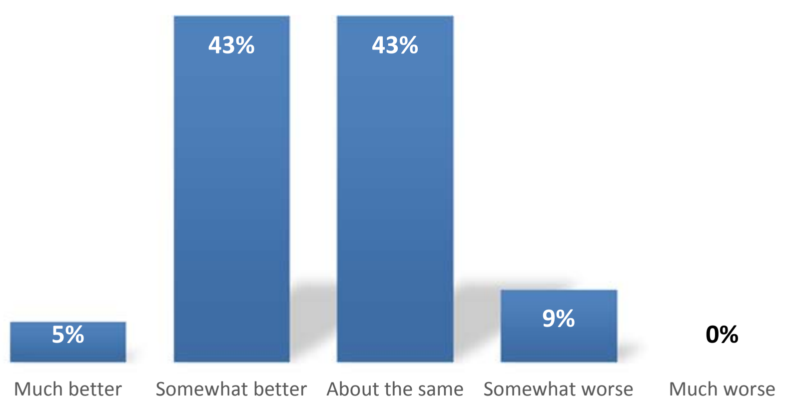
Economic Forces

Anticipated Economic Conditions

Expectations for the economy are slightly improved compared to this time last year. As in 2014, about four in ten anticipate a slight improvement and one in twenty expect considerable improvement.

Change in expectations is more apparent at the other end of the spectrum; the proportion of respondents anticipating a slight worsening of conditions declined from 15% to 9% and the proportion expecting conditions to remain unchanged increased, correspondingly, from 35% to 43%.

Expected Change in Economic Conditions



Differences in expectations are apparent based on type of association, geographic scope, and membership size.

Arrows indicate the direction of change compared to Looking Forward 2014. Arrows are shown only when year-over-year differences make a meaningful difference –at least a

CEOs of trade associations are more optimistic about economic conditions for 2015 than CEOs of professional associations: 61% of trade associations CEOs expect a somewhat or much better economy compared to 44% of professional association CEOs.

Based on Association Laboratory's research, trade associations are economic leading indicators and tend to experience change in economic conditions earlier than professional associations; consequently,

Association Laboratory hypothesizes that professional associations may notice an economic improvement later in 2015 or 2016.

Association Laboratory concludes that larger associations and/or more geographically dispersed memberships are less effected by the economic climate in any one particular area. This moderates the impact of economic conditions on the membership as a whole.

- About half of respondents in associations with a smaller geographic scope (local or state) expect conditions to “improve somewhat”; whereas, respondents from associations with a broader geographic (national or national plus international) perspective are more inclined to say conditions will remain unchanged.

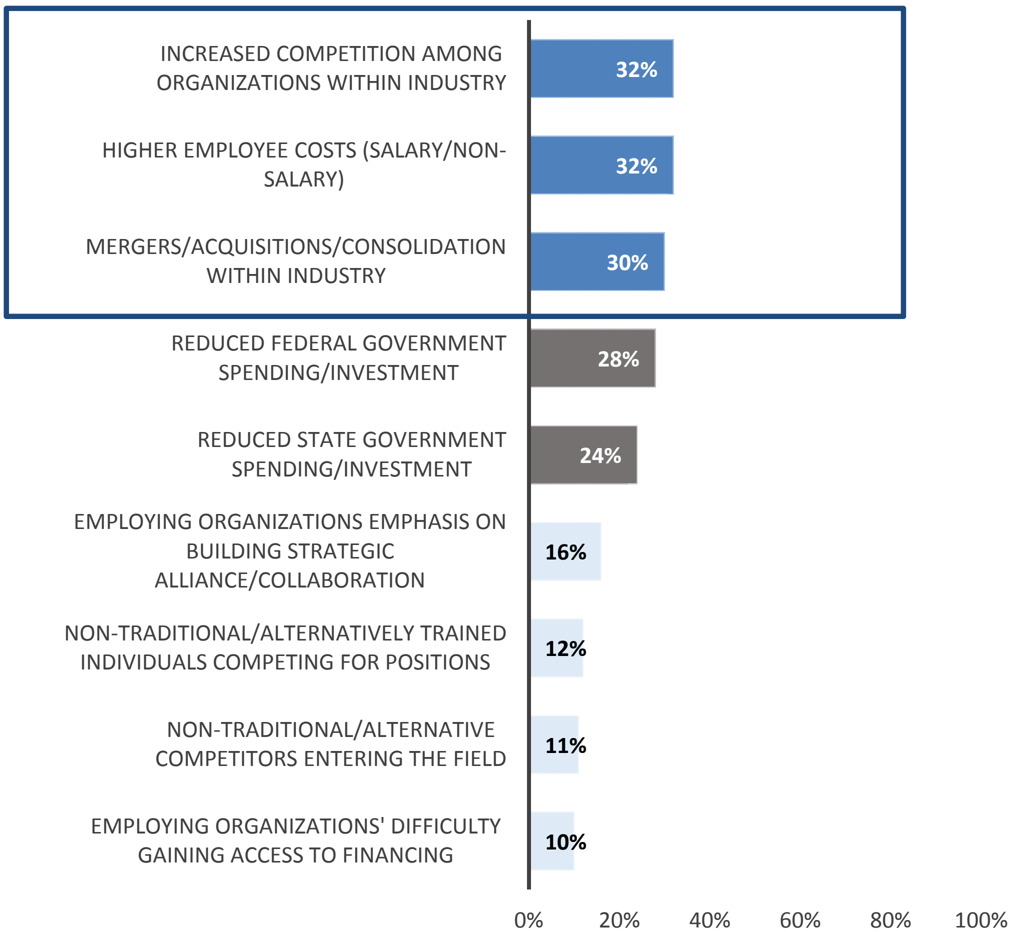
- Respondents from organizations with fewer than 1,000 members are inclined to expect “somewhat better” economic conditions in 2015; respondents in organizations with more than 1,000 members more often expect economic conditions to be “about the same” as in 2014.

Association Members' Concerns

<u>Higher employee costs</u> for salaries and benefits, <u>increasing competition</u> within industries and mergers and acquisitions lead the list of economic drivers association managers predict will affect their members in 2015.

These were among the leading concerns in 2014, as well. Reductions in government spending at the federal and state levels comprise a second tier of economic issues expected to affect association members. Suppliers share these concerns and express greater worry than association management about the effect on meeting attendance and exhibitor sales.

Economic Forces Affecting Members



Although the same five drivers are top concerns in both 2014 and 2015, the rankings have shifted. Concerns about employee costs (32% vs. 23%) and increases in competition (32% vs. 25%) are now front and center.

Association Laboratory concludes these changes correlate to the perception of an improving economy. The impact of the reduced federal government spending was uppermost in members' minds at the start of 2014 (36%); in 2015, this factor remains a concern (28%) but has declined to fourth position.

Trade and professional association chief executives have slightly different perceptions of the forces that will most impact their members in 2015.

Several factors, including employee costs, competition and mergers and acquisitions, appear on both lists in different rank order. However, concern about raw materials is in the top five only for members of trade associations and reduction in federal spending is a priority issue only among members of professional associations.

Association Laboratory concludes that increased employee and raw material costs reflect the growing economy and that professional associations are more likely influenced by expenditures by the federal government as a "customer" of association services such as membership and conference attendance.

Forces Most Affecting Association Members: by Type of Association

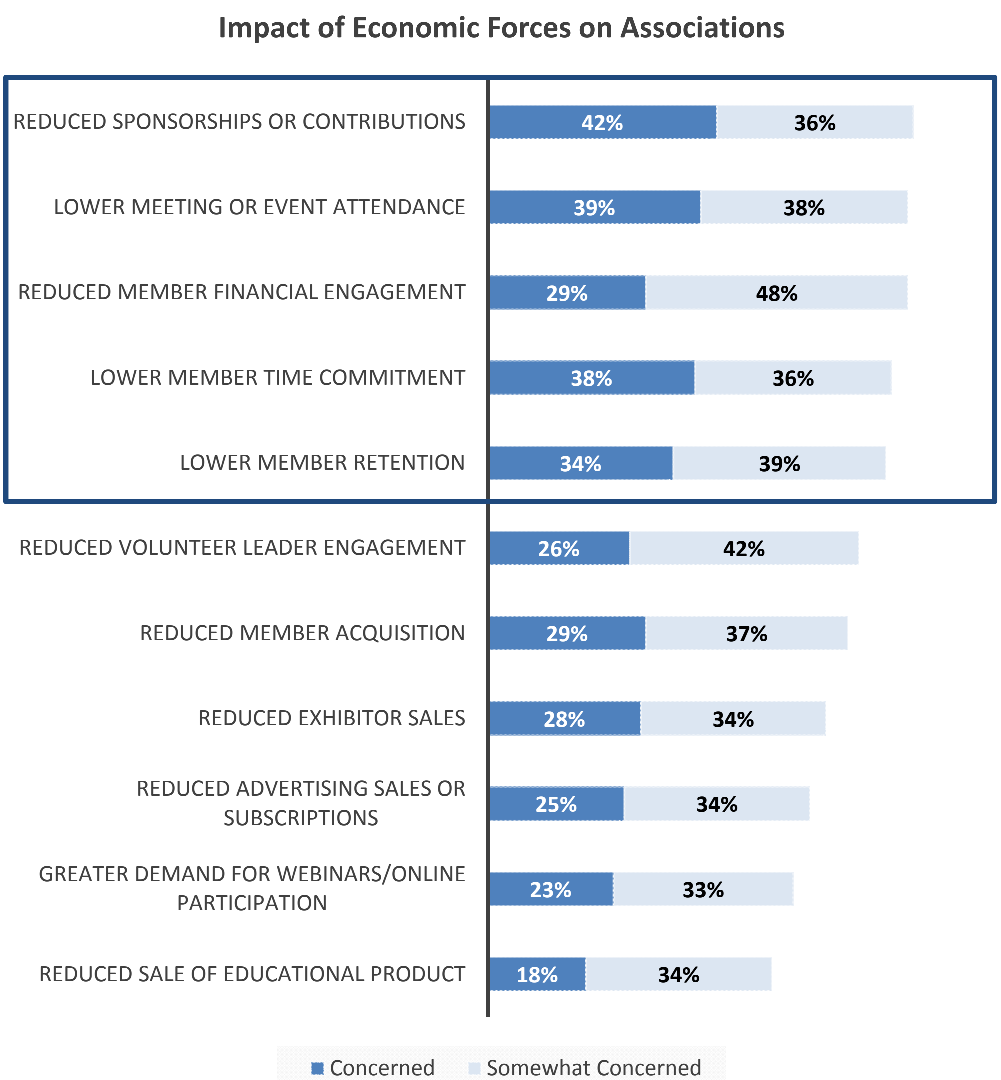
Ranking	Trade Association CEOs	%	Professional Association CEOs	%
First	Higher employee costs (salary/non-salary)	45%	Mergers/acquisitions/consolidation within industry	34%
Second	Mergers/acquisitions/consolidation within industry	38%	Increased competition among organizations within industry	32%
Third	Increased competition among organizations within industry	34%	Reduced federal government spending/investment	31%
Fourth	Non-traditional/alternative competitors entering the field	23%	Higher employee costs (salary/non-salary)	29%
Fifth	Increased cost of/or limited availability of raw materials	22%	Non-traditional/alternatively trained individuals competing for positions	23%

Impact of Economic Forces on Associations

Respondents expect the major effects of economic forces will be felt in member and sponsor engagement. About three-quarters are "concerned" or "somewhat concerned" about reductions in:

- Corporate sponsorships
- Event attendance
- Members' financial commitment
- Time committed to association activities
- Member retention

Anticipated impacts are similar to results obtained in *Looking Forward 2014;* the sole exception is a decline in concern that these forces will translate into lower member acquisition.



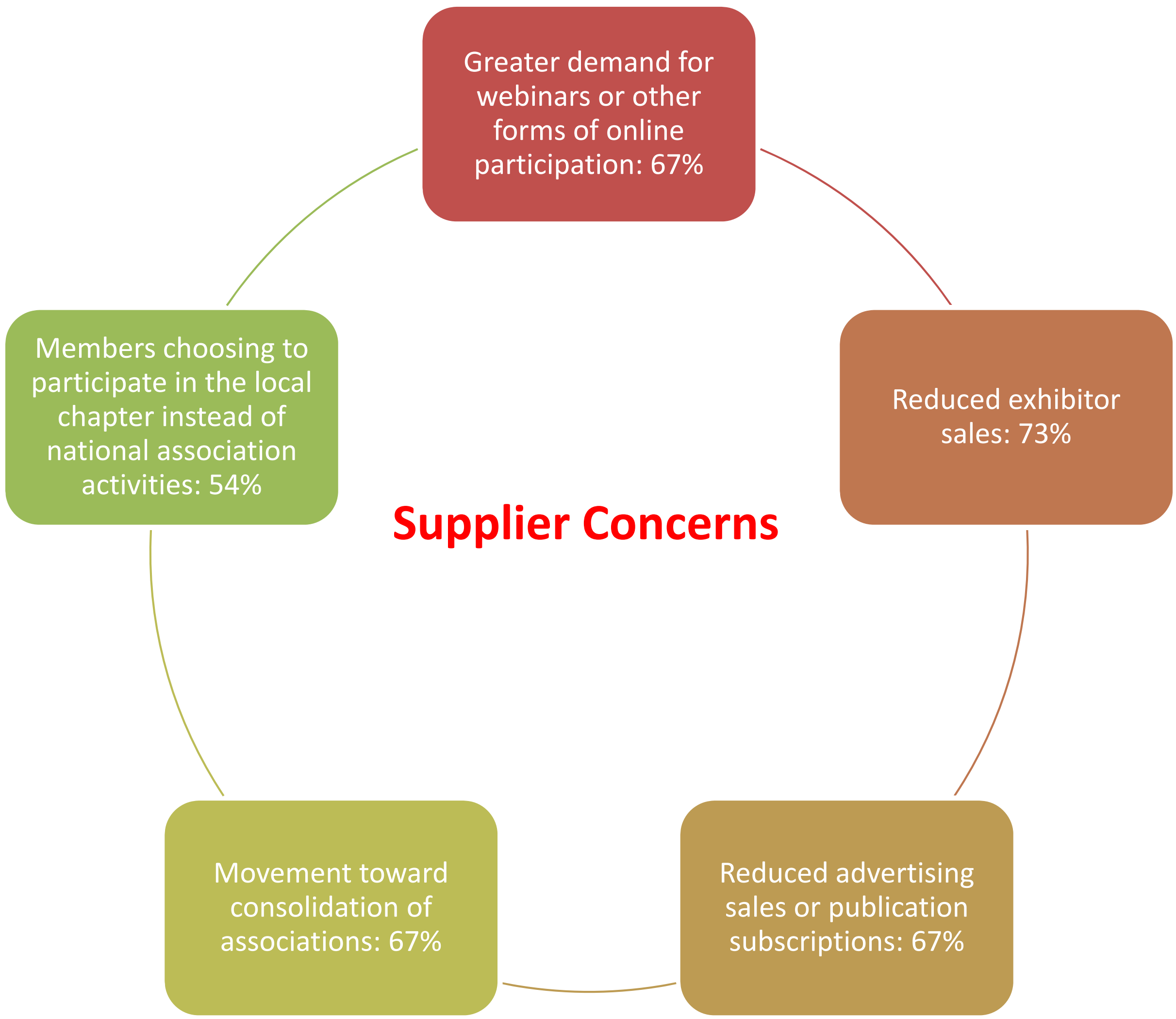
CEOs of trade and professional associations agree on the leading economic implications for associations, although in different rank order.

Leading Economic Implications for Associations: by Type of Association

Ranking	Trade Association CEOs	%	Professional Association CEOs	%
First	Lower member time commitment	84%	Reduced member financial engagement	79%
Second	Reduced member financial engagement	75%	Reduced sponsorships or contributions	78%
Third	Lower meeting or event attendance	75%	Lower member retention	76%
Fourth	Reduced volunteer leader engagement	74%	Lower meeting or event attendance	76%
Fifth	Reduced sponsorships or contributions	69%	Lower member time commitment	74%
Sixth	Lower member retention	64%	Reduced volunteer leader engagement	72%

Suppliers' Perspective

Because the supplier sample is dominated by meeting and hotel service providers, suppliers express considerably more concern than respondents working for an association about the effect of economic forces on meeting attendance and sponsorships.



Information Management Forces

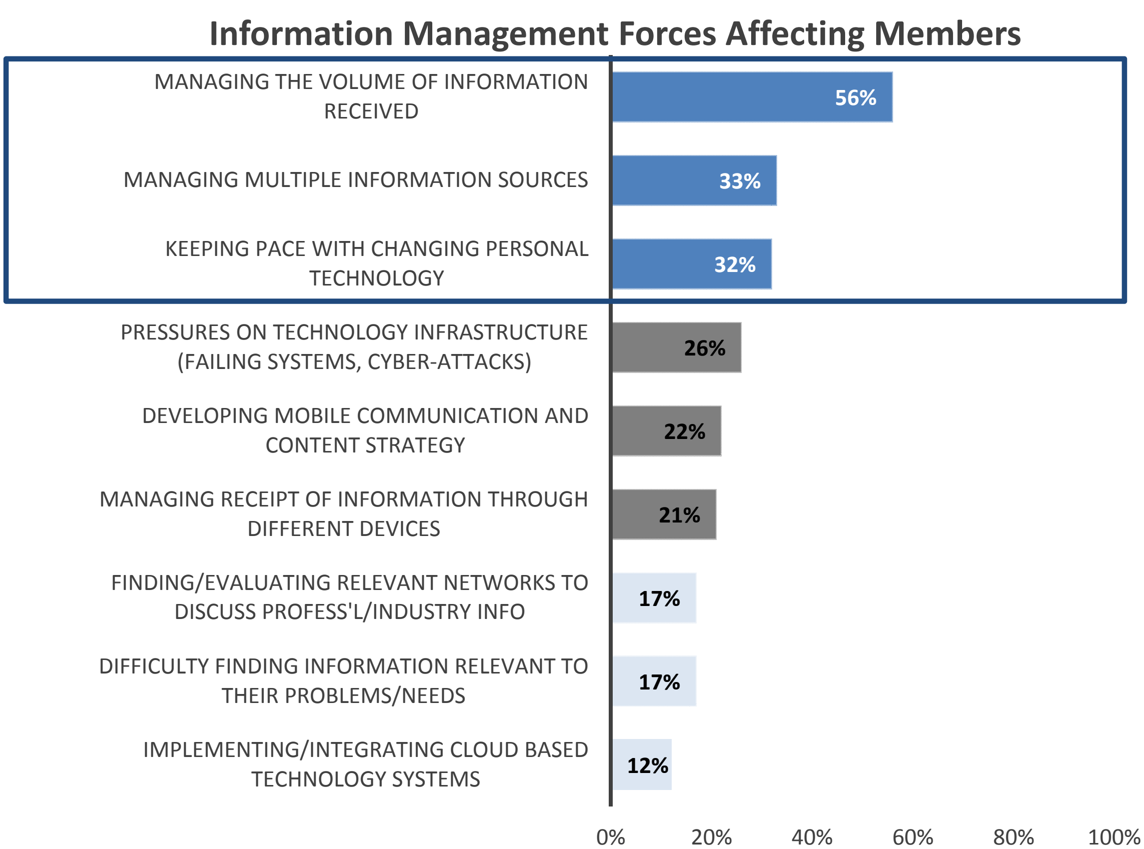
Information Management has declined in prominence as an issue affecting members over the past year. Although managing the flow of information continues to be a key issue for association members and staff, it no longer overrides virtually all other concerns.

Association Members' Concerns

Managing the volume of information, understanding different sources, and keeping pace with changing technology are expected to remain important issues for association members. However, they no longer have the primacy they did in 2014.

Association Laboratory hypothesizes that association members are gaining proficiency with managing information technology and identifying information sources they trust.

The larger the association, the more likely respondents indicated that members will be impacted by difficulties managing the volume of information.



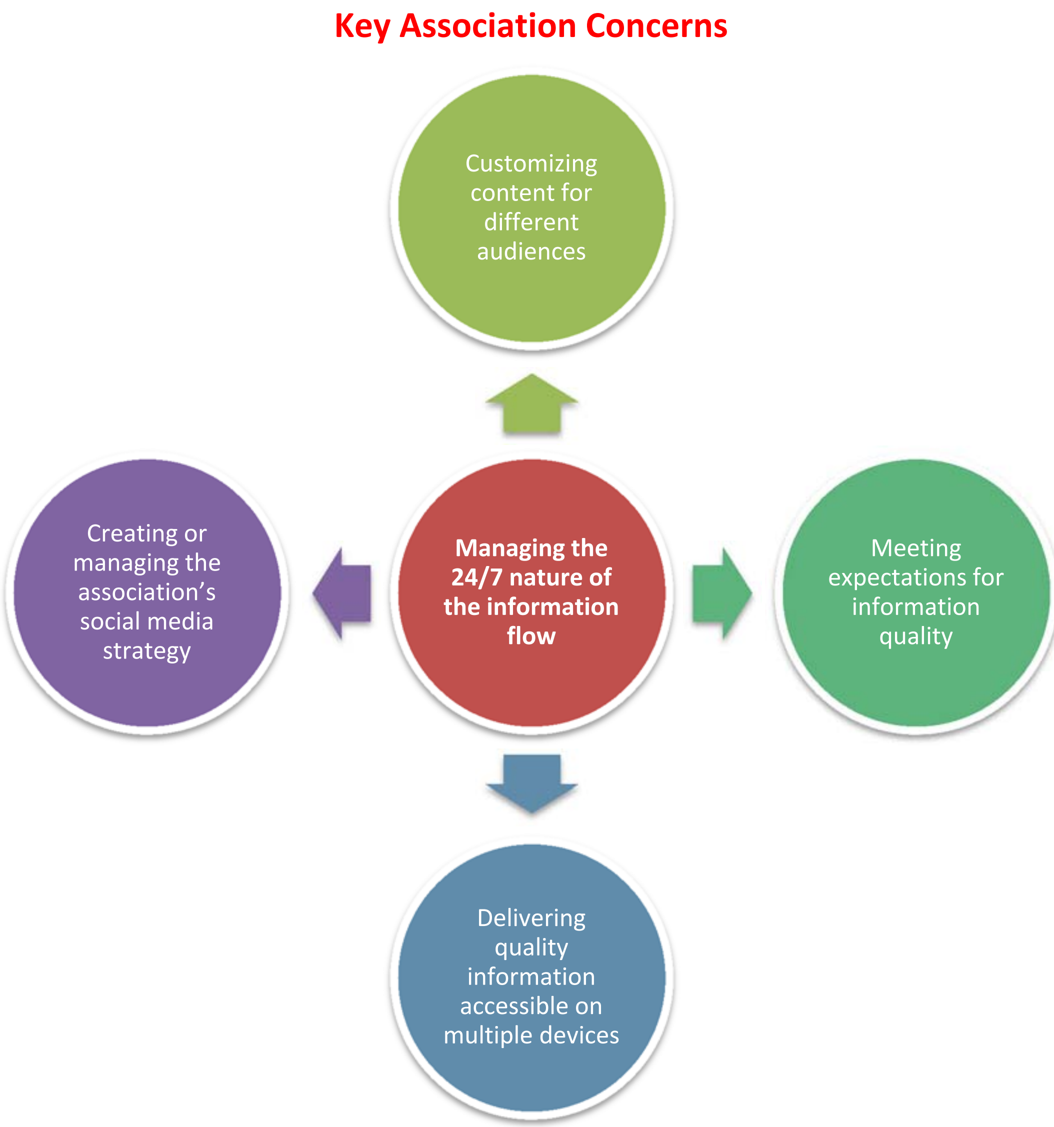
Respondents working in **associations with 1,000+ members are more likely to say members will be impacted by difficulties in managing the volume of information (about two-thirds) than their counterparts** working in associations with fewer members (about one-half).

A similar pattern exists among respondents from associations with larger budgets compared to respondents working in associations with smaller annual budgets; the two metrics may be correlated as associations with more members are also likely to have bigger budgets.

Suppliers are more likely than association staff to report that **keeping pace with new technology and developing mobile communications and content strategies** are member concerns

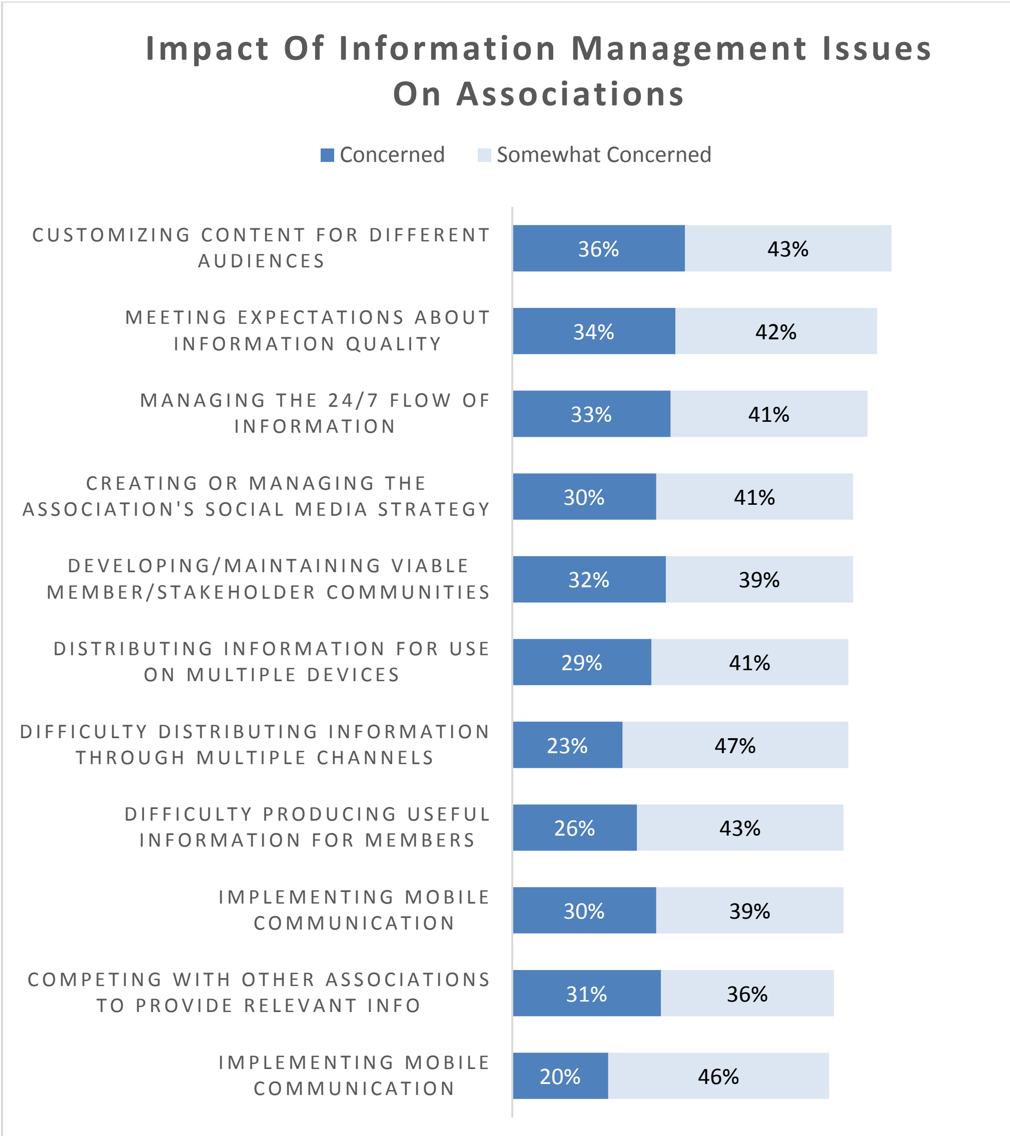
Impact of Information Management Forces on Associations

Respondents anticipate Information Management Forces will have somewhat less impact on associations in 2015 compared to 2014. Nevertheless, at least seven in ten expect associations will be impacted by a variety of information management issues in 2015..



At least half or respondents predict all the information implications tested will be an issue for associations in the coming year. Managing the relationship between these important issues will be strategic challenge facing all associations.

The following chart outlines the level of concern with each area.


Impact Of Information Management Issues On Associations
Concerned
Somewhat Concerned
CUSTOMIZING CONTENT FOR DIFFERENT AUDIENCES
36%
43%
MEETING EXPECTATIONS ABOUT INFORMATION QUALITY
34%
42%
MANAGING THE 24/7 FLOW OF INFORMATION
33%
41%
CREATING OR MANAGING THE ASSOCIATION'S SOCIAL MEDIA STRATEGY
30%
41%
DEVELOPING/MAINTAINING VIABLE MEMBER/STAKEHOLDER COMMUNITIES
32%
39%
DISTRIBUTING INFORMATION FOR USE ON MULTIPLE DEVICES
29%
41%
DIFFICULTY DISTRIBUTING INFORMATION THROUGH MULTIPLE CHANNELS
23%
47%
DIFFICULTY PRODUCING USEFUL INFORMATION FOR MEMBERS
26%
43%
IMPLEMENTING MOBILE COMMUNICATION
30%
39%
COMPETING WITH OTHER ASSOCIATIONS TO PROVIDE RELEVANT INFO
31%
36%
IMPLEMENTING MOBILE COMMUNICATION
20%
46%

For the most part, trade and professional association chief staff executives expect the same information implications to affect their organizations in 2015.

Trade association executives are more likely to believe creating a social media strategy for their associations will be a concern for 2015.

Professional association CEOs more often consider competition with other associations in providing relevant information to the membership a matter of concern for 2015.

Leading Information Management Implications for Associations: by Type of Association

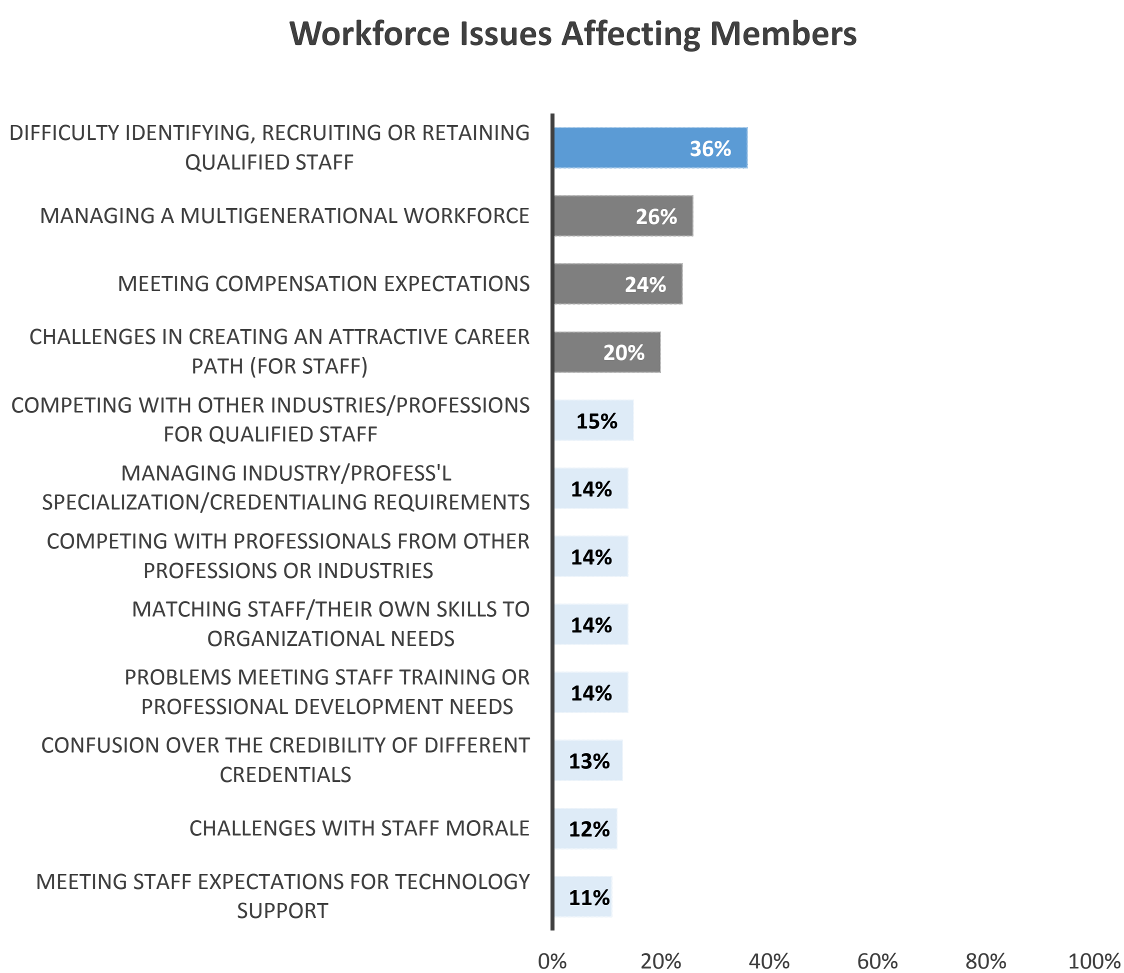
Ranking	Trade Association CEOs	%	Professional Association CEOs	%
First	Meeting expectations about convenient delivery methods	76%	Meeting expectations about convenient delivery methods	83%
Second	Creating or managing the association's social media strategy	76%	Customizing content for different audiences	79%
Third	Meeting expectations about information quality	74%	Competing with other associations to provide relevant information	75%
Fourth	Managing the 24/7 flow of information	70%	Managing the 24/7 flow of information	74%
Fifth	Customizing content for different audiences	69%	Developing/maintaining viable member/stakeholder communities	74%
Sixth	Developing/maintaining viable member/stakeholder communities	68%	Meeting expectations about information quality	74%

Workforce Forces

Unlike some forces where there is considerable agreement about leading factors across trade and professional associations, the leading workforce factors tend to differ by type of association. Some workforce issues are anticipated to impact professional associations more than trade associations while others will more substantially affect trade association members.

Association Members' Concerns

As in 2014, identifying, recruiting and/or retaining qualified staff is the leading workforce issue impacting association members. The secondary issues identified this year also were among the secondary issues identified in 2014. Across all items tested, fewer respondents identified workforce issues as problems of concern to members this year than last year.



Differences by type of association include:

- Trade association members will be considerably more affected than professional association members by difficulty identifying, recruiting and retaining qualified staff and by competition with other industries for qualified workers.

- Professional association members are more likely to be impacted by consumer confusion about professional credentials and concerns about meeting compensation expectations.

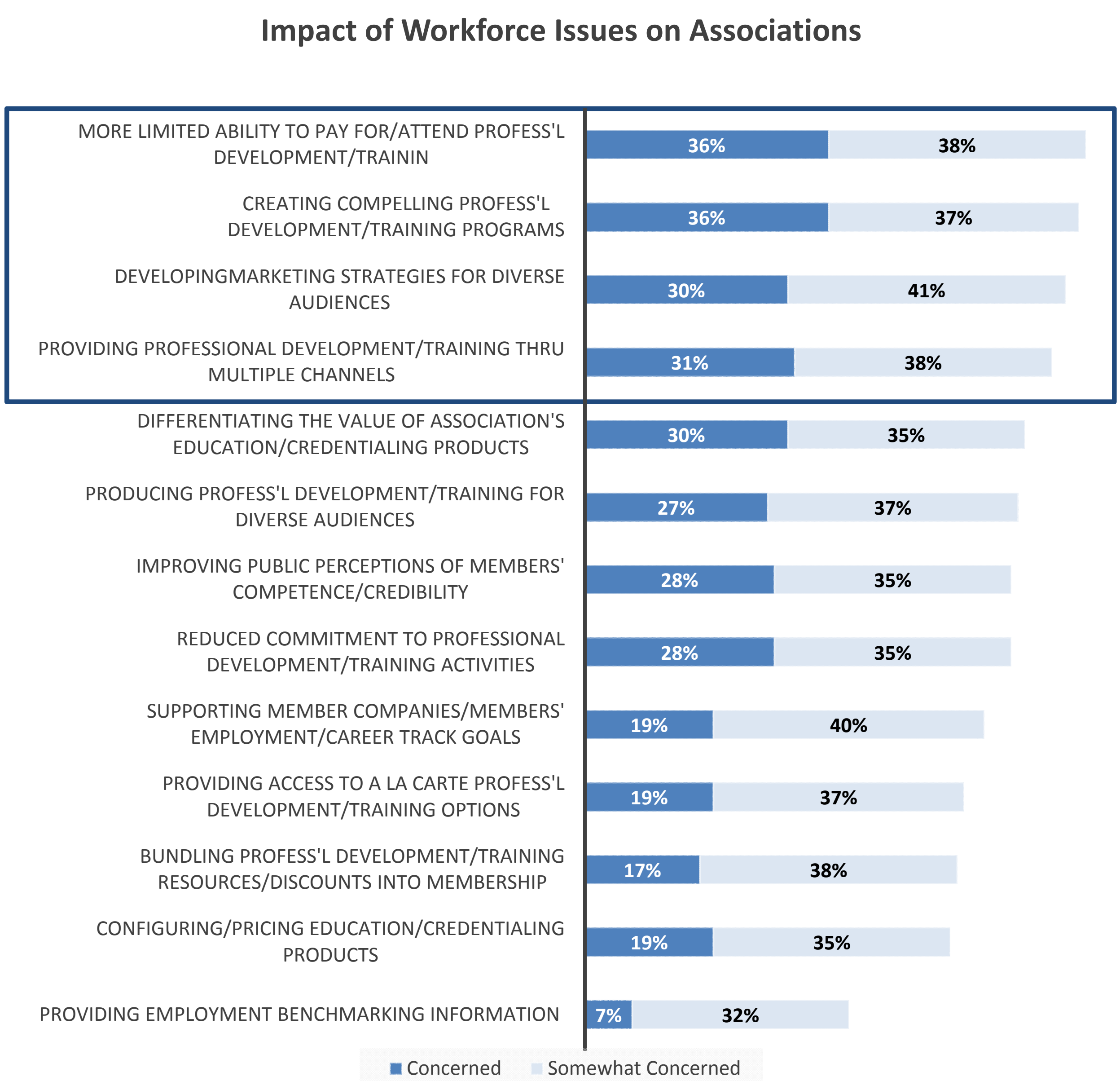
One in four suppliers indicate members are concerned about employers' ability to meet staff expectations for technology support compared to less than one in ten respondents from associations.

Association Laboratory hypothesizes that suppliers are noticing an issue that could become more salient to association professionals in coming years.

Impact of Workforce Forces on Associations

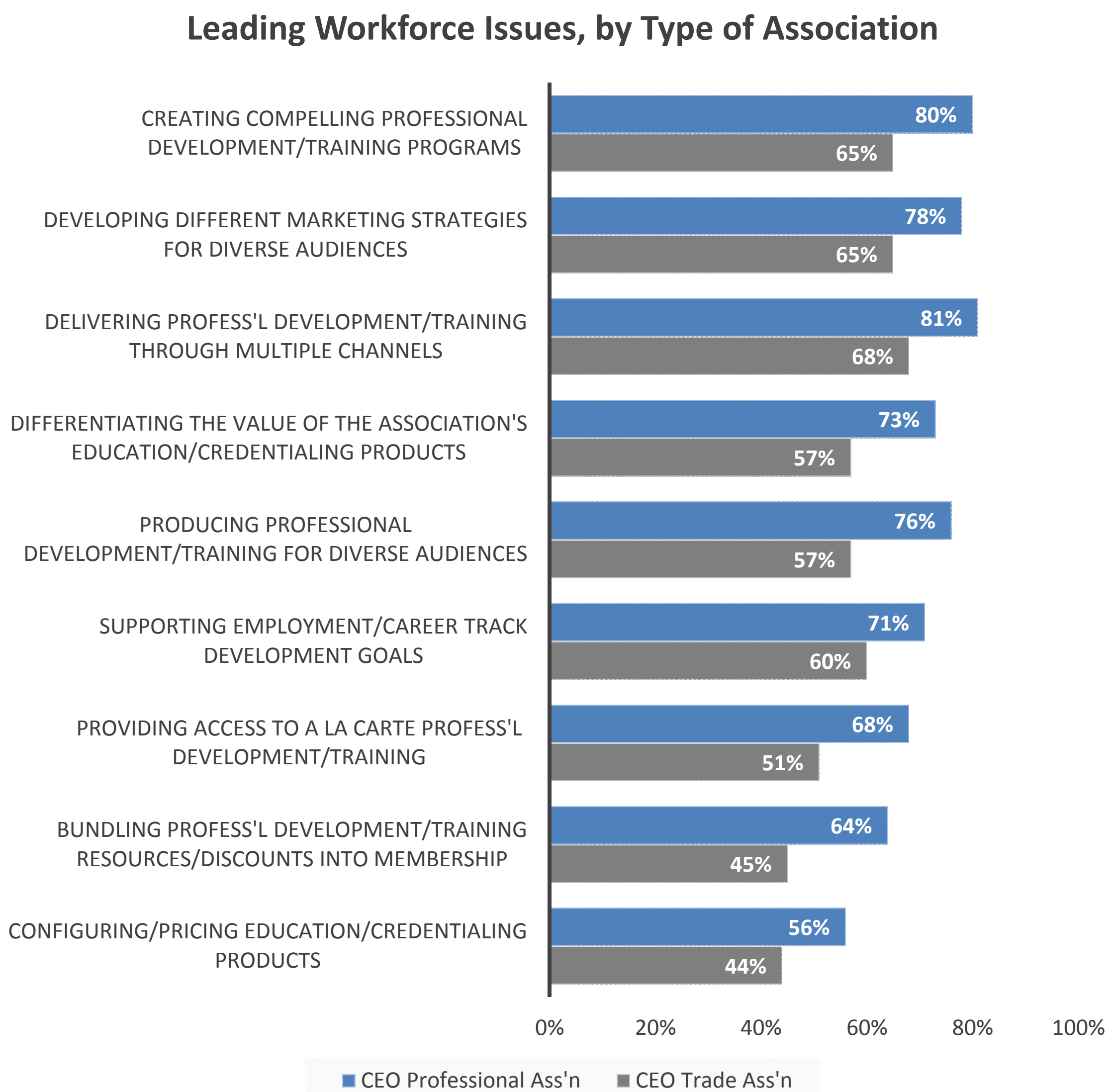
More limited ability to pay for/attend professional development or training activities again tops the list of workforce factors anticipated to impact associations. In fact, the four leading concerns in *Looking Forward 2014* remain the top tier of concerns this year for this factor.

Although generally in agreement about which issues will most affect their own organizations, CEOs of professional associations are considerably more concerned about the effect of many workforce issues on their organizations than their trade association counterparts.



Perhaps because the mission of professional associations is to support workers and assist them in meeting career goals, workforce issues have more direct significance or relevance to the mission of many professional associations.

In particular, for professional society respondents, creating compelling professional development programs (80%) and delivering these programs through multiple channels (81%) is of concern.



Government Forces

Government drivers are expected to have less impact on association members in 2015 than was the case last year. This is not to say that government activities are not likely to affect associations or their members in 2015, but rather there is likely to be less angst or uncertainty about what the impacts may be.

As would be expected, organizations with a local or state focus tend to express more concern about the effect of local or state governmental bodies, whereas organizations with a national focus express more concern about federal government activities and policies. Associations with a multi-national focus are generally a bit less concerned about the effects of local, state, or federal actions than their counterparts with a US-only or more localized focus.

Association Members' Concerns

The top three governmental factors have all declined as member concerns since *Looking Forward 2014.* This is consistent with the overall decline in members' concern about government actions noted earlier in this report. No government factor is of concern to one-third or more of the respondents in this year's survey. Conversely, there is a slight, but noticeable, uptick in the proportion of respondents anticipating state or local government activities may impact their members.

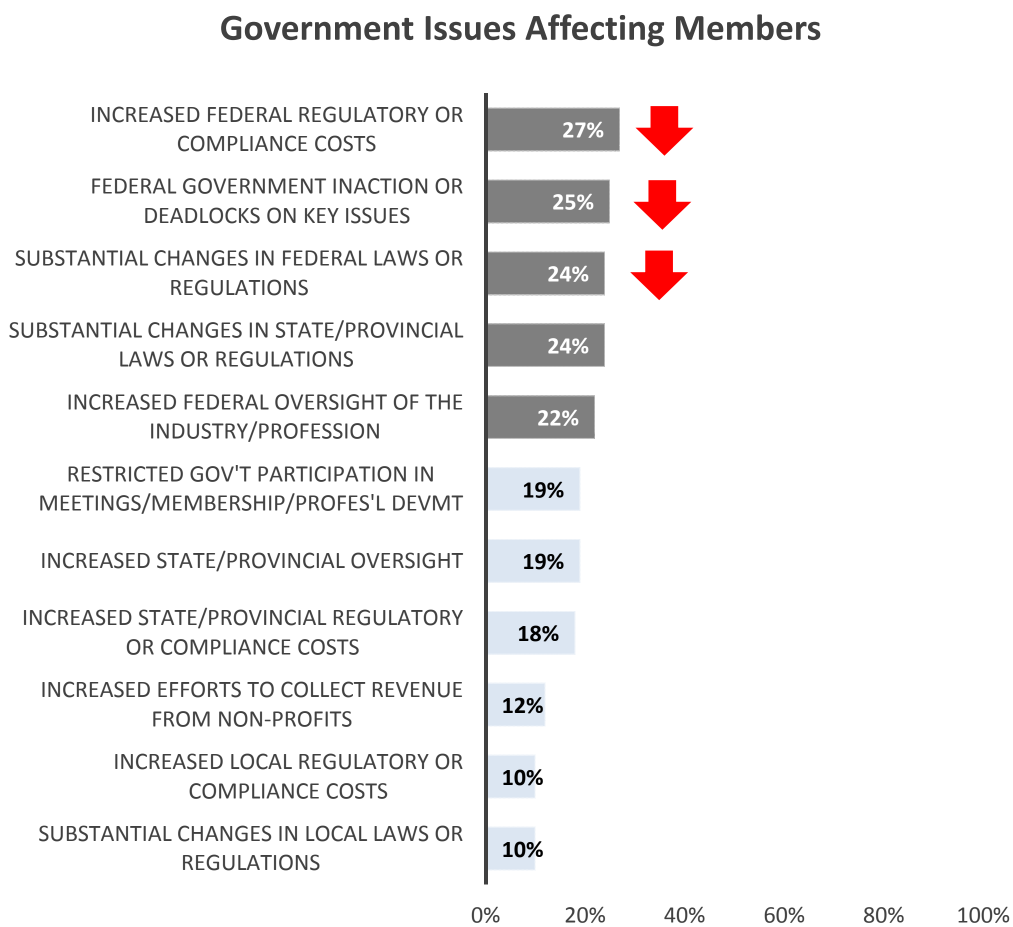
One explanation of the declining influence of government factors is the change in the political climate between late 2013 and late 2014.

As previously discussed, in the fall of 2013 association member witnessed a government shutdown, difficulties with the roll-out of the Affordable Care Act and budget sequestration. All of these events likely contributed to heightened concern among association members about the effect of government activities on their livelihoods, careers and industries. Furthermore, election of a majority Republican House and Senate in 2014 may provide a sense of security about the policies Congress is likely to support in this legislative cycle.

Association Laboratory believes some of the change in the survey findings also may reflect differences in the composition of the Looking Forward sample over the last two years.

The 2015 sample contains more respondents from organizations with a local, state, or regional focus than the 2014 sample. Members of these more localized organizations may be somewhat removed from, or less aware of, how the actions of the federal government are likely to affect their profession or industry. Instead, they may be more attentive to, or aware of, the ways in which local or state government activities will affect them.

As noted above, the proportion of respondents indicating members are concerned about the actions of state and local governments has increased slightly.



Arrows indicate the direction of change compared to Looking Forward 2014. Arrows are shown only when year-over-year differences make a meaningful difference –at least a difference of 8 percentage points.

Overall, respondents from trade associations are somewhat more likely to expect members to be concerned about governmental activities than respondents working in professional associations.

The sole exception is restrictions on government participation in meetings, association membership, and professional development: 22% of CEOs of professional associations say this is a concern to their members vs. 8% of trade association CEOs.

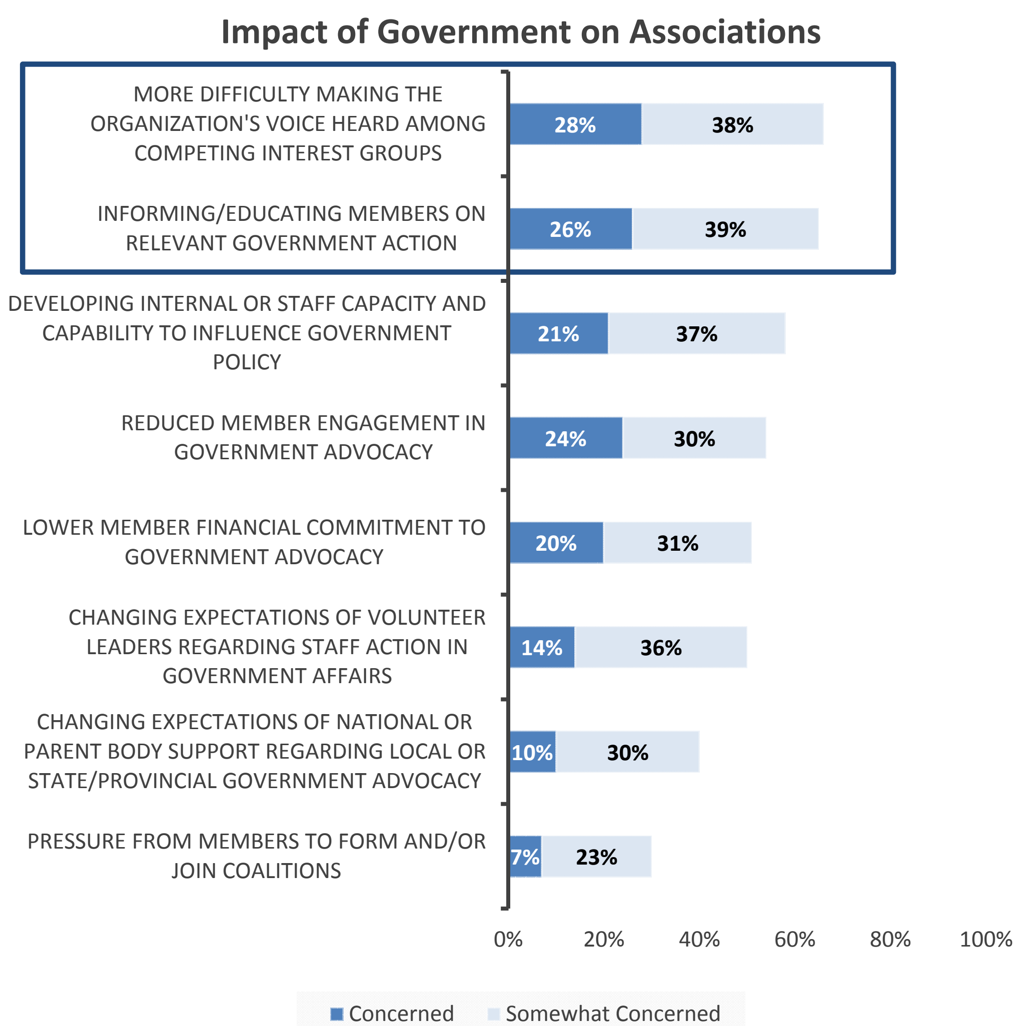
Suppliers are far more concerned than respondents working in associations about:

- Restrictions on government participation in meetings, membership or professional development (41% vs. 19%, respectively)
- Increased efforts to collect more revenue from non-profit organizations (24% vs. 9%)

Impact of Government Forces on Associations

There has been little change in perceptions of how government actions will affect associations over the past year.

Difficulty making the association's voice heard in the midst of competing influences and keeping members informed about pertinent government actions and activities remain the leading government issues expected to affect associations. About two-thirds of respondents identify these as issues of at least "some concern" for 2015.



Professional and trade association executives generally see eye to eye on the two government actions that will most affect their organizations. Other issues at the top of the list are the same regardless of type of association, but they differ in priority order.

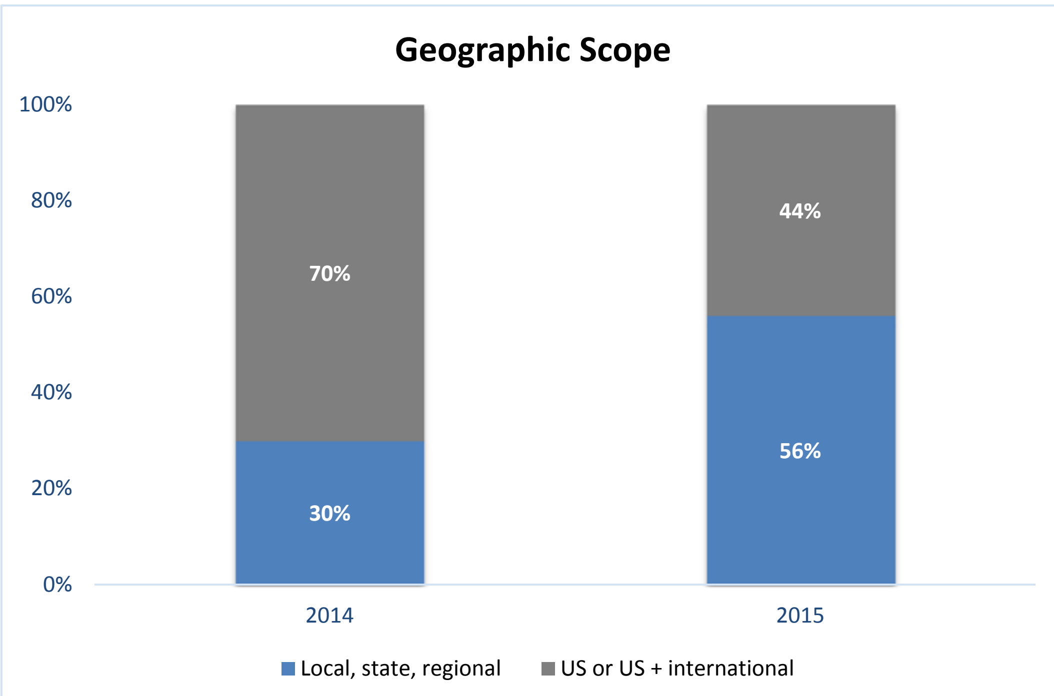
Leading Government Implications for Associations: by Type of Association

Ranking	Trade Association CEOs	%	Professional Association CEOs	%
First	Informing/educating members on relevant government action	72%	Informing/educating members on relevant government action	72%
Second	More difficulty making the organization's voice heard among competing interest groups	72%	More difficulty making the organization's voice heard among competing interest groups	68%
Third	Reduced member engagement in government advocacy	66%	Developing internal or staff capacity and capability to influence government policy	62%
Fourth	Developing internal or staff capacity and capability to influence government policy	61%	Changing expectations of volunteer leaders regarding staff action in government affairs	55%
Fifth	Lower member financial commitment to government advocacy	57%	Lower member financial commitment to government advocacy	50%
Sixth	Changing expectations of volunteer leaders regarding staff action in government affairs	52%	Reduced member engagement in government advocacy	50%

Global Forces

As previously noted, the composition of the *Looking Forward 2015* sample differs from the sample for the 2014 study because:

- The sample is larger.
- This year's sample includes a higher proportion of respondents from associations with a local, state, or regional focus and, conversely, a lower proportion with a national or US plus international focus.



These differences in the sample's geographic scope most substantively impact how respondents view the effects of globalization on their members and their associations, with fewer respondents perceiving globalization will affect either their members or their association in 2015 compared to 2014.

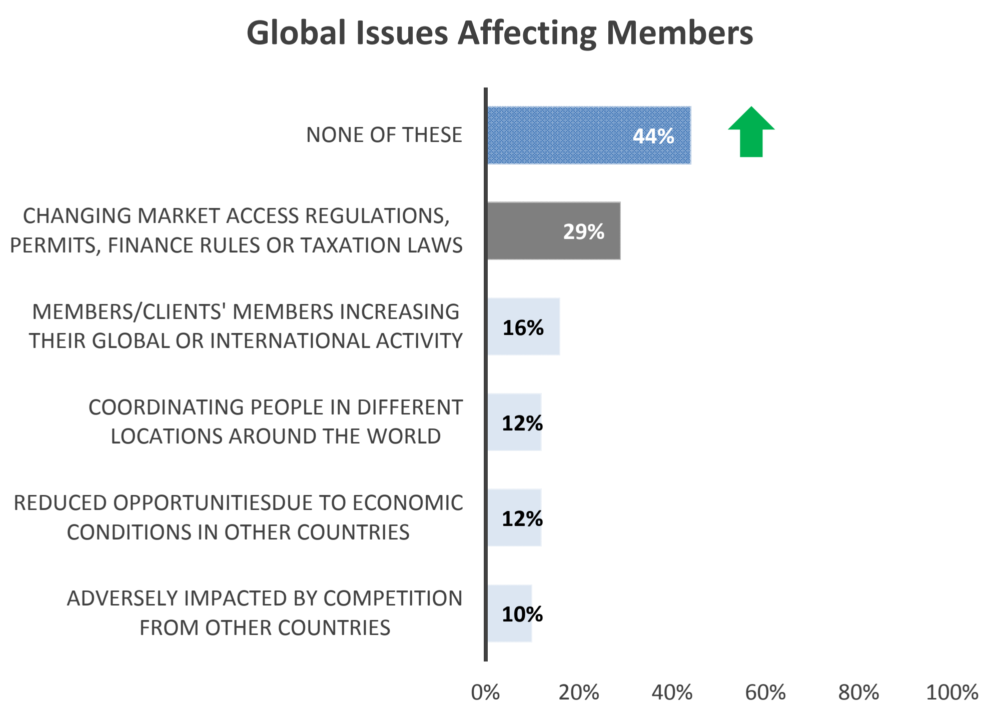
Association Members' Concerns

In 2014, 35% of respondents said none of the global factors tested would affect their members; this year 44% offer this response.

Association Laboratory hypothesizes this increase reflects the difference in the geographic scope of respondents' responsibilities rather than a decrease in the impact of globalization since last year.

Changing market access regulations, permits, finance rules or taxation laws is the only globalization factor or issue tested that close to one-third of respondents say is likely to affect their members.

Respondents working in associations with a state, regional, or United States plus international scope are more likely to say this is an issue than their counterparts working in associations with either a local or US-only scope.



According to the CEOs, increasing global or international activity is more likely to affect members of professional associations than trade associations (22% vs. 6%, respectively).

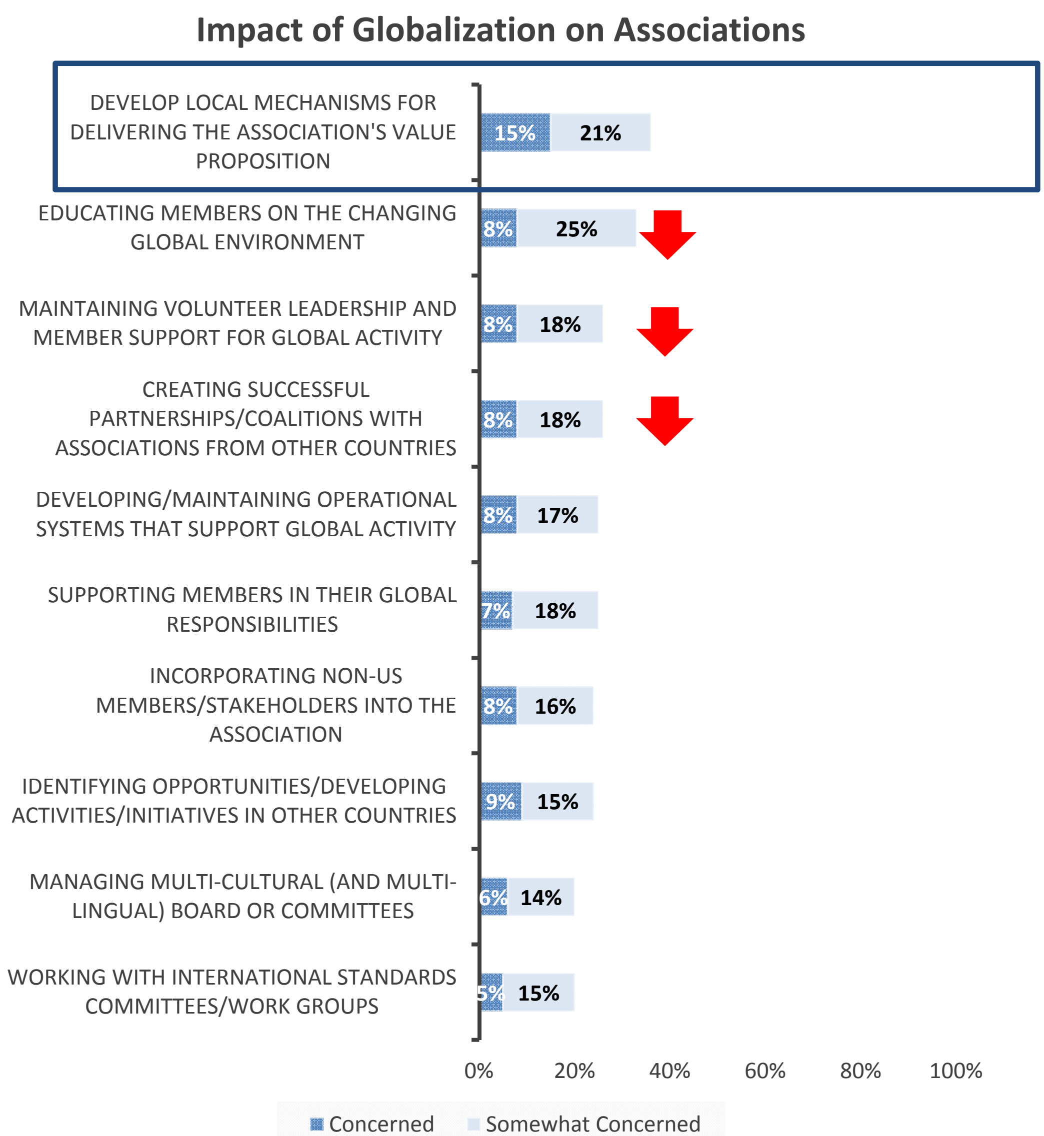
Whereas changing market access rules, permits, finance or tax laws is more often an issue facing members in trade associations than professional associations (40% vs. 22%).

Respondents from larger associations with at least 100,000 members more often say their members will be affected by globalization issues than respondents working in associations with smaller membership.

This finding should be considered with caution because of the small number of associations in the sample with 100,000+ members.

Impact of Global Forces on Associations

One-third of respondents in this year's sample **anticipate only one globalization issue impacting their organization**: **a need to develop local mechanisms for delivering the association's value proposition**. This outcome is substantially different from 2014 when at least one-third of respondents anticipated seven globalization issues would affect their organization.



Arrows indicate the direction of change compared to Looking Forward 2014. Arrows are shown only when year-over-year differences make a meaningful difference –at least a difference of 8 percentage points.

Respondents working in associations with a regional/multi-state or US plus international scope consistently express greater concern about the issues tested than respondents whose associations are local, state, or US-only in their focus.

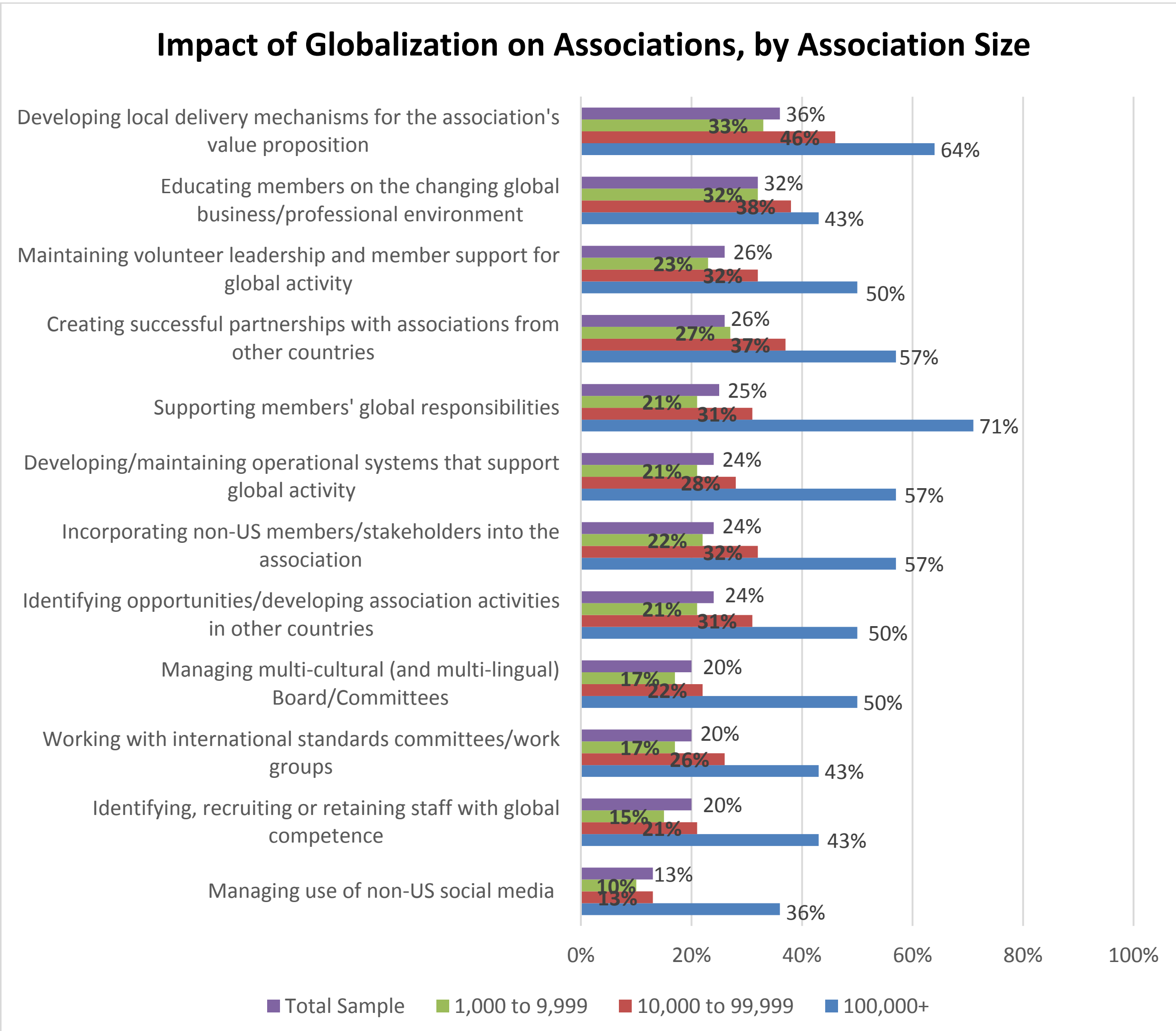
CEOs of professional and trade associations generally agree about which global issues are most likely to impact their associations.

However, a slightly higher proportion of professional association executives than trade association executives indicate they are "concerned" or "somewhat concerned" about these issues impacting their organization.

Leading Global Implications for Associations: by Type of Association

Ranking	Trade Association CEOs	%	Professional Association CEOs	%
First	Developing local mechanisms for delivering the association's value proposition	33%	Developing local mechanisms for delivering the association's value proposition	39%
Second	Educating members on the changing global business/professional environment	25%	Educating members on the changing global business/professional environment	34%
Third	Developing and maintaining operational systems that support global activity	19%	Creating successful partnerships or coalitions with associations from other countries	32%
Fourth	Supporting members in their global responsibilities	18%	Maintaining volunteer leadership and member support for global activity	26%
Fifth	Creating successful partnerships or coalitions with associations from other countries	17%	Identifying opportunities and developing association activities or initiatives in other countries	26%
Sixth	Maintaining volunteer leadership and member support for global activity	17%	Supporting members in their global responsibilities	23%

Whether measured in terms of the number of members (10,000+) or by revenue ($15M+), larger associations, are consistently more inclined to expect global factors to influence their organization than smaller ones. These organizations are more likely to have a broad geographic focus including other countries beyond the United States.



Conclusion

It appears the saying, “The more things change, the more they stay the same” applies to associations as much as to other organizations. Although *Looking Forward 2015* identifies some differences between 2014 and 2015, the findings are more similar than divergent.

Throughout this report, differences between 2014 and 2015 are highlighted. The relatively small number of up and down arrows used to depict changes of more than 8% in either direction indicate considerable consistency in expectations about how environmental forces will impact association members and the implications of these forces for association management and association priorities.

Association Laboratory suspects that the 2015 findings may be more typical of the issues and concerns that drive association members and association managers than the findings from *Looking Forward 2014.* The exceptionally rancorous political environment at the end of 2013 likely heightened association managers’ concerns about governmental activity.

This year, Economic Conditions and Information Management are the environmental forces most likely to affect association members and to have implications for associations.

Overall consistency in results is perhaps a bit surprising because of the changes made in the process used to recruit respondents and resulting differences in the composition of the sample for 2015.

However, analysis suggests that expansion of the sample strengthened the findings by broadening the input rather than substantially altering the results.

Comparing the responses of association CEOs to those of mid-level managers (who were added to the sample in 2015) indicates general agreement about which drivers are likely to affect association members and how these forces will impact associations.

Looking only at the responses of senior executives in 2015 creates a more comparable sample to the one obtained in 2014. In most respects, senior executives responded similarly in 2014 and in 2015.

Where there are differences, they can be explained by the higher proportion of executives from associations with a local or state focus in the 2015 sample. Several state associations of association executives recruited their members to participate in *Looking Forward 2015.*

As might be expected, the higher proportion of executives from local, state, and multi-state associations resulted in an increased percentage of senior executives indicating their members would be impacted by the actions of local and state governments. Conversely, the proportion concerned about the effects of federal government activity declined.

Similarly, executives representing associations with a local or state focus were less likely than their counterparts representing organizations with multi-national focus to anticipate that globalization would impact their association members or their own association.

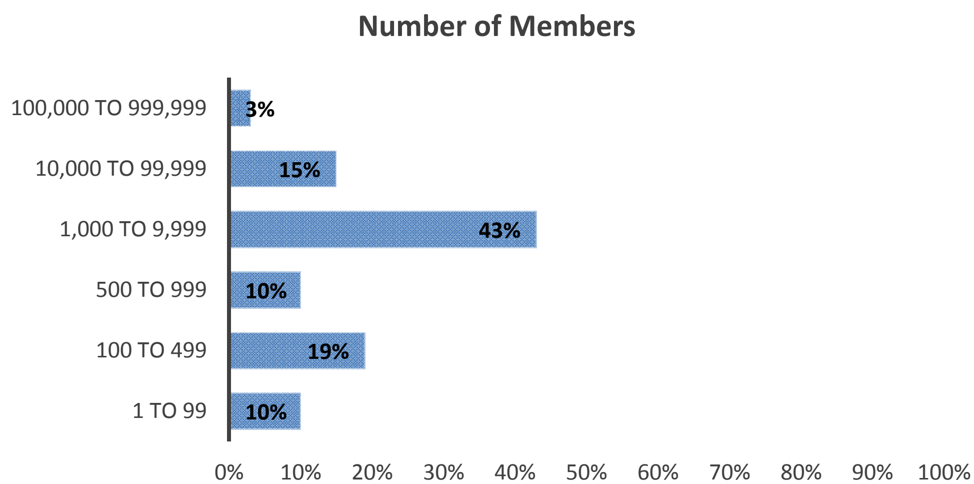
Finally, comparing all respondents (senior executives and mid-level managers) from organizations with a local or state focus to all respondents from associations with a US or multi-national focus indicates the same differences described immediately above.

Geographic scope does not substantially impact how association managers view issues related to Information Management or the Workforce. Observed differences relate to the level of government most likely to impact the organization and its members and lower perceived effects of globalization when looking at the environment with a state or local perspective.

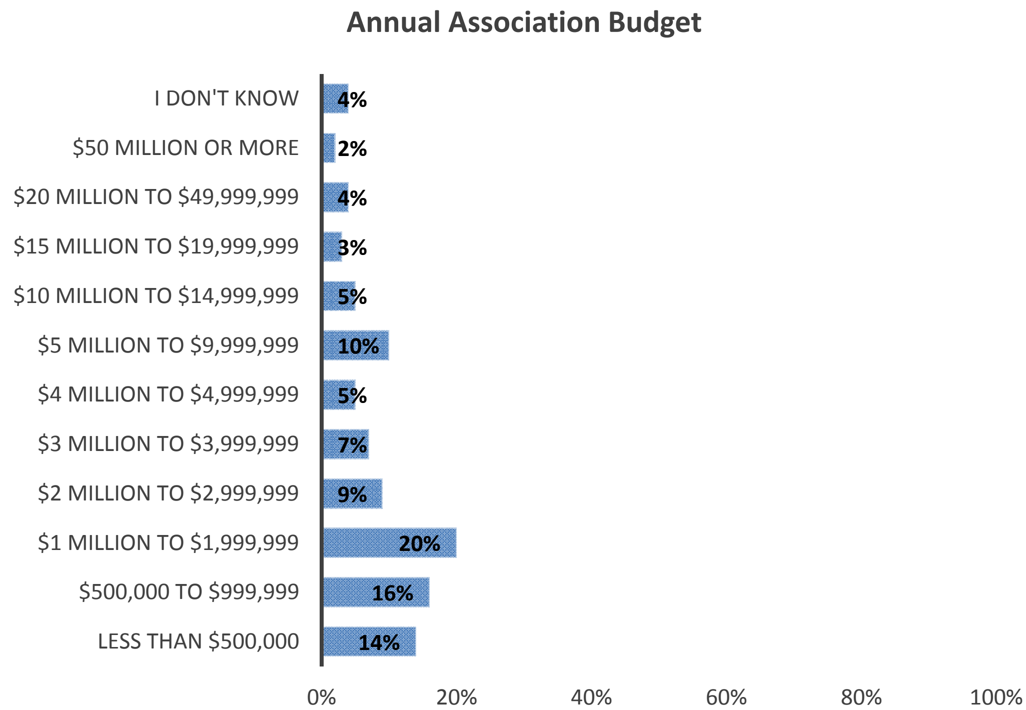
Appendix 1

Characteristics of Associations in the Sample

The bulk of respondents represent associations with between 1,000 and 9,999 members. Professional associations tend to have more total members than trade associations due to their differing membership models. Respondents working in professional associations typically report a membership in excess of 1,000; in contrast, respondents working in trade associations most often report membership of less than 1,000. Geographic scope also is correlated with membership size; respondents working in associations with a local, state, or regional focus most often report membership in a range of 100 to 9,999, whereas those working in associations with a national or broader scope typically report membership in a range of 1,000 to 99,999.



Half the respondents represent associations with an annual budget of less than $2 million. This is more often true of trade associations; 65% of trade associations report budgets of this size compared to 55% of professional associations. Not surprisingly, budget size also relates to geographic scope. At least two-thirds of associations with local, state, or regional scope report annual budgets of $2M or less compared to about one-fourth of associations with national or broader scope.



The associations in the sample represent more than 30 different industries, with the largest proportions in health care, construction, finance and insurance, manufacturing, education and hotel/convention/accommodations. The professional associations in the sample represent more than 30 different professions, with the largest proportions working as educators, health care providers, lawyers/regulators, or scientists/researchers. The list of key industries and professions is similar in composition to last year's.

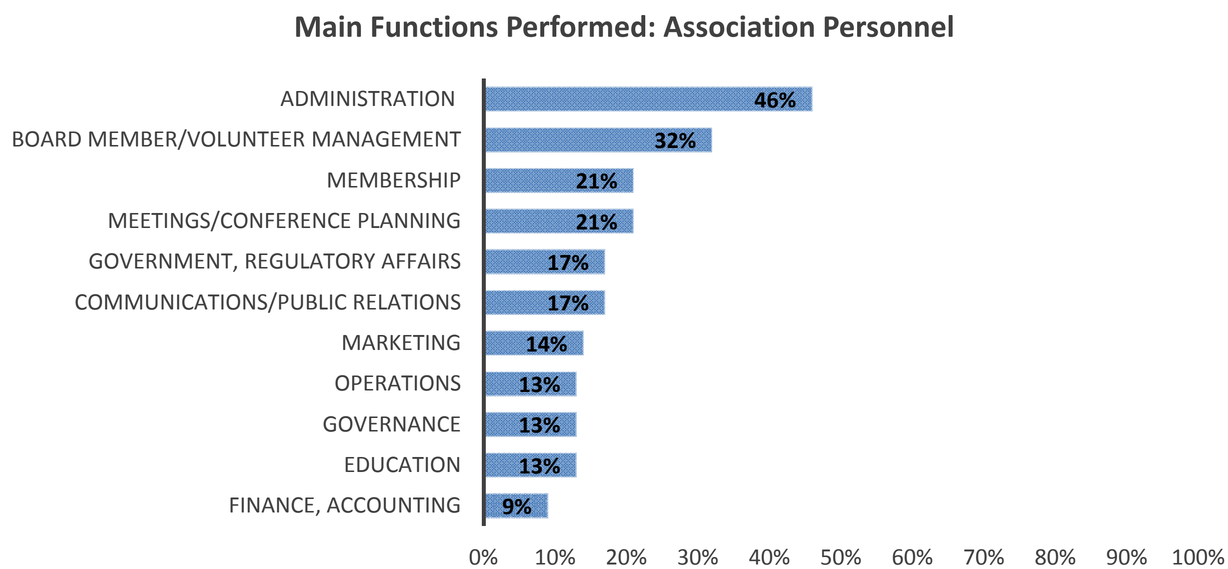
Industries and Professions Represented in the Sample

Industry	%	Profession	%
Administrative and Support	10%	Agriculture, farming or veterinary	4%
Agriculture	16%	Architecture, art or other design	3%
Arts or entertainment	10%	Armed services (active or retired)	2%
Construction	27%	Athletics, sports or music	2%
Devices	4%	Banking, finance or insurance	7%
Education	24%	Beauty or cosmetics	1%
Finance and Insurance	24%	Building maintenance, sanitation or operations	3%
Fishing and Hunting	5%	Business consulting or other professional services	8%
Food Services	15%	Commercial heating, cooling, masonry, carpentry, plumbing, electrical or other trade	3%
Forestry	7%	Education administration or consulting	9%
Health Services (nonclinical professionals)	17%	Educator	15%
Health Services (other clinical professionals)	18%	Engineering	8%
Health Services (physicians)	16%	Equipment installation, operation, supervision, maintenance or repair	2%
Hotel, convention or other accommodation	23%	Executive or corporate management (HR/Finance/Marketing/etc.)	3%
Information	9%	Fire, law enforcement or security	4%
IT Services	13%	Food or beverage preparation or management	3%
Management of Companies and Enterprises	10%	Health care administration	9%
Manufacturing	20%	Health care executive	7%
Medical device, manufacturing or laboratory sciences	11%	Health care provider (MD)	18%
Mining, Quarrying, and Oil or Gas Extraction	6%	Health care provider (other clinician)	21%
Other healthcare	11%	Health care provider (RN/ARNP)	11%
Other information technology products/services	4%	Health care technician	6%
Pharmaceutical	8%	Information services or web development	3%

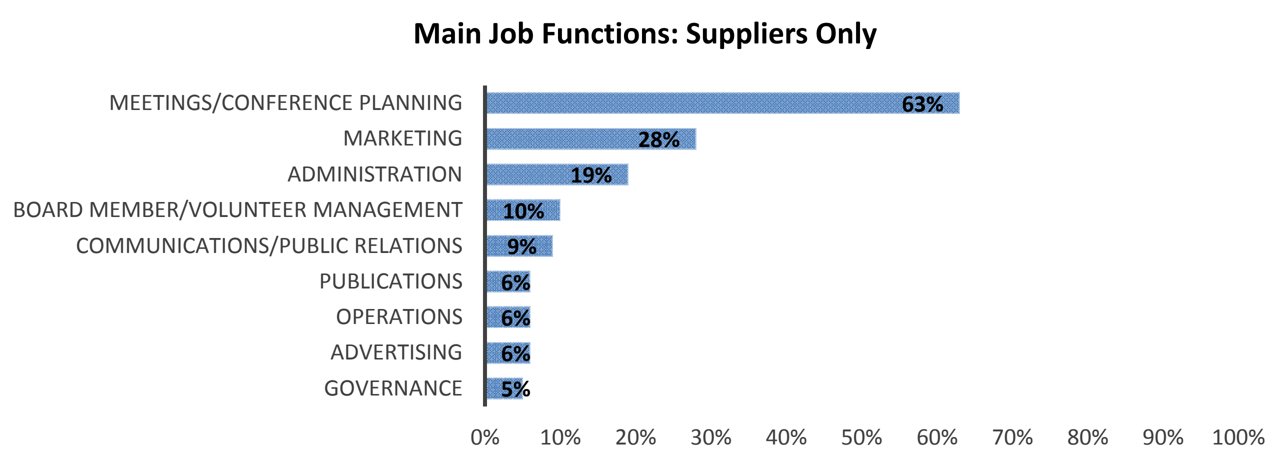
Professional, Scientific, and Technical Services	15%	Landscape contracting, gardening or grounds management or maintenance	3%
Public Administration	10%	Legal, policy, regulatory or compliance	11%
Real Estate and Rental and Leasing	14%	Office administration or clerical	3%
Recreation	11%	Personal or household services	1%
Retail Trade	12%	Residential heating, cooling, masonry, carpentry, plumbing, electrical or other trade	3%
Telecommunications	11%	Retail management or service	3%
Transportation and Warehousing	14%	Science or research	13%
Utilities	16%	Tourism, travel, meetings or hospitality	3%
Waste Management and Remediation Services	10%	Transportation or logistics	2%
Wholesale Trade	6%	Writer or journalist	2%
Other	13%	Other	22%

Respondent Characteristics

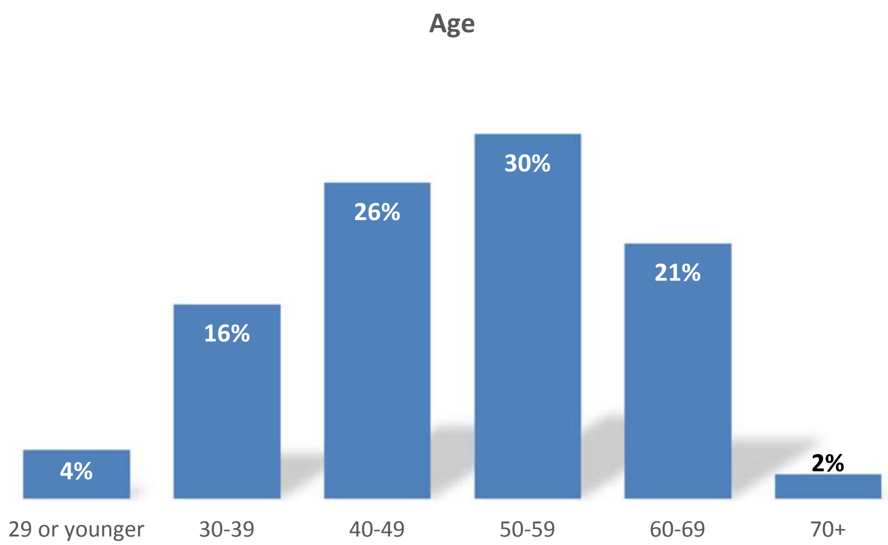
Respondents working in associations are most often engaged in administrative functions, management of the board and other volunteers, membership, or meeting/conference planning. Fewer than 10% indicate finance, IT, fundraising, component relations, content development, or publications are a main responsibility. This set of functions was follows the outline for the certified association executive (CAE) exam.



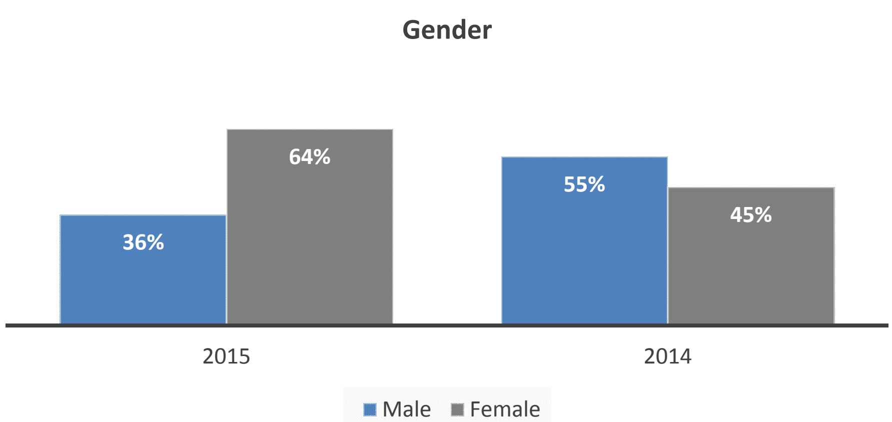
The main functions performed by suppliers in the sample include meeting and conference planning, marketing, and administration. The preponderance of suppliers in CVB sales and hotel/venue sales explains the importance of meeting and conference planning functions among suppliers.



More than half the respondents are between 40 and 59 years of age. This year's sample is slightly younger than the sample obtained last year, with a mean age of 50 compared to 54 in *Looking Forward 2014*. This is in large part due to the higher proportion of suppliers and association staff in the *Looking Forward 2015* sample.



In contrast to last year, a majority of this year's sample is female.



Appendix 2: About Association Laboratory

Principal Authors

Looking Forward 2015 Principal Authors		
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Dean West is one of the nation's most recognized experts on association strategy. He is a former association CEO and has served as Chairman of the ASAE Professional Development Council and as a member of the ASAE Membership Council. He is also a former member of the Board of Directors of the Association Forum of Chicagoland.	Carol Wolinsky is an award-winning senior executive researcher with more than 25 years' experience leading integrated research projects for corporations and trade and professional associations.	Cecilia Sepp is a nationally recognized expert in association management. Currently, she is serving on ASAE's Component Relations Council, APAC Committee, and Foundation Development Committee. Additionally, she is a member of the Association for Strategic Planning (ASP) and is active at both the ASP Chapter and national level.

About Association Laboratory

Association Laboratory is one of the nation's leading strategic consulting firms specializing in the research and development of business strategy for associations. The award-winning company serves a national client base of leading trade and professional associations through staff in Chicago, IL, and Washington, DC.

The company produces a variety of strategic white papers on issues related to association business strategy. More information on the company can be found at www.associationlaboratory.com.