

Major trends expected to impact associations

OVER THE NEXT 5-10 YEARS



In McKinley Advisors' 2023 survey of association executives, we asked "What major trends or changes do you expect to occur within the field or industry your association represents over the next 5-10 years?"

Association leaders predicted that **workforce shifts, economic disruptions, regulatory and legislative developments, sustainability commitments and digital transformation** would have a major influence on their association and industry.

Trends Expected to Occur



Workforce Shifts



Economic Disruptions



Regulatory and Legislative Developments



Sustainability Commitments



Digital Transformation

Workforce Shifts



Associations are facing workforce challenges internally as well as within the fields and industries that they represent. One of the primary challenges is the ability to attract and retain talent. Association leaders said it is important for their organization to elevate the profession for the field or industry they represent. They emphasized that there is a continued challenge in the industry workforce they represent due to mass retirements and a generational changeover. There are also certain industries, such as the technology industry, that have experienced massive layoffs despite critical talent gaps.

OPPORTUNITY FOR IMPACT:

Take direct efforts toward enhancing your association's employee engagement, commitment to diversity, equity and inclusion, and workplace culture to help retain existing employees.

Engage your board in a generative discussion about the role your association could have in addressing your industry's workforce challenges. From short-term tactical steps to long-term strategic approaches, associations are reconsidering what they might be able to do to help to attract and retain the upcoming generation of professionals.

Economic Disruptions



Association leaders cite that the economy is currently being negatively impacted by a variety of factors such as political turmoil, high inflation and the lingering impacts of the pandemic. There has also been a growing amount of competition for associations. As a result, they are concerned that members' willingness to pay will decrease for dues, conferences, certifications and educational programs which could result in decreased membership and revenue for associations.

OPPORTUNITY FOR IMPACT:

It's important to position your board to have more agile discussions about disruptors in the environment to inform the association's strategic positioning. The majority of CEOs in our [**Next-Level Governance™ study**](#) are actively monitoring significant changes taking place within their field/industry, as well as staying informed of novel innovations in association programs and service lines.

Evaluate if your business model is prepared for these potential disruptors and aligned with the value members would like to receive from your association. Examine where your association has the potential to invest more, where you should divest and what needs to be postponed or eliminated given your strategic goals.

Regulatory and Legislative Developments



Associations and the industries that they represent that are heavily regulated or that rely on government funding have been impacted by an increase in government oversight, shifts in policy and challenges from legislative and regulatory pressure.

Members and staff have also voiced concerns about traveling to certain states for annual meetings and conferences because of personal safety concerns or laws that have been recently enacted in those states that contradict their beliefs or constrict their access to care. In addition, there are concerns about newly enacted laws and regulations that are in conflict with professional codes of ethics, and the potential negative impact on advocacy if an association expresses concern or is vocal on social issues.

OPPORTUNITY FOR IMPACT:

“[There is] an increased need for up-to-date, high-quality information about changes in the legal and regulatory landscape.”

– CHIEF EXECUTIVE OFFICER OF A LEGAL PROFESSIONAL SOCIETY

Advocacy around regulatory and legislative developments was also identified as a top trend in McKinley Advisors' [2022 Top Trends in Association Strategy Report](#). To advance advocacy efforts associations have forged partnerships with related industry groups to drive collaborative advocacy efforts. They actively interact with government agencies and regulatory bodies to enhance their understanding of emerging threats and establish stronger visibility. Additionally, they are dedicated to expanding their thought leadership and resources concerning key legislative and regulatory matters.

Sustainability Commitments



Association leaders highlighted the need for their profession and association to address potential environmental implications and prioritize sustainability. [Our analysis of recent association strategic plans](#) revealed a common theme of environmental initiatives, including developing resources to expand sustainability-focused education, reducing the carbon footprint of their association and building coalitions with industry partners to reduce environmental impacts.

OPPORTUNITY FOR IMPACT:

Engage your board and staff in [conversations around sustainability](#) and integrate sustainability measures into your organizational structures and systems. Consider the direction of the industry and anticipated future trends to identify opportunities to lead on environmental issues. Track environmental regulations and standards development in the global environment to forecast future impact and understand the drivers of and mandates for environmental responsibility within your industry or profession.

As recently reported in a [March 2023 study by SHRM](#), the Society for Human Resource Management, environmental, social and governance issues (commonly referred to as ESG) rank high among priorities of Gen Z and Millennials. For associations, this means younger members will be looking for industry action and be more inclined to engage on these topics. It is important that the association communicate sustainability initiatives and report on progress routinely.

Digital Transformation



Association executives expressed that technological advancements will bring about changes to their association and the industries they serve. They identified artificial intelligence (AI), augmented reality (AR) and digitization as the key factors that will shape the operation of their association and the evolution of the industries they represent.

The impact of technological progress is becoming increasingly evident in various sectors, including healthcare, where there is a growing acceptance of telehealth and rising demand for personalized customer experience.

OPPORTUNITY FOR IMPACT:

Perform an analysis of existing association operational and manual tasks that could be made more efficient and automated by technology such as in the areas of marketing, HR, accounting, etc. This could create new opportunities for employees to develop skills and focus their attention on critical tasks that require human intervention and creativity.

The growing impact of AI on professions and industry will also influence professional development curricula, credentialing programs, standards, publishing, and other product and service lines for the association, demanding ongoing surveillance and updates. Association boards should scan their environment continuously to identify new entrants and technologies, so that they can adapt quickly when new opportunities and threats surface.

Association leaders emphasized that there is a need to demonstrate relevance and currency to their members and in society. We believe the association leaders who take action to address workforce shifts, economic disruptions, regulatory and legislative developments, sustainability commitments and digital transformation trends will **mitigate risks in the future and be positioned for continued success and resilience.**

