



*“It is always wise to look ahead, but difficult to look further than you can see.”*

*Winston Churchill*



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# LETTER FROM THE PRESIDENT

In "The Biology of Corporate Survival," in the January–February 2016 issue of the *Harvard Business Review*, the authors conclude that "companies are dying younger because they are failing to adapt to the growing complexity of their environment."

After nearly 20 years of environmental scanning on behalf of associations, for services ranging from strategic planning to membership needs assessments, the team at Association Laboratory couldn't agree more.

The future world in which our organizations are going to operate, and the people they will need to be designed to serve, will be different from today. We need to evolve our organizations to be successful in this anticipated future, or else associations will be relegated to the sidelines of professional and industry life. They will be out-of-date and irrelevant.

**Looking Forward** is a continuing effort by Association Laboratory to produce research into the issues facing associations and their leaders. Originally based on the insights of more than 50 association chief staff officers, this annual benchmarking study now highlights the insights of hundreds of association leaders on the factors they perceive as having the most substantial impact on association stakeholders and the resulting impact on association strategy.

Association Laboratory's research is clear. Three critical priorities are essential to success:

1. Create ongoing processes to inform decision makers with critical information.
2. Develop successful strategic board–staff partnerships.
3. Implement customized engagement models designed around the future needs of stakeholders.

By focusing on these three priorities, associations will position themselves for long term, sustainable success.

I hope this report provides you with information that helps you lead your association more effectively. If Association Laboratory 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 2016*, Association Laboratory conducted an online survey targeting association management personnel at various levels including chief executives and their deputies, middle managers and department directors. As in 2015, consultants and suppliers to the association industry were also invited to participate and are included in the dataset.

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:



For each topic area, participants were shown a list of issues and concerns and asked to select up to three that would most impact the members of their association (or their clients' associations, in the case of consultants and suppliers) over the next 12 months. For example:

**Which of the following government 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 association. Respondents were provided a list of possible impacts and asked to rate how concerned they were about each one: not concerned, somewhat concerned, or concerned. The corresponding question for government activities is presented below:

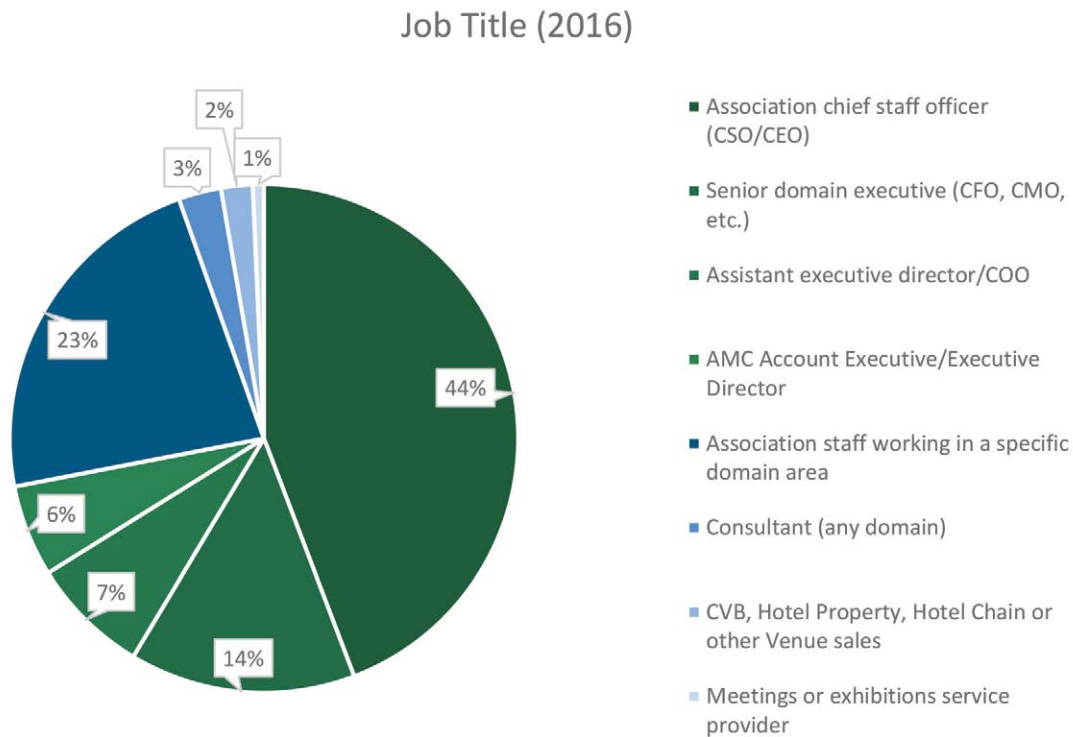
**Given the situation you just described, how concerned are you about each of the following issues affecting your organization/your clients' organizations in the next 12 months?**

A total of 293 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.

Association Laboratory conducted the same survey at the end of 2013 and 2014, each time looking ahead to the issues anticipated to be of concern to associations and their members in the following year. These findings were published in the reports *Looking Forward 2014* and *Looking Forward 2015*.

## DESCRIPTION OF THE SAMPLE

The sample for *Looking Forward 2016* is diverse, and has a similar distribution of job titles to that of 2015. Chief staff officers make up 44% of the sample, similar to the proportion in 2015 (45%). Another 21% serve as assistant staff officers and other senior domain executives, again similar to 2015 (18%). Association staffers or middle managers make up 23% of the sample. Suppliers to associations represent 6% of the sample; suppliers include providers of meeting/event/hotel services and consultants to the industry.



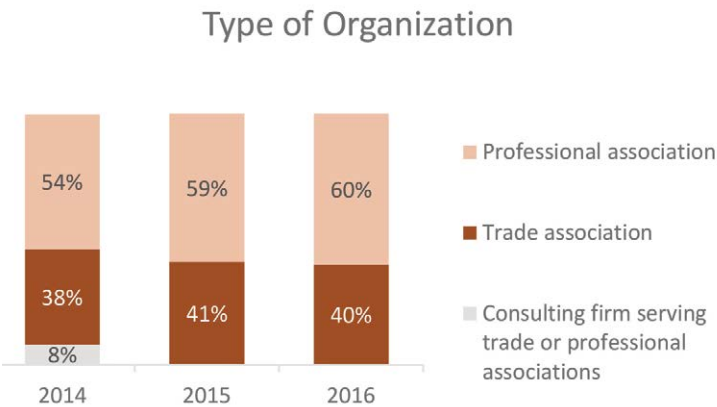
In contrast to subsequent years, the sample for 2014 included only chief staff officers and other senior association executives. In order to identify trends across the three years of the survey, it was necessary to focus our analysis on this subsample for all three years, to ensure that the samples were comparable. Therefore, for the remainder of this report, **only the responses of senior association executives are analyzed**. This includes respondents with the following job titles (shown in green in the graph above):

- Association chief staff officer (CEO/CSO)
- Senior domain executive (CFO, CMO, etc.)
- Assistant executive director/COO
- AMC account executive/executive director

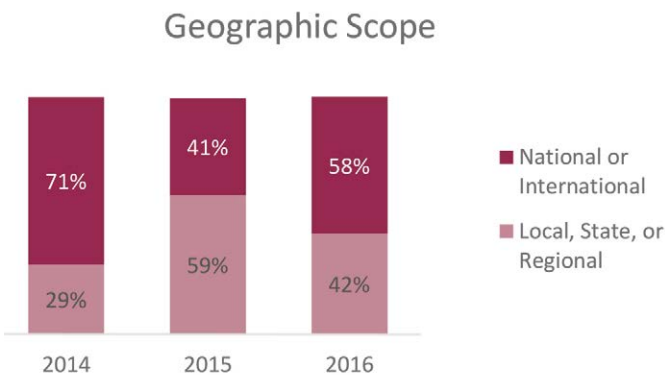
Compared with the full sample for 2016, this subsample is slightly older (a mean age of 54.5, vs. 51.8) and more likely to be male (47.7% male, vs. 40.2% of the full sample). The size of this subsample for each year of the survey is reported below.

Subsample = Senior Association Executives	
Year	n
2016	194
2015	291
2014	195

Of the 194 senior association executives who responded to the Looking Forward 2016 survey, 60% work at a professional association and 40% at a trade association. This is very similar to the distribution in 2014 and 2015.



The proportion of senior executive respondents whose organizations serve a local, state or regional constituency was 42% in 2016, whereas 58% have a national or international focus. This is notably different from the 2015 sample, which included more respondents from associations with a local, state and regional scope (59%), and fewer with a US or international scope (41%). However, both the 2016 and 2015 samples were more evenly distributed than the 2014 sample, which consisted primarily of participants with a national or international focus (71%).



**Further details about the characteristics of respondents and the associations they represent, including industries and professions represented, are provided in Appendix 1 of this report.**

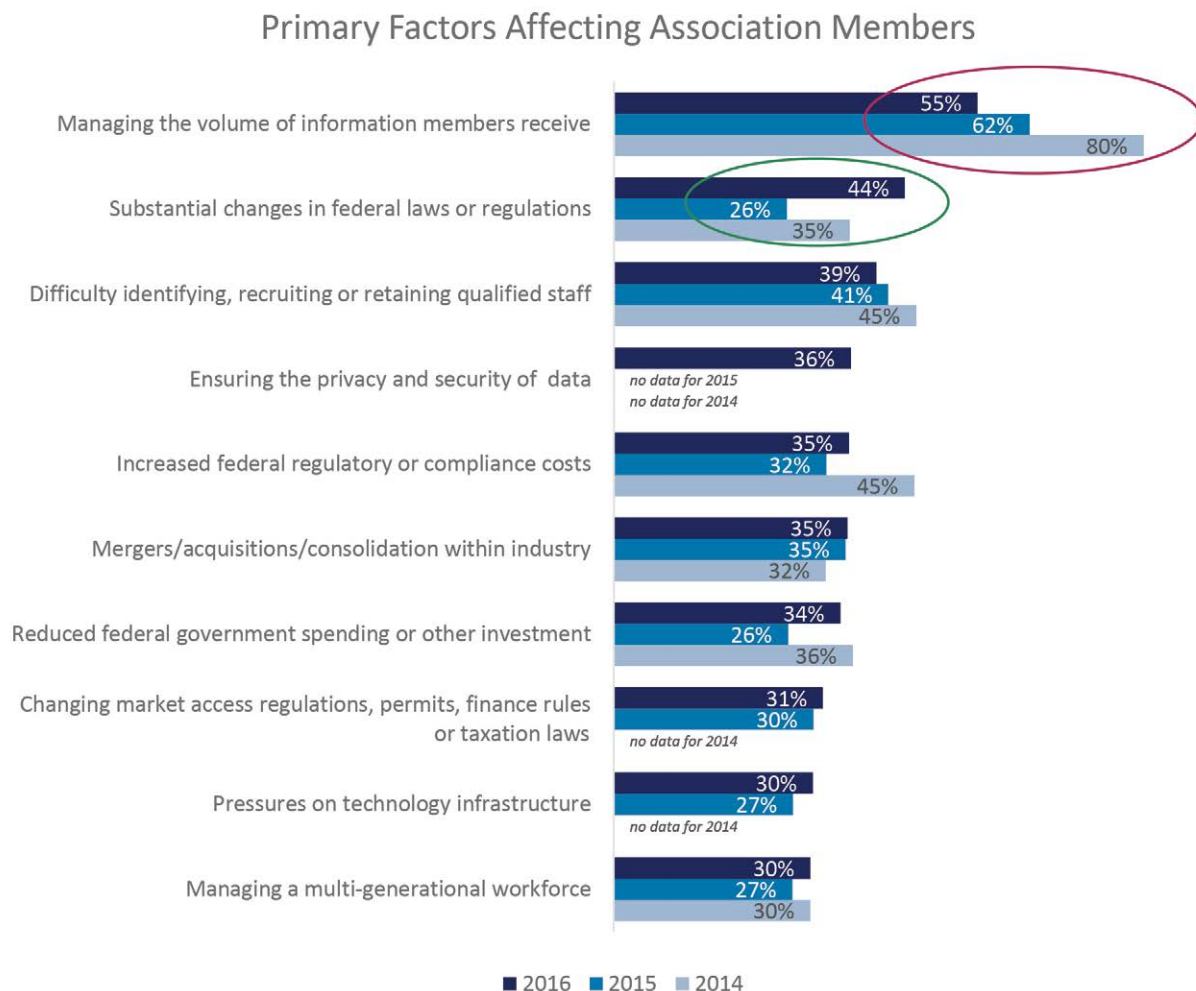
# OVERVIEW OF INFLUENCES ON THE ASSOCIATION ENVIRONMENT

## PRIMARY ENVIRONMENTAL FACTORS

Results are generally consistent with those in Looking Forward 2015 and 2014. The text highlights instances where results vary between the three years, particularly trends that may exist or be emerging.

The research tested 69 environmental drivers with potential to significantly impact association members. Response options were customized to the perspectives of trade and professional associations.

The top 10 environmental drivers that association executives expect to affect their members in 2016 are shown in the graph below, along with the data regarding those drivers in previous years.





Managing the volume of information members receive has remained the top environmental driver in all three years of the survey. However, the frequency of mentions for this driver has fallen each year. Concern about substantial changes in federal laws or regulations has risen to the second most frequently mentioned driver. The larger proportion of local, state, and regional respondents in 2015 may account for the lower ranking of this driver last year; the upcoming presidential election may account for the increase in 2016.

Pressure on technology infrastructure and the need to ensure the privacy and security of data (drivers recently added to the survey) are issues of significant concern to senior association executives, and bear watching for the future. It is possible that content-related issues are being superseded by more technical concerns.

Three drivers appear as a top 10 concern of association executives in all three years of the survey:

- Managing the volume of information members receive
- Difficulty identifying, recruiting, and retaining qualified staff
- Increased federal regulatory or compliance costs

The table below compares the top five environmental drivers for each year of the survey.

Overall Top 5 Environmental Drivers for Each Year of the Survey

Rank	Top 2014 Drivers	%	Top 2015 Drivers	%	Top 2016 Drivers	%
1	Managing the volume of information members receive	80%	Managing the volume of information members receive	62%	Managing the volume of information members receive	55%
2	Evaluating which sources of information are most relevant or useful	48%	Difficulty identifying/ recruiting/ retaining qualified staff	41%	Substantial changes in federal laws or regulations	44%
3	Difficulty identifying/ recruiting/ retaining qualified staff	45%	Managing multiple information sources	37%	Difficulty identifying/ recruiting/ retaining qualified staff	39%
4	Increased federal regulatory or compliance costs	45%	Mergers/ acquisitions/ consolidation within industry	35%	Ensuring the privacy and security of data	36%
5	Federal government inaction or deadlocks on key issues	40%	Higher employee costs (salary/non-salary)	34%	Increased federal regulatory or compliance costs	35%

Key

Information	
Government	
Economy	
Workforce	

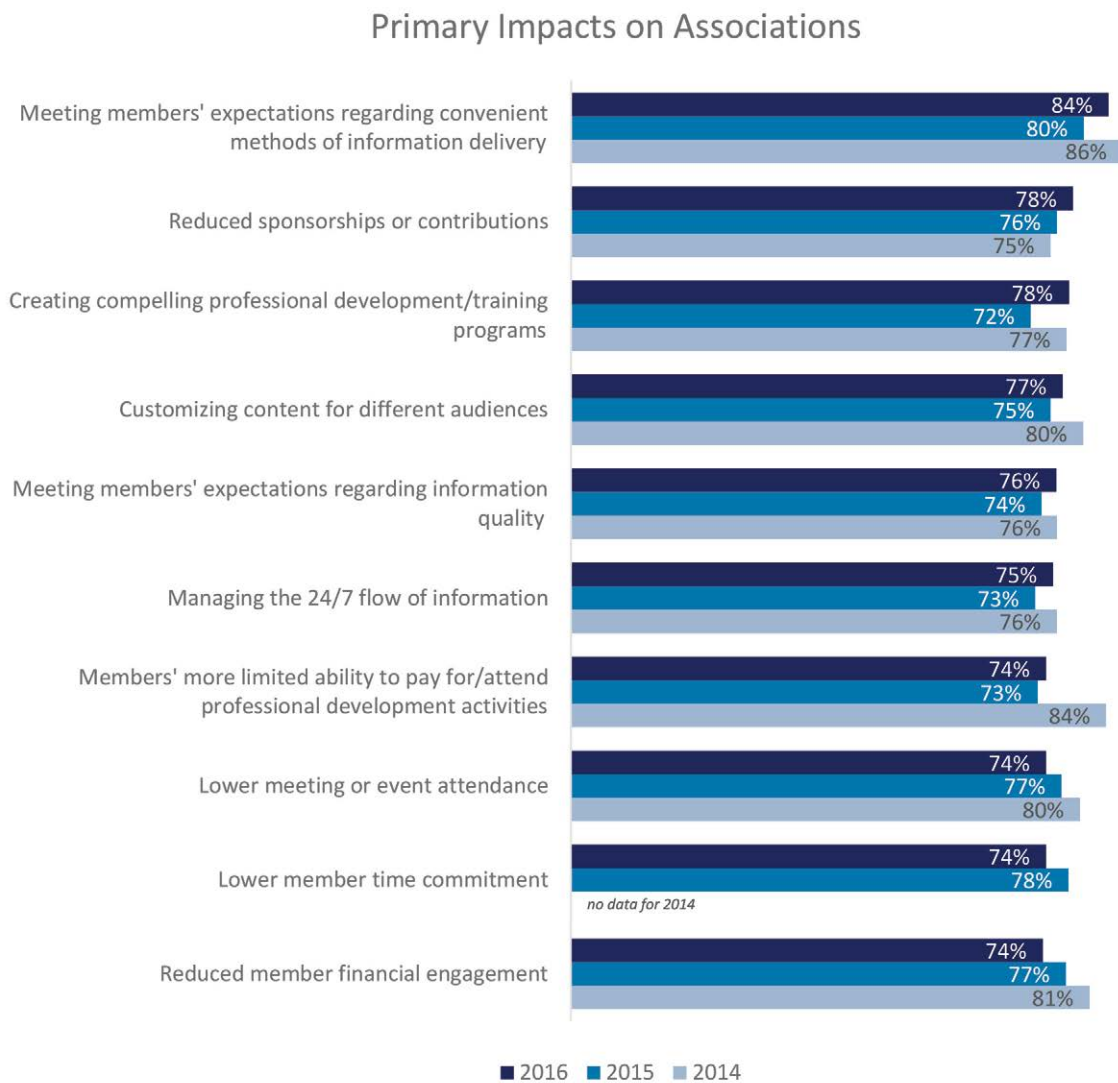


## PRIMARY IMPACTS OF ENVIRONMENTAL FACTORS

The study tested 71 different potential impacts on associations. Impacts were linked to the environmental drivers tested: Workforce, Economy, Information, Globalization, and Government Activity.

Respondents identified impacts that were “of concern” or “somewhat of concern” to their association.

The top 10 impacts of concern to association executives for 2016 are shown in the graph below, along with the data regarding those impacts in previous years.



**Impacts on associations are remarkably consistent over time**—9 of the top 10 impacts of concern for 2016 were also in the top 10 in 2015, and 6 of the 2016 top 10 carry over from 2014.

The leading concern among senior executives remains managing members’ expectations regarding convenient methods of information delivery. Reduced sponsorships or contributions and creating compelling professional development and training programs round out the top three concerns for 2016.

The table below compares the five impacts of greatest concern for each year of the survey. In all three years, difficulty meeting members' expectations regarding convenient methods of information delivery was the top concern among association executives.

Note that no Government or Globalization impacts made the top five in any year.

### Overall Top 5 Impacts of Environmental Factors for Each Year of the Survey

Rank	Top 2014 Impacts	%	Top 2015 Impacts	%	Top 2016 Impacts	%
1	Meeting members' expectations regarding convenient methods of information delivery	86%	Meeting members' expectations regarding convenient methods of information delivery	80%	Meeting members' expectations regarding convenient methods of information delivery	84%
2	Members' more limited ability to pay for/attend professional development activities	84%	Lower member time commitment	78%	Reduced sponsorships or contributions	78%
3	Difficulty producing relevant, useful information for members	82%	Reduced member financial engagement	77%	Creating compelling professional development/training programs	78%
4	Reduced member financial engagement	81%	Lower meeting or event attendance	77%	Customizing content for different audiences	77%
5	Difficulty distributing information through multiple delivery channels	81%	Reduced sponsorships or contributions	76%	Meeting members' expectations regarding information quality	76%

#### Key

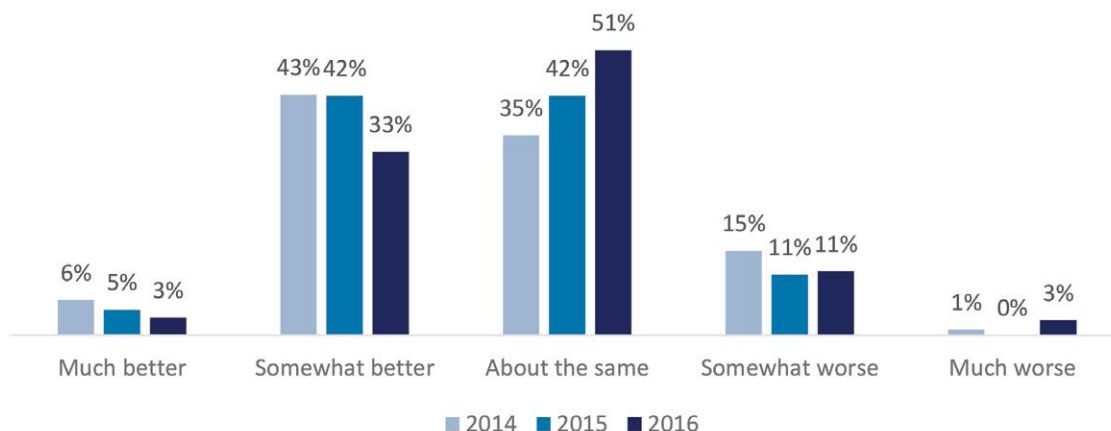
Information	
Economy	
Workforce	

# ECONOMIC FACTORS

## ANTICIPATED ECONOMIC CONDITIONS

Overall, association executives are more pessimistic about the economic outlook for 2016 than in previous years. A little over half (51%) of senior association executives expect economic conditions to be about the same in the coming year; 36% think conditions will be somewhat or much better, and 14% think things will get somewhat or much worse.

Expected Change in Economic Conditions



As was the case in 2015, trade association CEOs are more optimistic than professional associations CEOs about economic conditions—49% of trade association CEOs think conditions will be somewhat or much better, vs. just 35% of professional association CEOs.

However, **trade association CEOs are less optimistic** in 2016 than they were in 2015 (when 61% expected economic conditions to be somewhat or much better), and **professional association CEOs are even more pessimistic** (in 2015, 9% expected conditions to be somewhat or much worse, vs. 18% in 2016). More than half of both trade and professional association CEOs expect economic conditions to be the same or worse in the coming year.

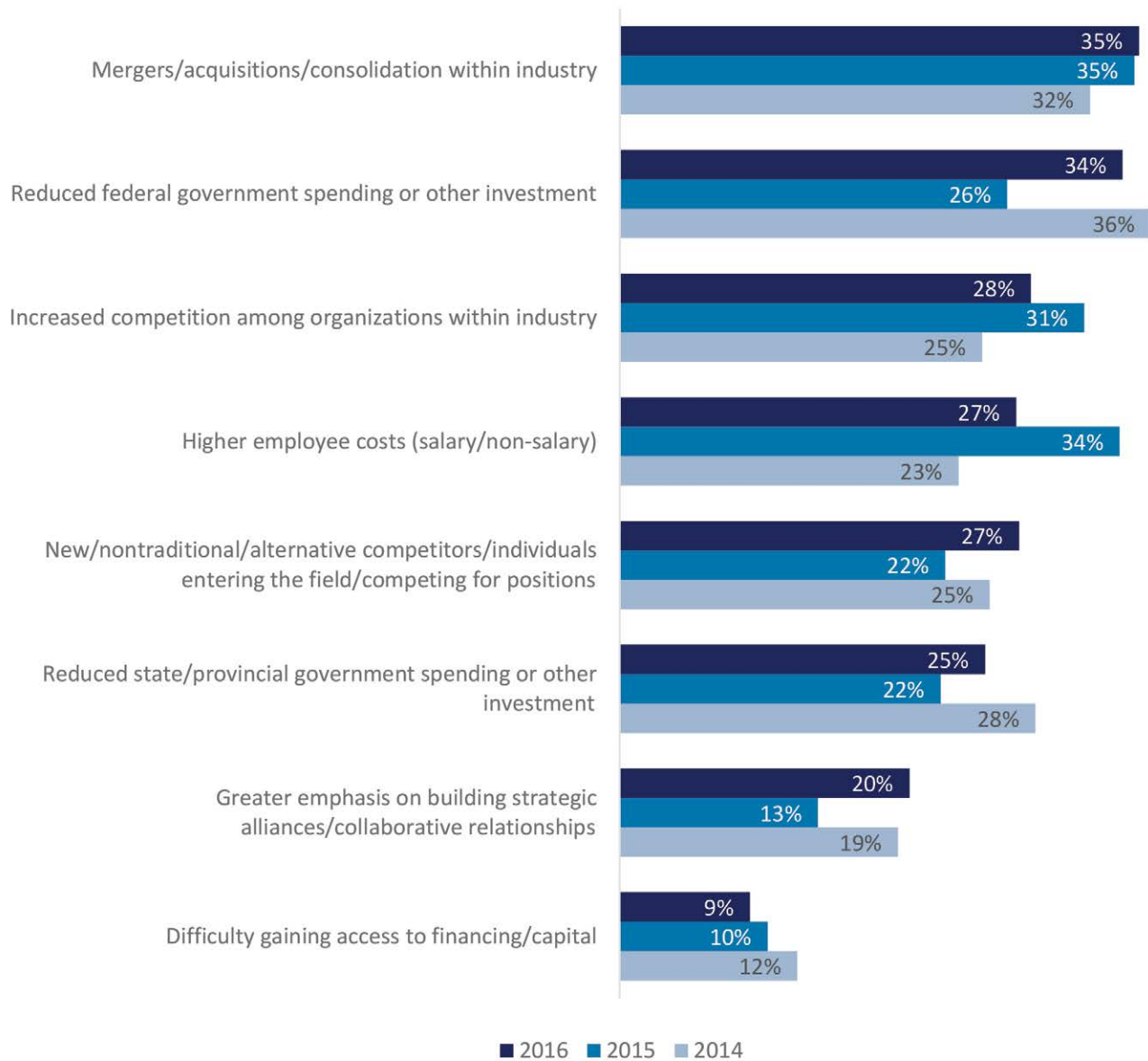
Expected Change in Economic Conditions, Professional vs. Trade Association CEOs (2016)



## ASSOCIATION MEMBERS' ECONOMIC CONCERNS

Mergers and acquisitions, reduced federal government spending, and increasing competition are the top economic factors that senior association executives expect will affect their membership in 2016.

### Economic Factors Affecting Members



In general, the 2016 results are in line with those of 2014. Differences in the 2015 results may stem more from the characteristics of that sample (which included more respondents from organizations with smaller budgets and a local or state focus), rather than changes in outlook.

For 2016, trade association CEOs are more concerned than their professional association counterparts about:

- Mergers and acquisitions—41%, vs. 32% of professional association CEOs
- Higher employee costs—37%, vs. 20% of professional association CEOs
- Increased competition among organizations within the industry—35%, vs. 24% of professional association CEOs

The most pronounced change in trade association CEOs' outlook is a decrease in concern over new, nontraditional, and alternative competitors entering the field—down from 38% in 2014 to 18% in 2016.

### Top 5 Economic Factors Affecting Members, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Reduced federal government spending	39%	Mergers/ acquisitions within industry	41%
2	New/nontraditional competitors entering the field	35%	Higher employee costs (salary/non-salary)	37%
3	Mergers/acquisitions within industry	32%	Increased competition among orgs. within industry	35%
4	Increased competition among orgs. within industry	24%	Reduced federal government spending	25%
5	Reduced state government spending	22%	Greater emphasis in building strategic alliances	22%

For 2016, professional association CEOs are more concerned than trade association CEOs about:

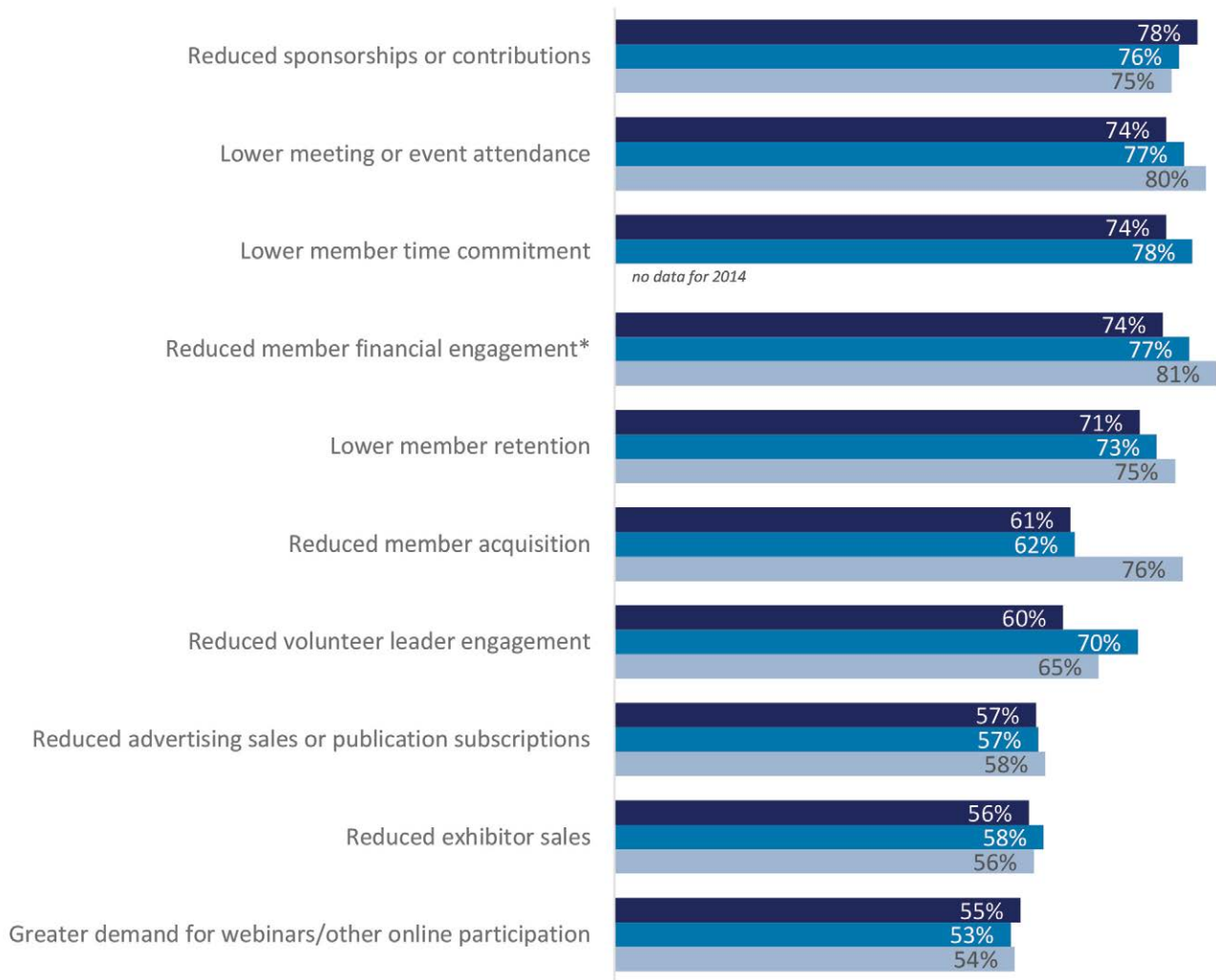
- Reduced federal government spending—39%, vs. 25% of trade association CEOs
- New, nontraditional, and alternative competitors entering the field—35%, and emerging as a growing concern (up from 17% in 2014), while decreasing as a concern for trade association CEOs

Concern about mergers and acquisitions remains at the 2015 level, above that of 2014 (21%).

## IMPACT OF ECONOMIC FACTORS ON ASSOCIATIONS

Top economic implications are generally consistent over time, with the top factor being reduced sponsorships or contributions.

### Impact of Economic Factors on Associations



\*Question worded as "Reduced member participation or engagement" in 2014

■ 2016 ■ 2015 ■ 2014

As with the larger sample, the top concern for CEOs of both trade and professional associations is reduced sponsorships or contributions. This concern is increasing for trade association CEOs, rising from 69% in 2015 to 84% in 2016. Generally, however, trade association CEOs are becoming less concerned with the impact of economic factors on their member organizations.

### Top 5 Impacts of Economic Factors on Associations, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Reduced sponsorships or contributions	78%	Reduced sponsorships or contributions	84%
2	Lower member retention	78%	Lower member time commitment	71%
3	Lower member time commitment	77%	Reduced member financial engagement	69%
4	Lower meeting or event attendance	74%	Lower meeting or event attendance	67%
5	Reduced member financial engagement	74%	Reduced volunteer leader engagement	59%

Professional association CEOs' concerns have remained fairly constant over time, although reduced volunteer leader engagement emerged as a concern in 2015 and continues to be moderately important (a concern of 69% of professional association CEOs in 2016, and 72% in 2015, vs. 54% in 2014).

Overall, professional association CEOs are more concerned than their trade association counterparts about the impact of economic factors on associations. Impacts of particular concern to professional association CEOs relative to trade association CEOs include:

- Lower member retention—78%, vs. 59% of trade association CEOs
- Greater demand for webinars and other forms of online participation—62%, vs. 47% of trade association CEOs
- Reduced advertising sales or publication subscriptions—64%, vs. 51% of trade association CEOs



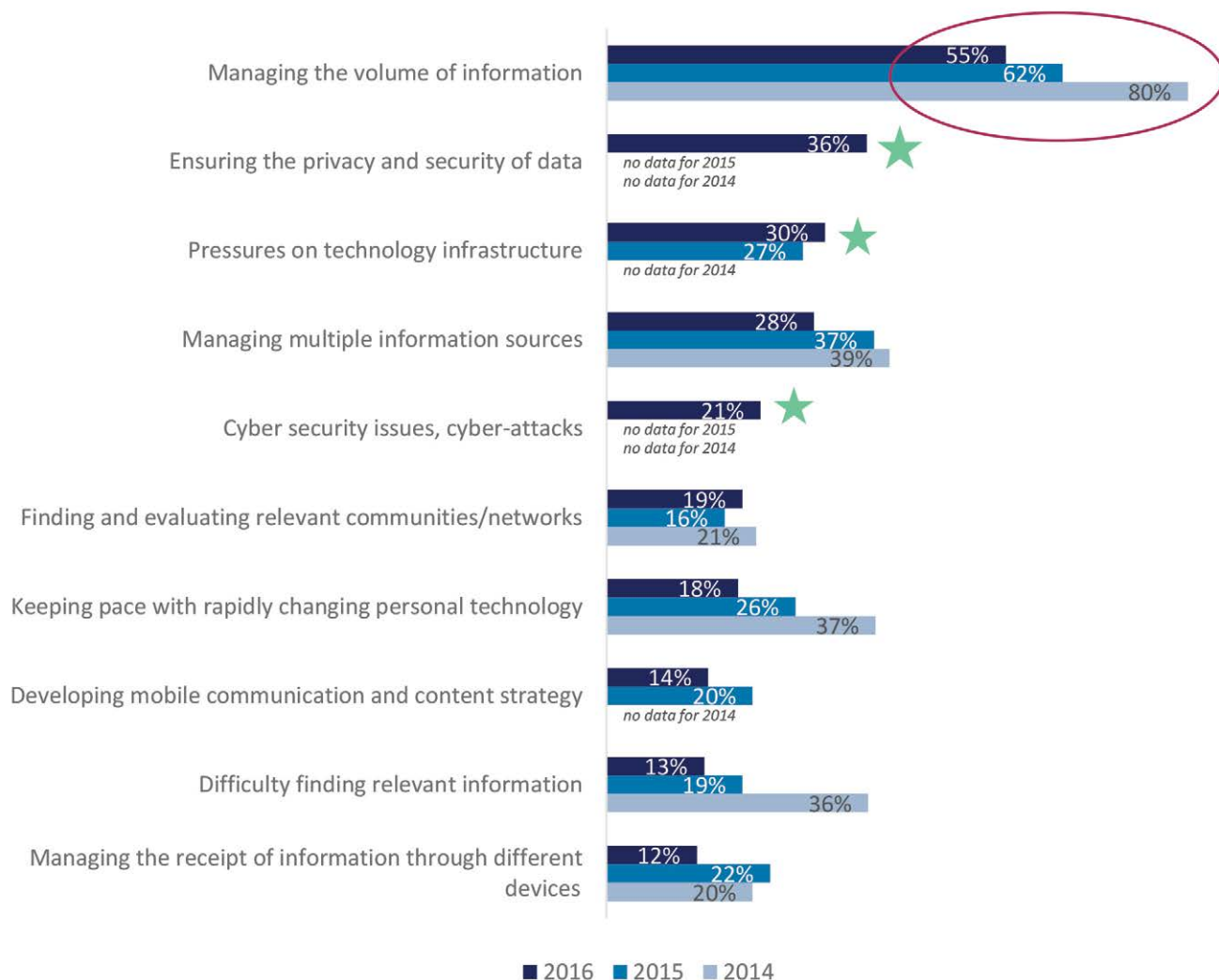
# INFORMATION MANAGEMENT FACTORS

## ASSOCIATION MEMBERS' INFORMATION CONCERNS

Managing the volume of information is still the top concern, but it is less dominant. Concerns about managing information sources and devices, keeping pace with changing technology, and finding relevant information are all declining.

Recently added questions (marked with a star on the graph) concerning cyber security and ensuring data privacy, as well as pressures on technology infrastructure, appear to resonate with association executives and bear watching for the future. Ensuring data privacy and security is becoming a critical issue throughout the global economy, not just for associations.

### Information Management Factors Affecting Members



Trade association CEOs are more concerned than professional association CEOs with most of the information and technology factors tested. The gap is particularly noteworthy with respect to ensuring the privacy and security of data—a difference of 13 percentage points.

While trade association CEOs' concerns about most information factors are essentially unchanged or declining, pressures on technology infrastructure may be increasing as a concern (up from 29% in 2015 to 35% in 2016).

### Top 5 Information Factors Affecting Members, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Managing the volume of information	62%	Managing the volume of information	57%
2	Managing multiple information sources	31%	Ensuring the privacy and security of data	41%
3	Ensuring the privacy and security of data	28%	Managing multiple information sources	39%
4	Pressures on technology infrastructure	28%	Pressures on technology infrastructure	35%
5	Finding and evaluating relevant communities/networks	20%	Developing mobile communication and content strategy	20%

Among professional association CEOs, concern about the effect of most information factors tested is unchanged or declining.

## IMPACT OF INFORMATION MANAGEMENT FACTORS ON ASSOCIATIONS

Overall, there is quite a bit of stability from year to year regarding the expected implications of information issues for associations. The top concerns remain meeting members' expectations for convenient methods of information delivery, customizing content for different audiences, and meeting expectations regarding information quality.

### Impact of Information Management Factors on Associations



One notable trend is the growing concern about competing sources of information. Associations are having to compete with both for-profit organizations and other associations as sources of information relevant to members. Additionally, when it comes to delivering relevant information, associations have to contend with competition from self-organizing groups such as LinkedIn (a concern of 51% of senior executives in both 2015 and 2016) and members themselves (a concern of 49% of executives in 2015 and 51% in 2016).

Protecting intellectual property is another increasing concern.

CEOs of trade and professional associations are generally aligned regarding their top information impact concerns.

### Top 5 Impacts of Information Factors on Associations, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Meeting members' expectations regarding convenient methods of information delivery	84%	Meeting members' expectations regarding convenient methods of information delivery	82%
2	Customizing content for different audiences	78%	Meeting members' expectations regarding information quality	82%
3	Developing and maintaining viable member/stakeholder communities	77%	Creating or managing the association's social media strategy	78%
4	Meeting members' expectations regarding information quality	74%	Customizing content for different audiences	76%
5	Managing the 24/7 flow of information	74%	Managing the 24/7 flow of information	76%

As for areas of difference, trade association CEOs are more concerned than professional association chief executives about:

- Meeting members' expectations regarding information quality—82%, vs. 74% of professional association CEOs
- Creating and maintaining a social media strategy—78%, vs. 66% of professional association CEOs
- Privacy and security concerns causing a reluctance to share information—45%, vs. 32% of professional association CEOs

Trade association CEOs are becoming more concerned about increased competition from their own members, other associations, and for-profit organizations as sources of information.

For 2016, professional association CEOs are more concerned than their trade association counterparts about:

- Providing relevant information to components (such as chapters)—51%, vs. 37% of trade association CEOs
- Protecting intellectual property—65%, vs. 57% of trade association CEOs

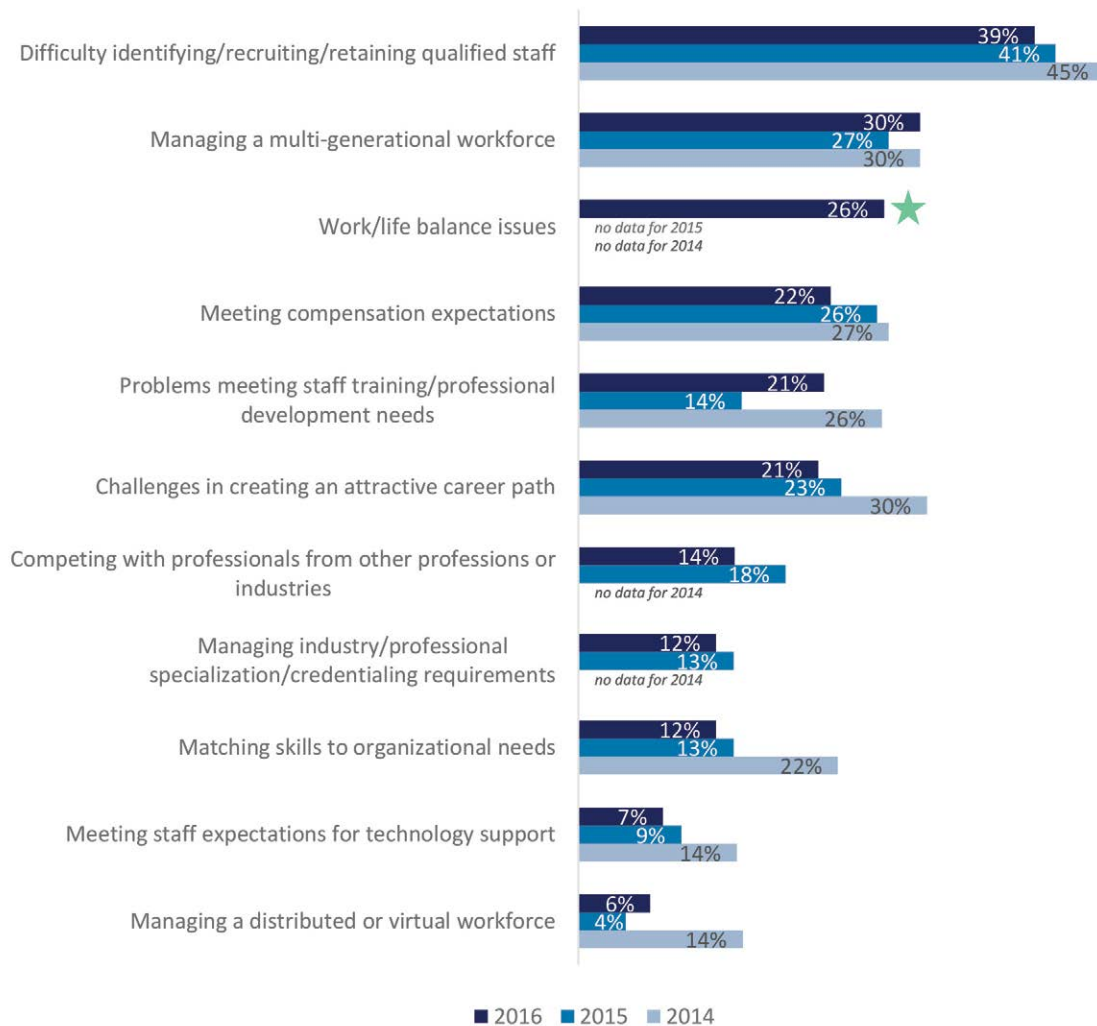
Concern over difficulty producing relevant or useful information is declining among these executives, from 82% in 2014 to 70% in 2016.

# WORKFORCE FACTORS

## ASSOCIATION MEMBERS' WORKFORCE CONCERNS

Difficulty identifying, recruiting, and retaining qualified staff remains the workforce factor of greatest concern to senior association executives. One newly tested factor, work/life balance issues, received a strong response—mentioned third most often.

Workforce Factors Affecting Members



Difficulty finding and retaining qualified staff remains the top concern of trade association CEOs, although this concern has decreased in importance (with 47% concerned in 2016, vs. 66% in 2015 and 59% in 2014). The challenge of managing a multi-generational workforce is emerging as a top concern for these chief executives, increasing from 20% in 2014 to 37% in 2016. Concern is declining regarding challenges in creating an attractive career path, and meeting compensation expectations.

Compared with their professional association counterparts, trade association CEOs are particularly concerned about:

- Difficulty identifying/recruiting/retaining qualified staff—47%, vs. 34% of professional association CEOs
- Competing with other industries/professions for qualified staff—35%, vs. 22% of professional association CEOs
- Matching skills to organizational needs—22%, vs. 3% of professional association CEOs

#### Top 5 Workforce Factors Affecting Members, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Work/life balance issues	34%	Difficulty identifying/recruiting/retaining qualified staff	47%
2	Difficulty identifying/recruiting/retaining qualified staff	34%	Managing a multi-generational workforce	37%
3	Managing a multi-generational workforce	30%	Competing with other industries for qualified staff	35%
4	Challenges in creating an attractive career path	26%	Problems meeting staff training and professional development needs	27%
5	Problems meeting staff training and professional development needs	24%	Matching skills to organizational needs	22%

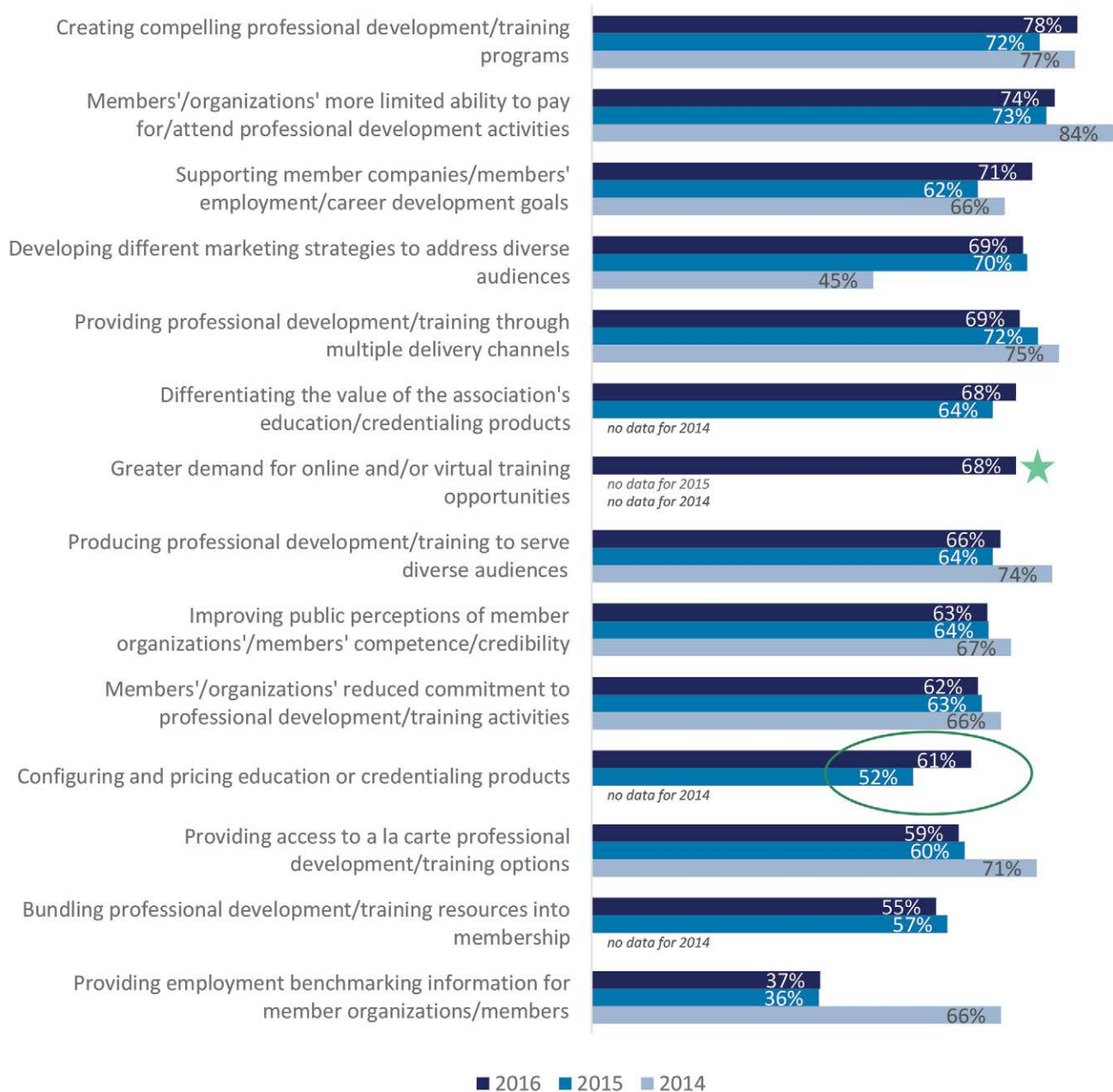
Work/life balance is the top concern of professional association CEOs, and is more likely to concern these executives than their trade association counterparts (34% of professional association CEOs, vs. 16% of trade association CEOs). This makes sense given that professional associations represent workers, while trade associations represent employers. Interestingly, among professional association chief executives, work/life balance issues and challenges in creating an attractive career path each received a higher response rate (34% and 26%, respectively) than concern about meeting compensation expectations (22%, down from 33% in 2014)—possibly indicating a shift toward a more holistic view of career satisfaction.



## IMPACT OF WORKFORCE FACTORS ON ASSOCIATIONS

The top workforce factors expected to affect associations in 2016 are similar to those in the previous two years. Creating compelling professional development and training programs is the top concern, followed by members' or organizations' more limited ability to pay for and attend professional development activities. Supporting members' career development goals has risen to the third position. Growing demand for online and virtual training opportunities is a significant concern, and the issue of configuring and pricing education or credentialing products is increasing in importance. All reflect a concern for finding affordable and convenient means of ensuring a well-trained workforce.

### Impact of Workforce Factors on Associations





Among trade association chief executives, creating compelling professional development and training programs, and differentiating the value of the association's education and credentialing products, are issues of primary—and increasing—concern. Concern about organizations' more limited ability to pay for and attend professional development activities is declining among trade association executives, while remaining high among professional association CEOs.

### Top 5 Impacts of Workforce Factors on Associations, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Members' more limited ability to pay for and attend professional development activities	84%	Creating compelling professional development and training programs	82%
2	Supporting members' employment and career development goals	81%	Differentiating the value of the association's education and credentialing products	65%
3	Creating compelling professional development and training programs	77%	Providing professional development and training through multiple delivery channels	65%
4	Producing professional development and training to serve diverse audiences	73%	Developing different marketing strategies to address diverse audiences	63%
5	Providing professional development and training through multiple delivery channels	73%	Improving public perceptions of member organizations' competence and credibility	63%

Overall, professional association chief executives are more concerned about the impact of workforce issues in 2016 than their trade association counterparts. Particularly concerning factors are:

- Members' more limited ability to pay for and attend professional development activities—84%, vs. 59% of trade association CEOs
- Supporting members' career development goals—81% (an increase of 10 percentage points over 2015), vs. 59% of trade association CEOs

Concern regarding bundling professional development and training resources into membership is declining among professional association CEOs, down from 76% in 2014 to 58% in 2016.

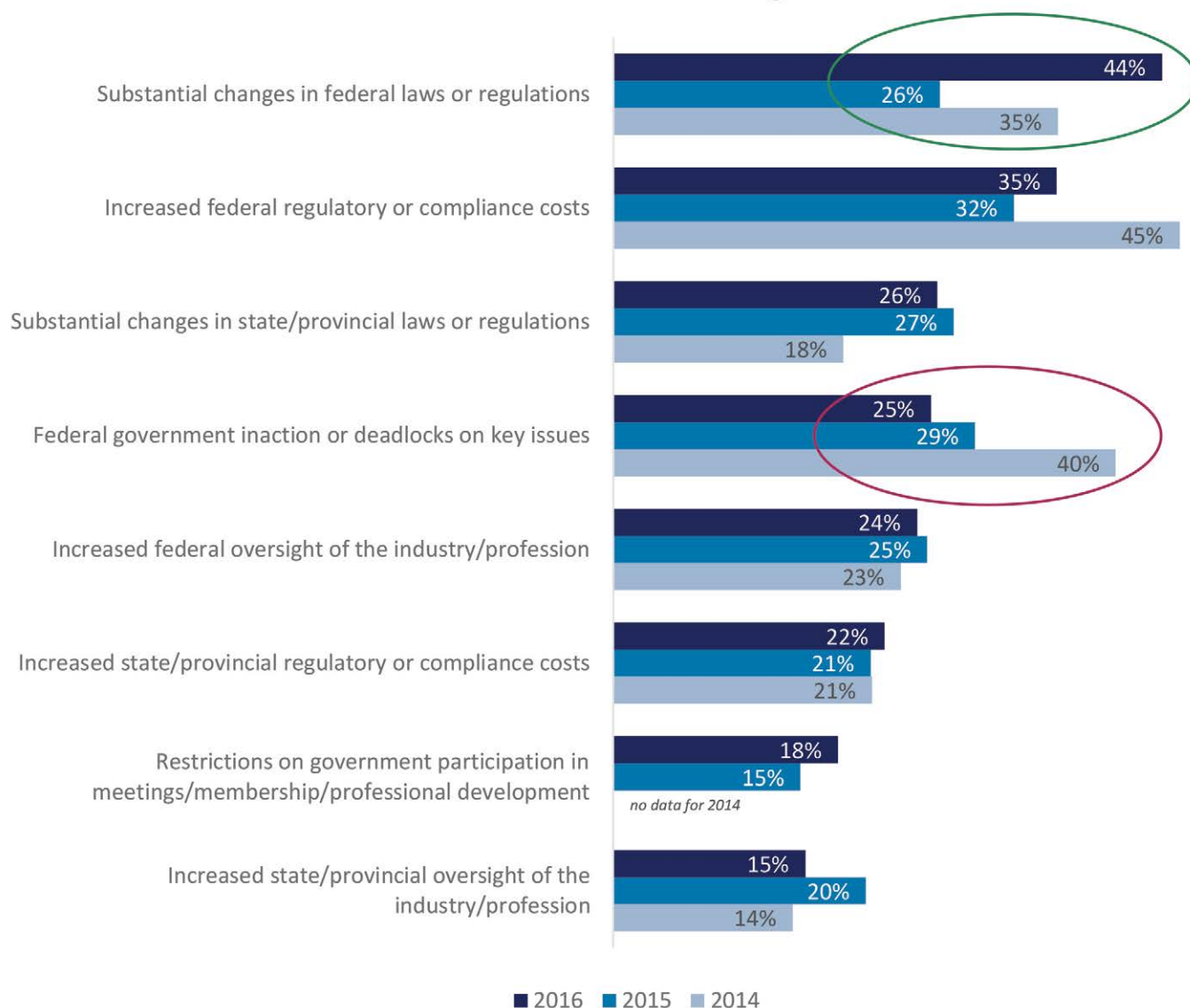
# GOVERNMENT FACTORS

## ASSOCIATION MEMBERS' GOVERNMENT CONCERNS

Substantial changes in federal laws or regulations is the government activity most expected to affect members in 2016. This concern, along with that of substantial changes in state laws or regulations, may be due to uncertainty surrounding the upcoming elections.

Meanwhile, concern over federal government inaction or deadlock has declined. This may be due to increasing acceptance of deadlocked conditions, as they have been the norm for several years.

### Government Factors Affecting Members



The top government factor of concern to trade association CEOs is increased regulatory costs, and these executives are more concerned with this factor for 2016 than their professional association counterparts:

- Increased federal regulatory or compliance costs—41%, vs. 29% of professional association CEOs
- Increased state regulatory or compliance costs—29%, vs. 16% of professional association CEOs

Over time, however, concern about increasing regulatory costs at the federal level is declining in importance for trade association CEO respondents, from 61% in 2014 to 41% in 2016.

#### Top 5 Government Factors Affecting Members, Professional vs. Trade Association CEOs (2016)

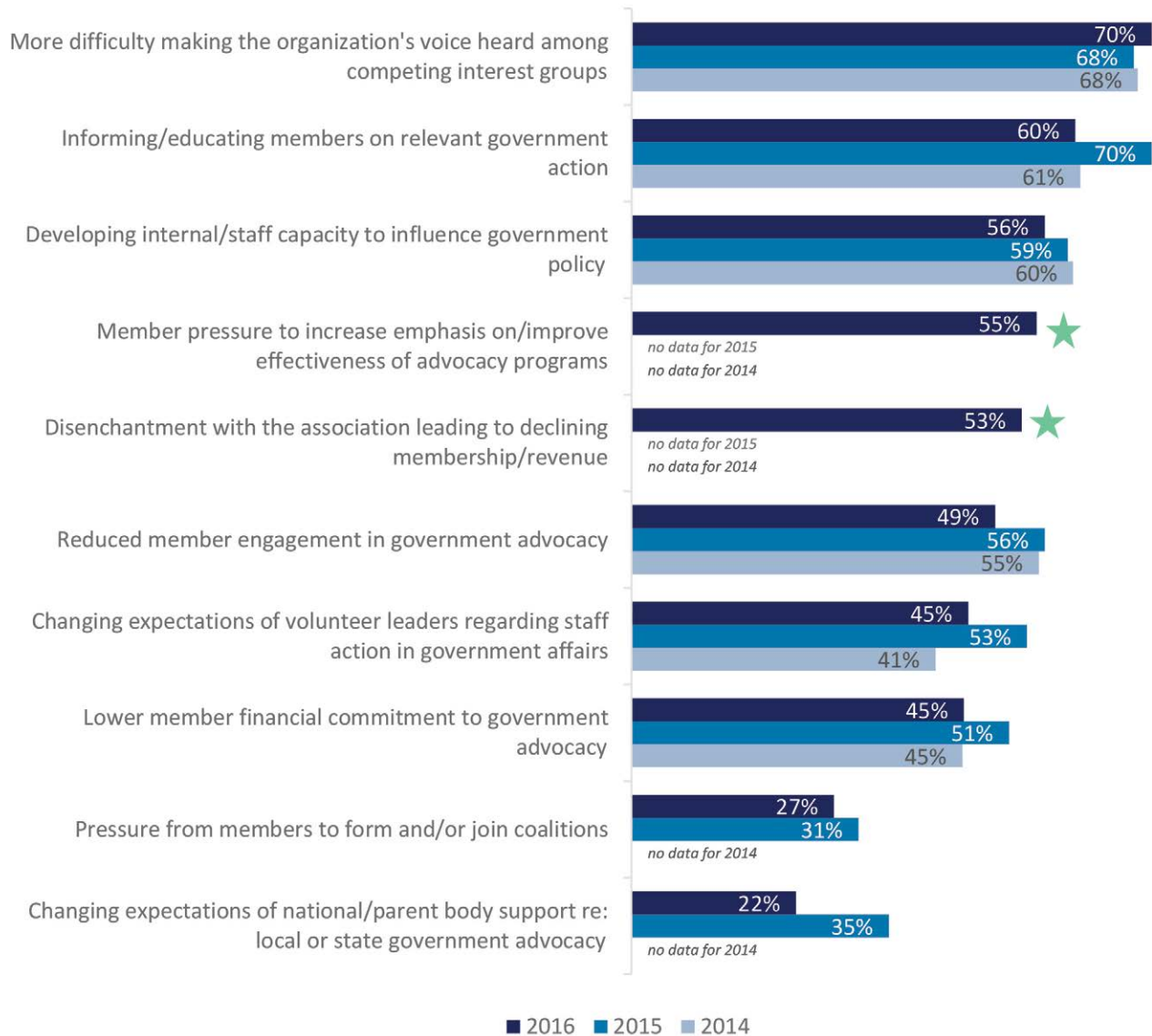
Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Substantial changes in federal laws or regulations	44%	Increased federal regulatory or compliance costs	41%
2	Increased federal regulatory or compliance costs	29%	Substantial changes in federal laws or regulations	35%
3	Substantial changes in state laws or regulations	26%	Increased state regulatory or compliance costs	29%
4	Increased federal oversight of the profession	23%	Federal government inaction or deadlocks on key issues	27%
5	Federal government inaction or deadlocks on key issues	21%	Increased federal oversight of the industry	25%

This year, professional association CEOs are especially concerned with changing federal laws—more so than trade association chief executives. While trade association CEOs are only slightly more concerned about this factor than in 2015 (35% in 2016 vs. 30% in 2015), professional association CEOs are substantially more concerned: 44% in 2016, vs. 23% in 2015.

## IMPACT OF GOVERNMENT FACTORS ON ASSOCIATIONS

Difficulty competing with other interest groups is the issue most expected to impact associations in 2016. Two new impacts tested this year—pressure to increase the emphasis on advocacy programs and improve their effectiveness, and disenchantment with the association leading to a decline in membership and revenue—both received a substantial response.

### Impact of Government Factors on Associations



Trade and professional association CEOs are generally aligned regarding which government factors they expect will affect their organizations.

### Top 5 Impacts of Government Factors on Associations, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	More difficulty making the organization's voice heard among competing interest groups	74%	More difficulty making the organization's voice heard among competing interest groups	69%
2	Developing internal/staff capacity to influence government policy	60%	Informing/educating members on relevant government action	65%
3	Informing/educating members on relevant government action	58%	Member pressure to increase the emphasis on or improve effectiveness of advocacy programs	61%
4	Member pressure to increase the emphasis on or improve effectiveness of advocacy programs	54%	Developing internal/staff capacity to influence government policy	59%
5	Disenchantment with the association leading to declining membership/revenue	54%	Lower member financial commitment to government advocacy	53%

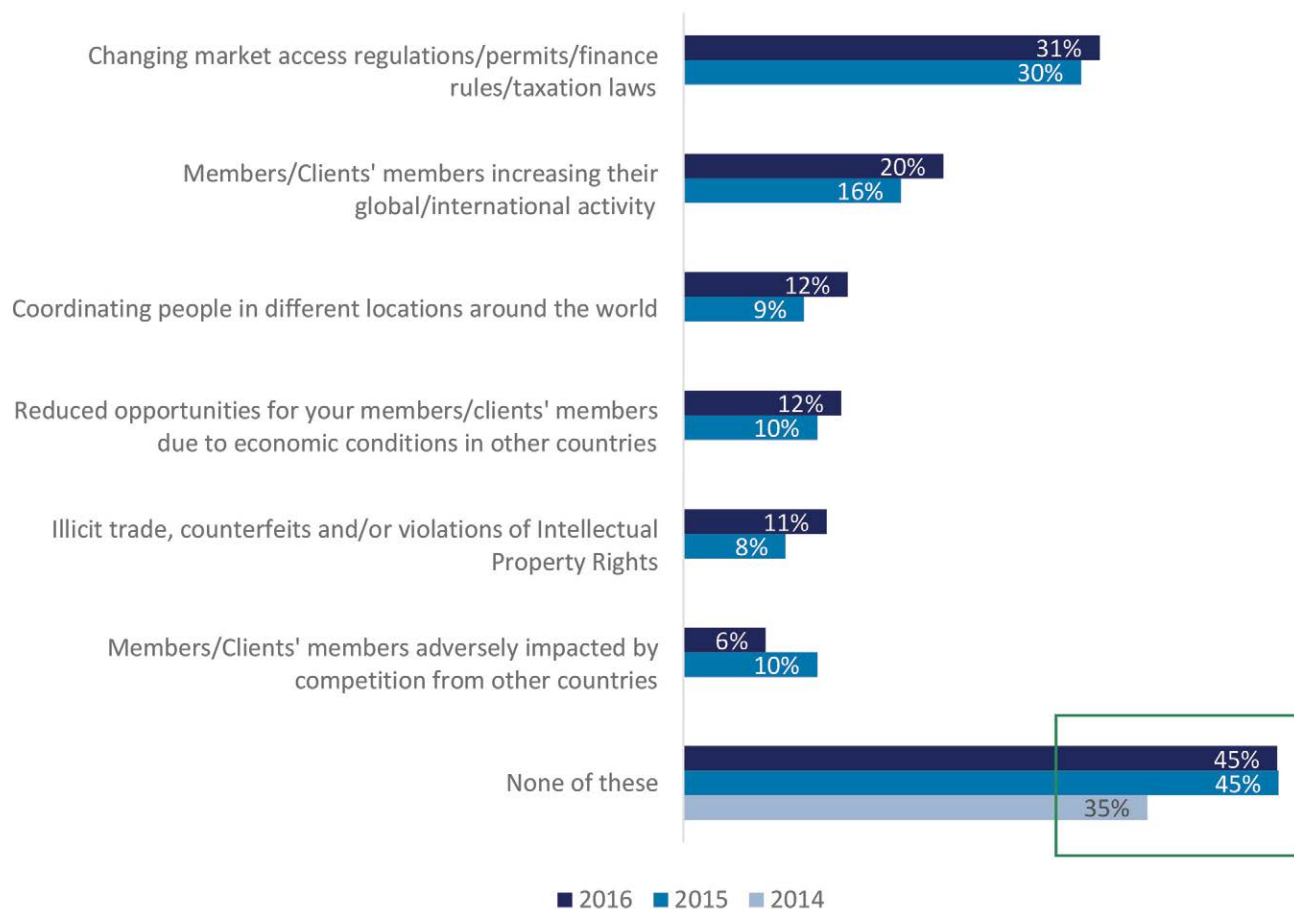
While difficulty competing with other interest groups is the top concern for all chief executives, it is increasing in importance among professional association CEOs—from 62% in 2014 to 74% in 2016.

# GLOBALIZATION FACTORS

## ASSOCIATION MEMBERS' GLOBALIZATION CONCERNS

In all three years of the survey, a substantial portion of respondents reported that no global factors were of significant concern to them. This is likely a reflection of the fact that 54% of senior executives surveyed in 2016, and 68% in 2015, work for organizations with a more limited geographic focus.

Global Factors Affecting Members



*Note: Most of the options for the globalization factors question in the 2014 survey were substantially different than in the subsequent surveys, and therefore are omitted in the graph above*

The top globalization concern of senior association executives for 2016 is changing market access regulations, permits, finance rules, and taxation laws, followed by concern about members increasing their international activity.

Trade association CEOs are more concerned than professional association CEOs about changing market access regulations in 2016, although more professional association chief executives are concerned about this issue in 2016 (30%) than in 2015 (22%).

### Top 5 Global Factors Affecting Members, Professional vs. Trade Association CEOs (2016)

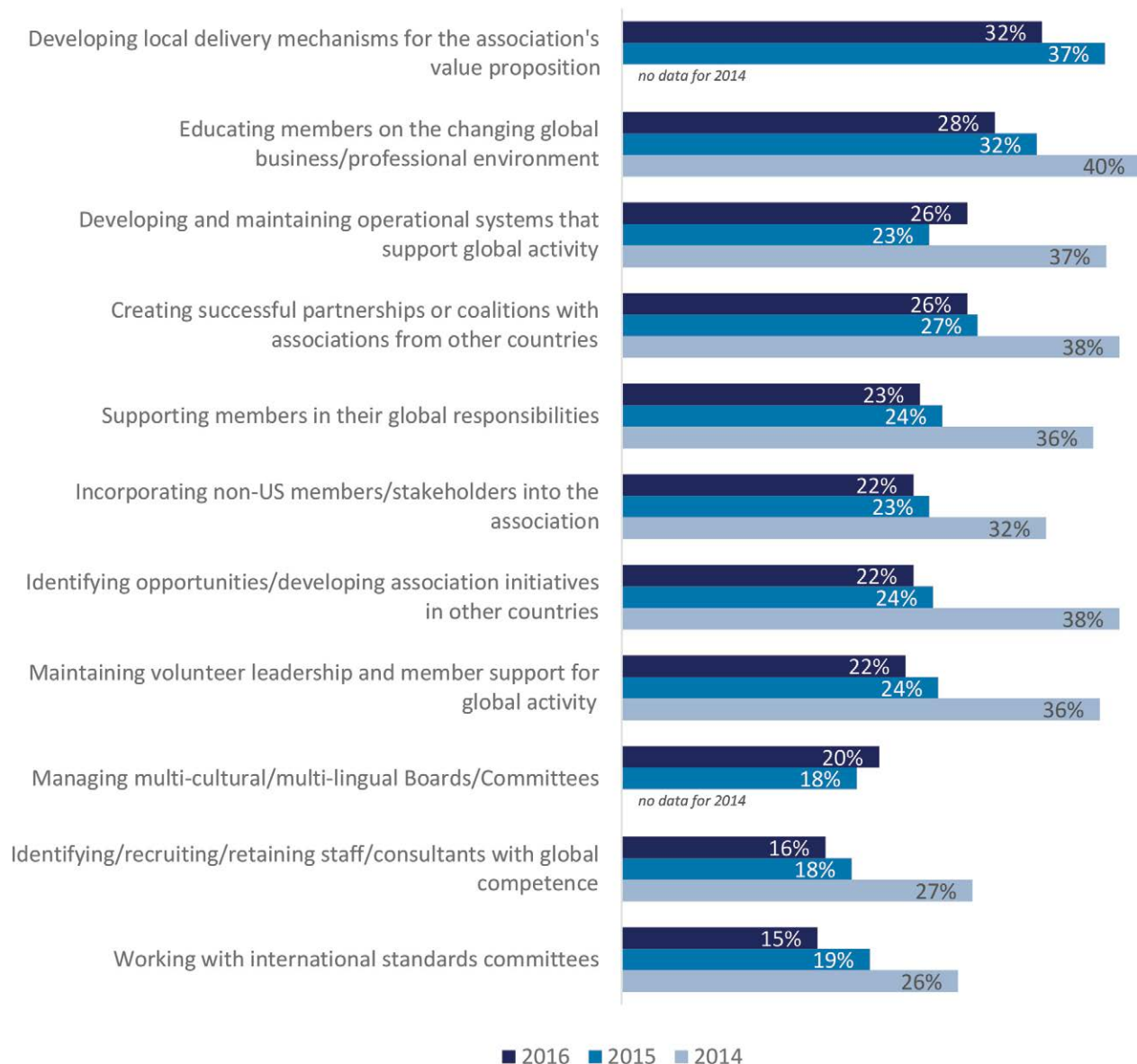
Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Changing market access regulations, permits, finance rules, or taxation laws	30%	Changing market access regulations, permits, finance rules, or taxation laws	41%
2	Members increasing their global/international activity	22%	Members increasing their global/international activity	16%
3	Reduced opportunities for members due to economic conditions in other countries	15%	Reduced opportunities for members due to economic conditions in other countries	14%
4	Illicit trade, counterfeits and/or violations of intellectual property rights	12%	Illicit trade, counterfeits and/or violations of intellectual property rights	14%
5	Coordinating people in different locations around the world	11%	Members adversely impacted by competition from other countries	10%



## IMPACT OF GLOBAL FACTORS ON ASSOCIATIONS

Senior executives' concerns regarding the impact of global factors in 2016 are in line with the 2015 results, with developing local mechanisms for delivering the association's value proposition as the leading concern. The difference in the 2014 response may be due to the higher proportion of respondents from nationally and globally focused organizations in that sample (55%, vs. just 33% in the 2015 sample and 46% in 2016).

### Impact of Global Factors on Associations



Trade association CEOs' concerns for 2016 are largely in line with last year's findings. The top concern for these executives is educating members on the changing global business environment, followed by developing local delivery mechanisms for the association's value proposition.

### Top 5 Impacts of Global Factors on Associations, Professional vs. Trade Association CEOs (2016)

Rank	Professional Association CEOs	%	Trade Association CEOs	%
1	Developing local delivery mechanisms for the association's value proposition	37%	Educating members on the changing global business environment	31%
2	Creating successful partnerships or coalitions with associations from other countries	35%	Developing local delivery mechanisms for the association's value proposition	29%
3	Developing and maintaining operational systems that support global activity	30%	Developing and maintaining operational systems that support global activity	20%
4	Educating members on the changing global professional environment	28%	Incorporating non-US members/stakeholders in to the association	20%
5	Maintaining volunteer leadership and member support for global activity	26%	Supporting members in their global responsibilities	20%

Professional association CEOs are generally more concerned with global impacts for 2016 than their trade association counterparts. Issues of particular concern to these executives relative to trade association CEOs include:

- Creating successful partnerships or coalitions with associations from other counties—35%, vs. 20% of trade association CEOs
- Developing and maintaining operational systems that support global activity—30%, vs. 20% of trade association CEOs
- Maintaining volunteer leadership and member support for global activity—26%, vs 16% of trade association CEOs

Two factors increased in the percentage of professional association CEOs reporting concern for 2016:

- Developing and maintaining operational systems that support global activity—30%, vs. 22% in 2015
- Managing the use of non-US social media—19%, vs. 11% in 2015

Among professional association CEOs, concern about educating members on the changing global professional environment declined slightly, from 34% in 2015 to 28% in 2016.

# 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 2016 identifies some differences among the three years of the survey, the findings are more similar than divergent. In particular, while the environmental drivers expected to affect members have shifted in rank from year to year, the implications of these drivers are remarkably consistent.

Many of the differences in the results from year to year can be explained by differences in the characteristics of the samples for each year. The higher proportion of executives from associations with a local or state focus in the 2015 sample likely 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 was lower.

Similarly, the larger proportion of executives representing associations with an international focus in the 2014 sample resulted in a greater proportion of these executives anticipating that globalization would impact their association.

Overall, senior executives are more pessimistic about the economic outlook than in previous years, with a decline in the percentage of respondents anticipating changes for the better, and over half of respondents anticipating conditions that are the same or worse. While trade association CEOs remain more optimistic than professional association CEOs, both groups are more pessimistic this year than in 2015.

The uncertainty surrounding the upcoming elections is reflected in the 2016 survey results, which indicate an increase in concern about changes in federal laws. On the other hand, the decline in association executives’ concern about federal government inaction and deadlock may reflect an acceptance of this state of affairs, which has become the norm in recent years.

Increased concern about competition is evident in several areas. The top government impact among senior association executives this year is difficulty making their organizations’ voices heard among competing interest groups, and pressure to increase the emphasis on, and effectiveness of, advocacy programs is a concern of over half of respondents. An increasing percentage of senior executives are concerned about competing with for-profit organizations as sources of information, and over half of association executives are concerned about competing with groups such as LinkedIn, and with association members themselves, to provide relevant information.

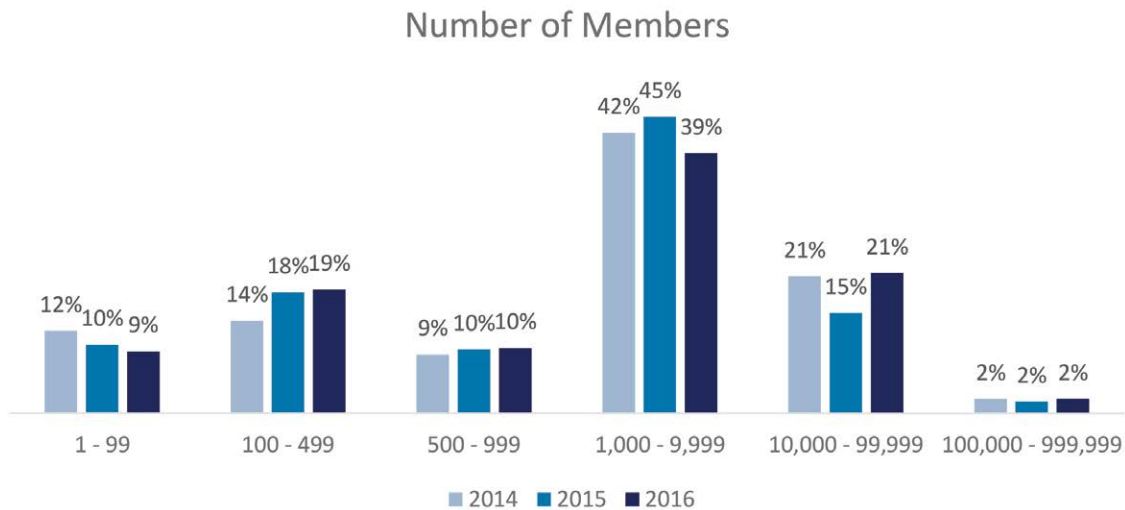
Data privacy and security are issues of increasing concern throughout the global economy, and association executives are no exception to this anxiety. Ensuring the privacy and security of data, dealing with cyber security issues and cyber-attacks, and protecting intellectual property are all concerns that resonate with a substantial or increasing percentage of respondents. While pressure on technology infrastructure is a concern for almost a third of senior executives, a declining percentage of respondents report concern regarding managing the volume of information members receive, finding relevant information, managing multiple information sources, and keeping pace with rapidly changing personal technology.

More than two-thirds of senior executives are concerned about growing demand for online and virtual training opportunities, and an increasing percentage of respondents are concerned about configuring and pricing education and credentialing products—reflecting a growing need to find affordable and convenient means of ensuring a well-trained workforce. Work/life balance and supporting members’ career development goals are also concerns of a substantial portion of association executives.

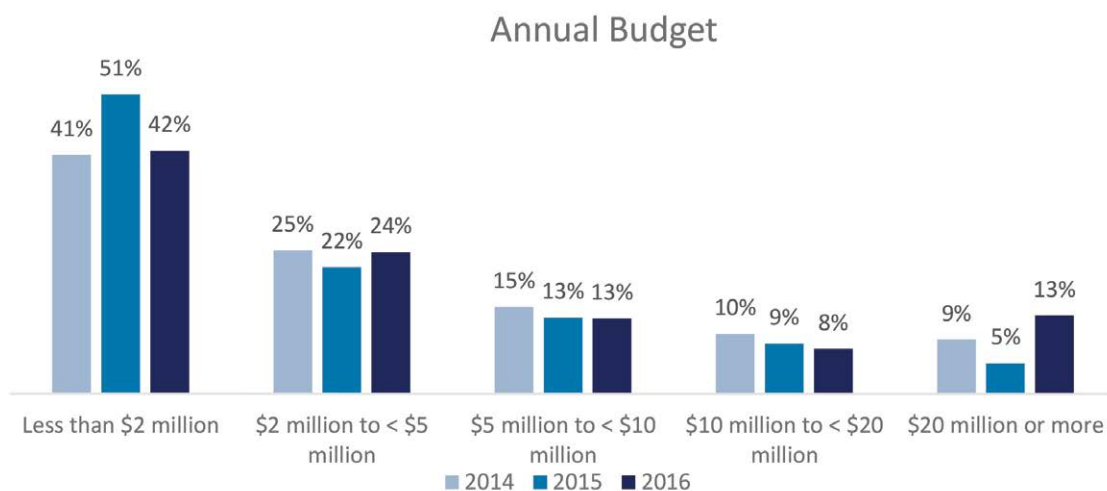
# APPENDIX 1

## CHARACTERISTICS OF ASSOCIATIONS IN THE SAMPLE

The bulk of senior executive 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.



Forty-two percent of senior executive respondents represent associations with an annual budget of less than \$2 million. This is more often true of trade associations; 56% of trade association respondents report budgets of this size compared to 32% of professional association respondents.



The associations in the sample represent more than 30 different industries, with the largest proportions in professional and technical services, manufacturing, construction, and finance and insurance. The professional associations in the sample represent more than 30 different professions, with the largest proportions working as educators, health care providers, scientists/researchers, and health care administrators and executives.

The list of key industries and professions is mostly similar in composition to previous years. Notable differences in 2016 include:

- A smaller proportion of construction industry respondents
- A larger proportion of professional, scientific, and technical services respondents
- A larger proportion of education professional respondents
- A larger proportion of executive or corporate management profession respondents

### Industries and Professions Represented in the Sample (Senior Association Executives)

Industry	2014	2015	2016	Profession	2014	2015	2016
Professional, Scientific, and Technical Services	7%	4%	16%	Educator	15%	15%	23%
Manufacturing	26%	14%	14%	Health care provider (other clinician)	20%	21%	21%
Construction	21%	29%	13%	Health care provider (MD)	19%	19%	20%
Finance and Insurance	13%	13%	13%	Science or research	15%	13%	19%
Real Estate and Rental and Leasing	12%	8%	12%	Health care administration	12%	7%	14%
Education	8%	6%	10%	Health care executive	8%	7%	14%
Health Services (nonclinical professionals)	8%	5%	10%	Health care provider (RN/ARNP)	8%	11%	14%
Agriculture	9%	8%	9%	Legal, policy, regulatory or compliance	9%	7%	14%
Health Services (other clinical professionals)	8%	6%	9%	Education administration or consulting	11%	8%	13%
Retail Trade	9%	4%	9%	Executive or corporate management (HR/Finance/Marketing/etc.)	5%	2%	13%
Health Services (physicians)	5%	3%	8%	Business consulting or other professional services	8%	8%	10%
Other healthcare	5%	3%	8%	Banking, finance or insurance	8%	5%	9%
Transportation and Warehousing	12%	7%	8%	Health care technician	6%	5%	9%
Public Administration	3%	3%	7%	Engineering	8%	8%	8%
Recreation	3%	4%	7%	Architecture, art or other design	3%	4%	6%
Wholesale Trade	5%	3%	7%	Fire, law enforcement or security	3%	4%	5%
Hotel, convention or other accommodation	4%	3%	5%	Armed services (active or retired)	1%	2%	4%
Information	4%	3%	5%	Food or beverage preparation or management	2%	1%	4%

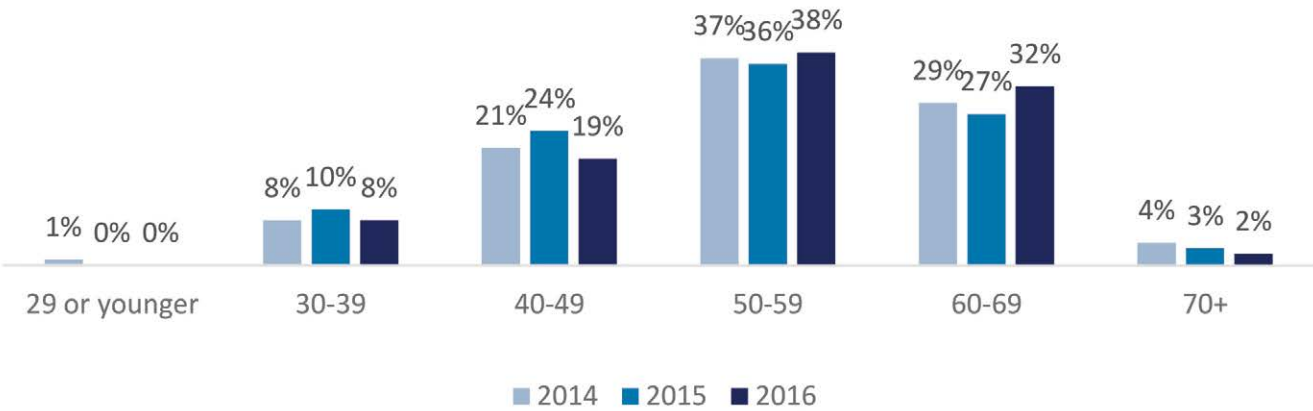
Industry	2014	2015	2016	Profession	2014	2015	2016
IT Services	7%	3%	5%	Information services or web development	6%	2%	4%
Medical device, manufacturing or laboratory sciences	4%	3%	5%	Office administration or clerical	2%	3%	4%
Telecommunications	5%	3%	5%	Tourism, travel, meetings or hospitality	3%	1%	4%
Utilities	8%	13%	5%	Agriculture, farming or veterinary	3%	2%	3%
Food Services	5%	6%	4%	Building maintenance, sanitation or operations	0%	2%	3%
Mining, Quarrying, and Oil or Gas Extraction	3%	3%	4%	Equipment installation, operation, supervision, maintenance or repair	1%	1%	3%
Administrative and Support and Waste Management and Remediation Services	3%	3%	3%	Personal or household services	1%	1%	3%
Devices	1%	2%	3%	Transportation or logistics	1%	2%	3%
Forestry	4%	2%	3%	Athletics, sports or music	1%	2%	2%
Other information technology products/services	4%	0%	3%	Commercial heating, cooling, masonry, carpentry, plumbing, electrical or other trade	1%	2%	2%
Pharmaceutical	3%	3%	3%	Landscape contracting, gardening or grounds management or maintenance	1%	2%	2%
Fishing and Hunting	0%	0%	1%	Writer or journalist	0%	2%	2%
Management of Companies and Enterprises	4%	1%	1%	Residential heating, cooling, masonry, carpentry, plumbing, electrical or other trade	1%	3%	1%
Arts or entertainment	1%	3%	0%	Retail management or service	1%	3%	1%
Other	15%	13%	18%	Beauty or cosmetics	0%	1%	0%
				Other (please specify)	15%	20%	15%



RESPONDENT CHARACTERISTICS

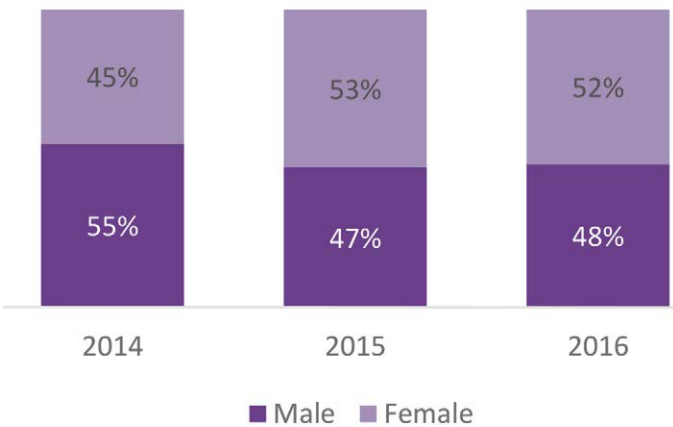
More than half of the senior association executive respondents are between 40 and 59 years of age. The average age of these respondents in the 2016 sample is 54.5, slightly older than in 2015 (53.3) and 2014 (54).

Age of Respondents



Similar to last year, a majority of the 2016 senior executive respondents are female. This is in contrast to the 2014 sample, which was 55% male.

Gender of Respondents





# APPENDIX 2

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Meg Whedbee has her baccalaureate in economics and her master's degree in public policy. She has worked with a variety of industries ranging from health care to education. She specializes in the assimilation and communication of complex policy and strategy issues.

## ABOUT ASSOCIATION LABORATORY

**Association Laboratory is a consulting firm specializing in research and strategy for associations.**

The company has been advising associations since 1999 and currently serves clients through offices in Washington, DC and Chicago, IL.

The company has established a national reputation helping associations deal with complex strategic questions including membership, education, meetings and component strategy.

Association Laboratory is a full service qualitative and quantitative research company offering a complete suite of investigative, validation and modeling tools customized to the needs of associations. Association Laboratory 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](http://www.associationlaboratory.com).



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