Road to Relevance
5 Strategies for Competitive Associations
New Normal

Time pressures
Expectations; R.O.I.
Member diversity
Generational values
Competition
Technology
The Mismatch

**Association Model**
- Time intensive
- Slow, tradition-bound
- Designed for homogeneous member
- Face-to-face and print
- Package of services

**Association Environment**
- Time pressures
- Accelerating change
- Specialization and consolidation
- World going digital
- “What/when/how I want it”
Race for Relevance

- 5-Member Competency-based board
- Empower CEO and Staff
- Rigorous member market definition
- Rationalize programs and services
- Bridge the technology gap
Association
Association members
Media companies
For Profits
Buying groups
Internet
Social media

vs. Association
When a competitor does a better job of delivering value, they matter more and the association matters less.
Strategy

Skillful, creative and disciplined use of resources to achieve objectives
Strategy

Tradition – not strategy – is the master of most associations
5 Strategies

- Build on Strength
- Concentrate Resources
- Integration; Fit
- Lean Processes
- Abandonment
Build on Strengths
Why?

• Can’t compete from a position of weakness
• Meet increasing member expectations
• Pressure on resources
Strenghts

Better assessment
Fully exploit
Source of innovation
Hedgehog

• Passionate commitment
• Best at producing it
• Drives economic engine
Concentrate Resources
How many businesses can you be in?
Diversity Downsides

• Organizational complexity
  • Disperses resources
  • Communication challenges
“Wherever we find a business that is outstandingly successful, we will find that it has thought through the concentration alternatives, and has made a concentration decision.”

Peter Drucker, Management: Tasks, Responsibilities, Practices
Concentration Decision

Advocacy
Concentration Decision

Program & Evaluation Committee

THE FLORIDA BAR
50-mile stretch of beach
850,000 men
148,000 vehicles
570,000 tons of supplies
Fit
Fit

- Master plan for services and programs?
- Integration: activities that complement and reinforce each other
“Fit is far more central component of competitive advantage than most realize.”

Michael Porter

“What is Strategy?”
Short Flights
No Meals
No Seat Assignments
One Type of Aircraft
Suites of Services

- Education
- Job board
- Compensation surveys
- Resume bank
- Career coaching
Fit

• The fit “theme”
• Governance “fit”
• Technology “fit”
Lean Processes
Lean

- Response to competition
- Focus on eliminating waste
- Manufacturing origins
Waste

• Activities or resources that do not add value to end user (member)

• Toyotas “Eight Wastes”
Waste

- “Waiting”
- “Defects”
- Redundancies
- Human Capital
Lean

- Defining “value”
- Value stream mapping
- Eliminating waste
Abandonment
Abandonment

- Withdrawing resources from low value offerings
- Redirect to high value
- Key to innovation
“The art of leadership is saying no, not yes... It is very easy to say yes!”
Steve Jobs eliminated 70% of the product line.
Ford
Mercury
Aston Martin
Volvo
Jaguar
Land Rover
Abandonment

- Don’t underestimate resistance
  - Use data
  - Compelling opportunity first
  - Risk free!
Board

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What?

CEO

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How?
Board

- Small, competency-based board
- Make the concentration decision
- Hold board and CEO accountable
CEO

- Empowered
- Owns strategy
- Source of continuity and reality
Successful Associations
More Disciplined
More Focused
Business-like
Technology Driven
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