

The Agile Association in 2024

Carol-Anne Moutinho, MBA.
Principal, Strategy and Organization Design



THE
PORTAGE
GROUP



Introduction

Few association executives and board directors today would dispute that these are extraordinarily challenging times to be in a position of leadership. Take your pick from some of the new and longstanding challenges our association sector clients and colleagues are grappling with as we head into 2024.

- ▶ Political polarization at all levels of government is causing uncertainty for association leaders seeking to represent members and bring their issues to the attention of legislators, without embracing a partisan approach. Continuous and proactive focus and resources are required to keep issues in front of government – and to yield tangible results for members.
- ▶ Inflation and economic uncertainty are putting pressure on the wallets of many associations and their members. Individuals and organizations are choosing carefully where they invest resources across areas ranging from education and professional development, to conferences, events, and membership. Even with the worst of the COVID pandemic behind us, employers scrutinize unnecessary travel and expenses.
- ▶ For many associations, members and leadership still do not reflect the diverse demographic makeup of the industries and professions they serve. Membership and engagement in many organizations is stagnant or declining as younger professionals, and individuals from under-represented communities, fail to buy into the traditional association value proposition.
- ▶ Directly related to the above, acknowledging and working to better understand and address social division and inequities are increasingly becoming part of the conversation around meeting room tables, yet many associations continue to struggle to ‘walk the talk’ on Justice, Equity, Diversity, and Inclusion.
- ▶ Climate change is affecting individuals and organizations on many levels. Whole regions and industries are impacted with alarming frequency by extreme weather, natural disasters and climate emergencies. Simultaneously, professionals and businesses from more sectors are pushing harder for their associations to help them become a meaningful part of the solution.
- ▶ Technology has ushered in an era of perpetual and monumental change to nearly every aspect of how we live, work and play. Associations and their members are struggling to keep up with, let alone keep ahead of, innovation across areas like artificial intelligence, electrification, and more.
- ▶ Furthermore, associations that were lagging in technology modernization were forced to adapt to online learning and engagement during the pandemic – or in many cases, face extinction. Nearly four years later, many are realizing that to maintain leadership in this space requires constant innovation – and investment.

“The art of life is a constant readjustment to our surroundings.”

KAKUZO OKAKURA



Four Association Agility Practices

Associations by their nature and structure are not naturally agile. And yet, agility is essential to organizational survival and success in the current environment. So how are associations building agility into their strategy, structure, processes, and culture?

These are the four practices that The Portage Group has recently observed or seen incorporated into association practices that contribute to association agility and nimbleness.

The Portage Group is a team of thought-leaders in innovative and research-driven association planning and development. We offer deep and diverse experience to help organizations succeed across areas that include Strategy, Research, Organizational Design, Executive Search, Governance and more. For more information, please visit www.portagegroup.com



1 ESTABLISHING CLARITY OF PURPOSE

Establishing or clarifying the shared Purpose of an organization may sound obvious, but it is something that is misunderstood, unclear, or undefined in many associations.

An association's Purpose is a lot like the foundation of a house. A strong foundation will stand the test of time and weather storms, even if significant renovations occur to the rooms within it.

Likewise, a clear Purpose enables associations to be agile by changing course as needed based on changes in the environment surrounding the organization and its members, while staying true to **What** it does, for **Whom**, and **Why** it exists.

The most agile associations not only have a strong and clear sense of Purpose, but they are also unwavering in making sure their members are the 'True North' of the organization. This is characterized by volunteer

and staff leadership with a united focus and dedicated commitment to what is in the best interest of the organization and its members, and an avoidance of being side-tracked by narrow constituent interests.

2 A 'LIVING' APPROACH TO STRATEGY DEVELOPMENT

While static three-and-five-year plans make sense where the organizational and member environment changes slowly, this is no longer the case for associations where the internal and external environment is both complex and constantly evolving.

Creating a 'living' strategic plan enables associations to be more agile because strategic activities like environmental scanning, scenario planning, as well as member and stakeholder research, are carried out on an ongoing basis, rather than once every 3-5 years.

While foundational elements of strategy, such as the Vision, Mission and Priorities are likely to stay relatively consistent over time, 'how' an organization works toward achieving its Vision (objectives, strategies and tactics) should be evaluated more frequently and be adjusted as needed in response to changes surrounding the association and its members.

Also key to success is making information and data-based strategic decisions. Successful and agile associations may change quickly, but they do so informed by quality and up-to-date insights about members, the industry, and the broader association sector.

3 'BIGGER TENT' APPROACHES TO MEMBERSHIP

Industries and professions are evolving. Innovation and technology are creating new players and market entrants. The definition of professions and the pathways to become a professional in many sectors are also changing. In response, some associations are creating space to be agile by broadening their definition of 'member' to enable the organization to include and serve new and allied professional and industry players.

This approach is coupled with a clear strategy that balances value that is relevant to all members, such as advocacy, discounted/free access to member services, events etc. with customized benefits to key groups. For example, large companies may appreciate a direct line through the association to government decision-makers, while SMEs may benefit from legal and regulatory advice and support.

Associations that pursue a 'bigger tent' approach to membership must ensure that new potential member groups align with the core mandate and purpose of the organization, and that it is adequately resourced to be able to deliver value and services to new member groups. New members will also evaluate the return on investment by the specific services they see as relevant and that offer evident value.

4 LEANER GOVERNANCE

Associations by nature are largely bureaucratic, consensus-driven organizations, many deeply tied to history and tradition. While structural elements like committees, advisory councils and the like are necessary in some organizations, an excess of governance can slow or even paralyze an association's ability to make decisions and to implement strategy, let alone be agile in response to changes in the association and member environment.

Where possible, agile associations are looking for opportunities to collapse or otherwise reduce layers of governance that detract from the association's ability to develop and implement strategy, and to adapt in a timely manner. This means fewer advisory councils and committees, and ensuring that the supporting governance bodies that **do** exist have clear mandates that link directly to the association's Purpose and strategy.

In more associations, leaner governance is also manifesting itself in the form of smaller and more skills-based boards. Overly large boards tend to decrease nimbleness and the speed of decision-making, while increasing the need to dedicate resources to managing individual politics and agendas of different stakeholders.

While board size ranges widely across the association sector, our past sector research and experience suggests that for most associations the 'sweet spot' in terms of board size is between 10-14 members, including the Executive Committee (where one exists) and Chief Staff Officer (ex officio).

Agile associations are also increasingly balancing representation and constituent interests on their boards with the need to include pragmatic sector leaders with skills and experience needed to provide effective strategic leadership and oversight. They also have tools like skills matrixes and processes to ensure the 'wish list' of director candidate skills and experience can be updated over time to reflect changes occurring in the association and its environment.

CONCLUSION

Associations by nature are largely bureaucratic, consensus-driven organizations. Building agility into their organizational structure, approach to strategy and culture are keys to both survival and success.

The Portage Group periodically develops topical publications and research focused on the Canadian association/non-profit sector. If you would like to receive future publications – or participate in future research initiatives – please subscribe to our website or email us directly at contact@portagegroup.com



Toronto | Ottawa | Victoria

866.920.3999

www.portagegroup.com

contact@portagegroup.com