



Environmental Scan Report

MAPPING THE FUTURE OF YOUR ASSOCIATION



**EXECUTIVE
ABSTRACT**

Conducted for **ASAE & The Center for Association Leadership**
by **Karl Albrecht International**



MAPPING THE FUTURE OF YOUR ASSOCIATION

Eight Super-Trends

EXECUTIVE ABSTRACT

Conducted for **ASAE & The Center for Association Leadership**
by **Karl Albrecht International**

Information in this summary is accurate as of the time of publication and consistent with standards of good practice in the general management community. As research and practice advance, however, standards may change. For this reason, it is recommended that readers evaluate the applicability of any recommendation in light of particular situations and changing standards.

ASAE & The Center for Association Leadership
1575 I Street, NW
Washington, DC 20005-1103
Phone: (202) 626-2723
Fax: (202) 408-9634
Email: books@asaenet.org

Susan Sarfati, CAE, President and CEO, The Center for Association Leadership and Executive Vice President, ASAE
Michelle Mason, CAE, Vice President, Strategic Research

Susan Robertson, Chief Marketing and Communications Officer, ASAE
Marketing and Communications
Baron Williams, Director of Book Publishing
Sandra R. Sabo, Editor

Cover and interior design by Cimarron Design, www.cimarrondesign.com

The complete book is available at a special discount when ordered in bulk quantities. For information, contact the ASAE Member Service Center at (202) 371-0940.

A complete catalog of titles is available on the ASAE Web site at www.asaenet.org/bookstore

Copyright © 2005-2006 by The Center for Association Leadership

Permission to reproduce or transmit in any form or by any means, electronic or mechanical, including photocopying and recording or by an information, storage and retrieval system, must be obtained in writing from the director of book publishing or the publisher at the address or fax number above.

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

Executive Abstract

IN A RECENT ONLINE SURVEY of strategic practices used by associations, less than 3 percent of the 459 respondents reported using planning horizons of 10 years or more. Nearly two-thirds reported horizons of two years at most. In other words, "strategic planning" is rapidly giving way to "strategic evolution."

In 2005, to assist association executives in preparing for and dealing with strategic evolution, ASAE & The Center for Association Leadership carried on their tradition of conducting a periodic environmental scan of the business environment. The goal: Identify strategic trends that affect the association community.

Eight Radar Sectors

The 2005 environmental scan study was led by Karl Albrecht, Ph.D. and key consultants from Karl Albrecht International, San Diego, CA. This research team, working closely with the association community, collected and analyzed trends according to the "strategic radar" model, which divides an organization's business environment into these eight inter-related sectors:

Customer—The identity, wants, needs, behaviors, habits, values, and life situations of those who do business with you currently and those with whom you'd like to do business.

Competitor—The identity, motives, strengths, weaknesses, current behavior, and potential behavior of the other organizations that compete for your customers' resources.

Economic—The dynamics of markets, capital, critical resources, costs, prices, currency, state of the national economy, and the state of international trade; all of these may affect the buying patterns of the customers, the behavior of competitors, and the opportunities open to your organization.

Technological—The technological events, trends, and solutions available or in development that can improve your organization's capability to create value.

Social—The cultural patterns, values, beliefs, trends, styles, preferences, heroes, villains, and conflicts that influence customers' behavior and define opportunities for new ventures.

Political—The processes of national, regional, and local governments, as well as various power groups, that can affect the rules for doing business.

Legal—The pattern of laws, lawmaking activity, and litigation that can affect an organization's success.

Geophysical—The physical surroundings of the organization's facilities and operations, including the ecosystems and natural resources, availability of raw materials, transportation options, proximity to major population centers and sources of skilled talent, and susceptibility to environmental disasters.



The "Strategic Radar Model"

Note: The material above is adapted from *The Northbound Train: Finding the Purpose, Setting the Direction, Shaping the Destiny of Your Organization*, by Dr. Karl Albrecht. New York: AMACOM, 1994, page 72. See also *Corporate Radar: Tracking the Forces that Are Shaping Your Business*, by Karl Albrecht, New York: AMACOM, 2000, page 14. Used by permission.

Eight Super-Trends

Using expert and practitioner focus group meetings and electronic voting methods, the research team scored and ranked 200 identified trends in terms of their perceived importance to association executives. After reviewing the top trends within the eight environmental sectors, the research team identified eight “super-trends”—one in each sector. These super-trends are the broad, over-arching developments that are shaping the future of associations and their members.

Demassification

- 1** The mass market is breaking into smaller pieces, as differences in lifestyles, preferences, and priorities further segment the U.S. population. Customers—members and prospective members alike—in these smaller, more specialized, groups are interested in focused efforts to meet their needs, not in a one-size-fits-all package of association products and services.

Unbundling

- 2** Increased competition is pressuring associations to offer their products and services *a la carte* rather than as an organized package. Traditional association value propositions—such as fellowship, personal and professional growth, and mutual assistance—must be delivered via specialized, targeted vehicles (the Web, for example).

Scrimping

- 3** Economically, members—and their employers—are looking for a greater return on their investment in association membership. As unbundling occurs, the risk grows that the association value package will lose its overall appeal.

Wave 3.1

- 4** Alvin Toffler’s “Third Wave” concept—the shift from industrial societies to information-based societies—is well underway in Western countries. Information is becoming a profitless commodity. The competitive advantage lies in enriching professional development, learning, connectivity, and life itself through knowledge.

Virtualization

- 5** A highly mobile society has led to the disintegration of traditional neighborhoods and communities, straining personal relationships, and enhancing the appeal of Web-based “virtual” experiences as a form of fellowship. To maintain their traditional strength as community builders, associations must serve a growing appetite for virtual connections while continuing to offer personal experiences.

Cyber-Mobbing

- 6** The channels of political influence is broadening to include digital broadcast media that offer specialized forums for political discussion and Web-based communities that practice “swarm advocacy” and “smart mobbing.” To attract support for their positions in this crowded public arena—and to gain the attention of elected officials, regulators, and agencies—associations must develop a creative, multi-pronged, and Web-savvy approach to advocacy.

Scrutiny

- 7** Both special-interest legislation and litigation are on the rise, and local, state, and federal laws are introducing more aggressive oversight of association activities. As a result, associations must operate transparently, most notably in the areas of governance, advocacy, and political activity.

Counter-Americanism

- 8** The long-standing dominance of American styles, values, products, and business practices is diminishing with the rise of nationalistic and regionalistic politics (especially in Asia and Europe) and of disagreements with U.S. foreign policy. To operate globally, associations must develop localized models of association culture, governance, politics, and operations.

Summary of the Eight Super-Trends

ENVIRONMENTAL SECTOR	SUPER-TREND	CHALLENGE TO ASSOCIATIONS
Customer	Demassification (Break-up of the mass market)	<ul style="list-style-type: none"> Craft increasingly focused and targeted appeals
Competitor	Unbundling (One-size-fits-all products and services no longer appeal)	<ul style="list-style-type: none"> Determine what member needs can be met through new, imaginative value packages
Economic	Scrimping (Members want a greater return on their dues investment)	<ul style="list-style-type: none"> Help members rediscover the personal and social payoffs of belonging
Technology	Wave 3.1 (Knowledge, not information, is the competitive advantage)	<ul style="list-style-type: none"> Move beyond information products to offer enrichment and learning through the application of knowledge
Social	Virtualization (People want virtual as well as personal relationships)	<ul style="list-style-type: none"> Continue to offer “the personal touch” while building and strengthening virtual communities
Political	Cyber-Mobbing (Web-based communities are organizing for advocacy)	<ul style="list-style-type: none"> Harness the power of the Web and integrate it with more traditional advocacy methods
Legal	Scrutiny (New laws for oversight call for greater transparency)	<ul style="list-style-type: none"> Closely track developments in legal and regulatory areas Develop a policy framework for ensuring compliance
Geophysical	Counter-Americanism (U.S. styles, values, products, and approaches no longer dominate the world)	<ul style="list-style-type: none"> Partner with others to develop localized models for association culture, governance, and operations Develop diverse value packages for non-U.S. members

Full Report on the Super-Trends

The full text of the environmental super-trend report, titled *Mapping the Future of Your Association*, is available through the ASAE bookstore at www.asaenet.org. This must have strategic tool contains a wealth of information on strategic trends, potential impacts, and possible responses for your association. It provides a clear understanding of what the issues are and how you can map the trends for organizational success.

Moving Forward

“Know where to find the information and how to use it—that’s the secret of success.”

— ALBERT EINSTEIN

Working in partnership with Karl Albrecht International, ASAE & The Center for Association Leadership are creating a Web-based service that continuously monitors and reports on environmental trends as they develop. This approach will allow us to move beyond traditional, static, scan studies that are published biennially; and transition to a continuous feed of knowledge executives can use regularly in the planning process.

The new scanning project will be based on a dual strategy—gathering information from the environment and figuring out how to incorporate it into association strategy. Developed in response to member requests, the scanning tool will take the form of a Web-based scanning service that will be available 24/7 and will provide access to detailed data on trends, comprehensive

summaries of key issues, and recommended action-planning templates. All will be customizable to your association's particular requirements, allowing you to map the structure of your specific planning process and incorporate the focused publications, reports, Web sites, and other sources that are important for your industry to monitor.

Initially, CD-ROMs will be released that are complete with an extensive list of trends and interactive planning tools to provide a baseline of information for associations to build upon and customize.

If you are interested in learning more about the environmental scan and other research initiatives, please email e-scan@asaenet.org or visit www.centeronline.org.

About the Author

Dr. Karl Albrecht is a management consultant, futurist, speaker, and a prolific author. In his 25-year career he has worked with many kinds of business organizations in a wide range of industries, world-wide. He has consulted with senior executives and lectured to audiences on all inhabited continents. Karl devotes most of his effort to finding and developing promising new concepts for both organizational and individual effectiveness. He is the author of more than 20 books on various aspects of business performance, including *Service America! Doing Business in the New Economy* (co-authored with Ron Zemke), which has sold over a half-million copies and is published in seven languages. More detailed information about KAI's consulting services is available through Karl Albrecht International in San Diego: Karl@KarlAlbrecht.com.

Acknowledgements

This report is made possible through the hard work and dedication of many individuals. ASAE & The Center for Association Leadership extends its appreciation to Karl Albrecht International, which it commissioned to produce this report.

ASAE & The Center for Association Leadership also thanks the members of the 2004-2005 Research Committee for their contributions of time and expertise:

- Mark J. Golden, CAE (Chairman), executive director and chief executive officer, National Court Reporters Association, Vienna, VA
- Michael Anderson, C.A.E., president and chief executive officer, Canadian Society of Association Executives, Toronto, Ontario
- Nancy Perkin Beaumont, CAE, executive director, Society of American Archivists, Chicago, IL
- Eve Becker-Doyle, CAE, executive director, National Athletic Trainers Association, Inc., Dallas, TX
- Barbara Byrd Keenan, CAE, executive vice president, Institute of Food Technologists, Chicago, IL
- Mark N. Dorsey, CAE, assistant executive director and chief operating officer, National Ski Patrol and Professional Ski Instructors of America, Lakewood, CO
- Judith B. Durham, CAE, executive vice president, Architectural Woodwork Institute, Reston, VA
- Anthony Edmondson, executive director, Narcotics Anonymous World Services Inc., Chatsworth, CA
- Michael E. Gallery, Ph.D., CAE, president and founder, OPIS Consulting, LLC, Highland Village, TX
- Lewis M. Gedansky, CAE, director of governance and executive programs, Project Management Institute, Newtown Square, PA
- Paul J. Greeley, Jr., CAE, president, Signature Group, Inc., Vienna, VA
- Deborah M. Hamlin, CAE, executive director, International Association of Plastic Distributors, Leawood, KS
- Linda L. Kloss, CAE, executive vice president and chief executive officer, American Health Information Management Association, Chicago, IL
- Sally N. McConnell, CAE, associate executive director, National Association of Elementary School Principals, Alexandria, VA
- Mickey Schaefer, CAE, president, Mickey Schaefer & Associates LLC, Tucson, AZ
- Ira T. Silvergleit, director of research and information, Society of American Florists, Alexandria, VA
- Steve Slagle, CAE, president and chief executive officer, Promotional Products and Association International, Irving, TX
- Ellen Terry, regional director of sales, The Ritz-Carlton Hotel Company, International Sales, Washington, DC
- Stacy Tetschner, CAE, executive vice president and chief executive officer, National Speakers Association, Tempe, AZ
- Susan B. Waters, CAE, chief executive officer, Sextant Consulting, Half Moon Bay, CA
- Cathlene Williams, CAE, senior director of education and research programs, Association of Fundraising Professionals, Alexandria, VA

ASAE & The Center for Association Leadership's staff liaison was Michelle Mason, CAE, Vice President, Strategic Research.

Thank you to the numerous volunteers and members who donated their time and expertise through focus groups, surveys, interviews, and manuscript reviews. Their insights helped to shape and crystallize the information gathered for this report. A special thank you to Association Forum of Chicagoland, California Society of Association Executives, and GWSAE Network.

The environmental scan and other strategic research projects are supported by proceeds from capital

campaigns and major gifts, which have raised more than \$10 million. ASAE & The Center acknowledge these members of the association and business communities for their generous contributions and support:

LEAD SPONSORS & FOUNDING PARTNERS

Marriott International
J. Willard & Alice S. Marriott Foundation
Starwood Hotels & Resorts Worldwide

FOUNDING PARTNERS—CONVENTION AND VISITOR BUREAUS

Anaheim / Orange County Visitors and Convention Bureau
Atlanta Convention and Visitors Bureau
Atlantic City Convention and Visitors Authority
Greater Boston Convention and Visitors Bureau Inc.
Chicago Convention and Tourism Bureau
Hawaii Visitors and Convention Bureau
Greater Miami Convention and Visitors Bureau
LA INC The Convention and Visitors Bureau
Las Vegas Convention and Visitors Authority
Nashville Convention and Visitors Bureau
NYC and Company
San Diego Convention and Visitors Bureau
Seattle's Convention and Visitors Bureau
St. Louis Convention and Visitors Commission
Washington DC Convention & Tourism Corporation

PLATINUM SPONSORS

Hilton Hotels Corporation
Hyatt Hotels Corporation
MBNA America
Gaylord Hotels
Delta Air Lines
Wachovia

PLATINUM SPONSORS—CONVENTION AND VISITOR BUREAUS

Convention and Visitors Bureau of Greater Cleveland
Dallas Convention and Visitors Bureau
Denver Metro Convention and Visitors Bureau Inc.
Hawaii Convention & Visitors Bureau
Indianapolis Convention and Visitors Association
Irving Convention & Visitors Bureau
Kansas City Convention and Visitors Bureau
Greater Louisville Convention and Visitors Bureau
Greater Milwaukee Convention and Visitors Bureau Inc.
Greater Minneapolis Convention and Visitors Association

Orlando/Orange County Convention and Visitors Bureau Inc.
Greater Phoenix Convention and Visitors Bureau
Puerto Rico Convention Bureau
San Francisco Convention & Visitors Bureau

GOLD SPONSORS

American Airlines Inc.
LangCPA Consulting
The Langan Associates P.C., CPAs & Consultants
Mohegan Sun
United Airlines
ResultsDirect
The Signature Group
SunTrust Bank
Fairmont Hotels and Resorts
Wyndham International

SILVER SPONSORS

Allfirst Bank
AON Corporation
Bostrom Corporation
The Broadmoor
Cadmus
CNA Insurance
Colonial Williamsburg Company
Community Counselling Service Co., Inc.
ExpoExchange
GES Exposition Services
Hershey Resorts
International Management and Marketing, Inc.
Jenner and Block
Jones Lang LaSalle
Loews Hotels
Marketing General, Inc.
The Masie Center
The Olcott Consulting Group
Outrigger Hotels and Resorts
Peabody Hotel Group
Plexus Consulting Group
The Ritz-Carlton Hotel Company LLC
Ronald Reagan Building and International Trade Center
Trade Center Management Associates
Tate and Tryon CPAs and Consultants
Tecker Consultants
Walt Disney Attractions Incorporated

Also Available from ASAE & The Center for Association Leadership

Exploring the Future: Seven Strategic Conversations that Could Transform Your Association
Product #218089

Exploring the Future Strategy Guides

Generational Synergy – Product #218095

Global + Local = Glocal – Product #218093

Inclusivity – Product #218094

Learning Culture – Product #218096

Living Organizations – Product #218098

Meaning Matters – Product #218092

Transparency – Product #218097

Facing the Future: A Report on the Major Trends and Issues Affecting Associations

Product #218082

Embracing the Future: An Action Guide for Association Leaders

Product #218084

Building a Knowledge-Based Culture: Using Twenty-first Century Work and Decision-Making Systems in Associations

Product #213560

Thriving in the Knowledge Age: A Survival Guide for Your Association

Product #218056

Identifying and Using a Field's Body of Knowledge

Product #216883

Keeping Members: The Myths and Realities: The CEO Strategies for 21st Century Success

Product #213551

Leaders Working Together: 5 Steps to Conflict Resolution

Product #216813

Managing Your Future as an Association: Thinking About Trends and Working with Their Consequences, 1994-2020

Product #218055

Successful Association Leadership: Dimensions of 21st Century Competency for the CEO

Product #213552

State of Community Assessment Tool (SOCA)

Product #216886

The Will to Govern Well: Knowledge, Trust & Nimbleness

Product #216884

From Scan to Plan: Integrating Trends into the Strategy-Making Process

Product #218102

From Scan to Plan: Managing Change in Associations

Product #218104

To order, contact the ASAE online bookstore at **www.asaenet.org/bookstore**
or call ASAE Member Services at **888-950-ASAE (2723)**



"Associations cannot afford to be caught blindsided by future issues. Our world is evolving and the environment is consistently changing. Planning for the future is not a passive aggressive proposition; you do it now or become irrelevant. The Center for Association Leadership's environmental scan research will determine proactive and reactive organizations. You can't Search for Excellence by focusing on the past. This is an essential tool for every executive."

– **Tom Peters**, leadership and management guru, author of best-selling publications *In Search of Excellence* and *Re-Imagine!*

"Environmental scanning is not an option, but a priority for visionary nonprofits. The Center for Association Leadership's environmental scan studies are essential tools for leaders committed to improving their organization's future."

– **Frances Hesselbein**, Chairman, Leader to Leader Institute, formerly Drucker Foundation

"I've long believed that the world of ideas knows no boundaries, and I find The Center for Association Leadership's scan resources and tools provide me with the broadest cross-section of ideas and trends necessary for me to be most effective in my role. Recognizing that the status quo is indeed risky business, I find that the research exposes me to new models and new ideas, and to innovations being incubated in associations across the country and around the world."

– **Robert Stein, CAE**, Executive Director, American Academy of Ophthalmic Executives