

The Future of Membership?

Association Chief Executives (ACE) Symposium

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I abused the assignment given me by adding a question mark to the title: Is there a future for association membership?

Well, if there is a future, there must first be a past

And for those of us who worship at the altar of voluntary associations, in the beginning was the word, and the words were de Tocqueville's.

His 1835 book, *Democracy in America*, with its thrice familiar passages about the American disposition to constantly form associations and the democratizing effect of associations have been cited and quoted for so long, by so many people that its observations have become a commonplace.

And the cost imposed by this incessant repetition is that the weight and meaning have been lost. Or at least trivialized. But the reason these ideas have been so often repeated is because there is an essence of truth to them.

The idea of voluntary associations goes back to the very beginnings of this country. And form an essential and defining characteristic of our national culture.

Why form voluntary associations? Because ***it is just what we do.***

As the United States became an industrialized, economic and commercial power, the concept of voluntary associations matured or evolved and took on a decidedly legislative and bureaucratic turn. But it was still just assumed as an

inherent feature of our characters.

"Americans of all ages, all conditions, and all dispositions constantly form associations...

If it is proposed to inculcate some truth or to foster some feeling by the encouragement of a great example, they form a society...

Wherever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association."



You didn't have to justify the value delivered by your association; it was your moral obligation to join.

"Every man owes part of his time and money to the business or industry to which he is engaged. No man has the right to withhold his support from an organization that is striving to improve the conditions within his sphere"



In the old days, the annual meeting and even governance reflected an odd admixture of mundane administrative process pursued with a formality that bordered on the ritualistic and rather high-minded and grandiose ambition. I don't wish to minimize the significant contributions to advancing the public health, safety, wellbeing and prosperity that voluntary organizations made in this era, but the proceedings from this period often read more like the Congressional Record than as documents of concrete action. A lot of our organizations, in the 1930s and 40s produced a lot of noble resolutions, but often didn't actually **do** much of anything.

In the era of the organization man (and, in this period, they were almost exclusively men), the association profession and ecosystem had become fairly sophisticated and established. Regardless of the profession, the industry, or the cause represented, the organizational model was increasingly uniform and process-oriented in focus: A machine.



The field of association management as a unique profession emerged. And the public contributions our organizations made continued.

The annual convention (and even association governance) shed some of their bureaucracy and

formality as the value of social interaction and building personal networks began to be recognized. But too often, the strategy of transforming associations from purely deliberative bodies into professional communities was implemented with the lavishness of a boondoggle ... setting off negative repercussions we still struggle with today.

I entered the profession at the tail end of this phase. Among my first association bosses was one of the last of a generation that had been drawn to association work because it offered an opportunity to travel a lot and eat at fine restaurants at someone else's expense. Happily, that style association went the way of the three-martini, business lunch, and the latter years of the 20th century saw an increasing demand for voluntary associations to prove their worth and deliver results.

Improvements in technology and productivity made it possible to achieve higher levels of collective action, and made the operations more transparent and accountable.

That's a good thing.

But our associations responded with conscious efforts, particularly in the area of membership, to act "more like businesses."

Our engagement with members became engagements with customers.

Our activities became more transactional.

We all struggled to demonstrate a return on dues investment on an individual member basis.

The internet and social media has strained this traditional membership model to a point long past breaking. The new commonplace is that membership as we know it is dead. What will replace it is still undefined and hotly debated.

Notice that throughout this little recital of history, I have been using the term **voluntary** association, not **membership** association. That is intentional.

Because my thesis is that we have lost sight of the fact that membership is an **attribute**, a feature, not a central or defining characteristic of our organizations.

The defining characteristic of our organizations is that they are **volunteer-based**. Whether you are a trade association, or individual membership society, or cause-based

organization, you are different from purely mercantile endeavors **not** because you have members.

Costco has members. Price Club has members. *CEO Update* magazine even recently started offering memberships. Call it “a subscription with benefits” if you like, but it is just as much a form of membership as what your organization offers.

No. The defining characteristic of our organizations is that we are volunteer-based. *We play upon an idea of affiliation that has something more to it than an opportunity for mercantile transactions.*

In most cases we are volunteer-driven in a way that no commercial sales operation, no matter how customer-centric they are, would ever allow itself to be.

In most cases, we even rely, sometimes heavily, on volunteers to provide or at least augment our workforce.

Volunteerism, not membership, is what makes us unique.

I think we have forgotten that fact and taken a lot of wrong turns because we made membership central to the discussion, as if membership was the distinctively defining feature of our organizations rather than an accidental, which in music is defined as “a property, factor, or attribute that is not essential.”

Membership is a means to an end, not an end in and of itself. It is a feature of our volunteer-based ecosystem, not an actual benefit. We have membership because it is a way to marshal the economic and intellectual capital necessary to achieve the mission.

Paraphrasing loosely on a great mind talking about a different kind of institution --- also voluntary, but not a traditional membership organization, and certainly outside of the realm of



Volunteerism makes us unique

Membership is a means to an end

business and professional societies --- our current situation can be described in the following manner: Membership kept purely out of cultural habit, or enforced by artificially imposed legal or regulatory or tax requirements, or purely transactional in nature has no future. It has no future, because it doesn't deserve to have one.

Any mission-driven organization that focuses on the business of membership as if that were its mission gets sick.



Yes, More Business Discipline is Needed

Now I am not making excuses for unprofessional or unbusinesslike behaviors within voluntary organizations. To be sure, associations need to exercise more business discipline in designing and managing their affairs and their membership models. But too often the need for organizational discipline gets sidetracked by looking at membership as a business line, when it is not.

Membership is not a product.

Membership is not a service.

Trying to position it .. price it ... brand it... assign an intrinsic value to it as if it were a product or service is a mistake.

This issue is aggravated by the fact that all the metrics we use to measure membership performance are all wrong:

- aggregate numbers,
- retention,
- membership growth,
- dues revenues (as an absolute or as a percentage of total revenue).

In short: *sales* metrics.

And none of our organization founders ever got together in a room and said: "What we need to do is collect a bunch of money so we can hire a staff to sell us stuff."

What is needed is to get our heads out of membership models and back into a focus on mission first: What (specifically) does our organization exist to accomplish?

Then, and only then, ask: What role (if any) could membership play in achieving the mission?

What will work for each of us, in our own organizations, will be reached by clarifying a compelling enough case for



Mission First/ Membership Second

our existence to attract enough people willing to pay into it *for the good of the cause*, in order to keep us going.

Regardless of what you think of their agendas, neither the NRA nor AARP have any problems with their membership models. They both generate huge amounts of revenue (resources) through sales of service on what approaches a retail basis and a relatively small amount through membership. And they do it in order to fund and provide a grassroots base for their advocacy clout.

Each is successful because their mission ... their reason for being ... is so self-evident and so compelling to people who hold those same views that millions of them will join (pay dues) just to be a part of it.

I doubt either of those boards spends a lot of time worrying about increasing dues revenues.

But don't make the mistake of just trying to copy theirs or anyone else's membership model. If you lack the kind of electrifying, unifying core element they enjoy, you will *not* solve your membership dilemma or increase your non-dues revenue streams just by cloning their structure.

My friend Erin Fuller took the radical step a few years ago of making membership free at the Alliance for Women in Media. And it worked for her organization.

But she would be the first to acknowledge it might not work anywhere else. It worked for her because membership was already a very small part of total revenue (something like 10%) and the costs of sustaining that revenue stream didn't warrant the effort. And she recognized a mission benefit that was worth more than the revenue foregone: increased credibility and stature in advocacy. Oh yes, and even a business imperative: it freed up resources to invest in attracting more lucrative sponsorships.

She doesn't even talk about this change in financial or membership terms. She accurately refers to it as "radical inclusiveness."

I love Erin, and I applaud her for having the vision, the courage and the brilliance to recognize and to seize that opportunity for her organization. But I despair at the

number of seemingly bright people in our community who have tried to replicate her achievement and decided that just making membership free was the solution for their organization, too. Free membership became the end goal ... not a means to help the organization better achieve its mission-driven ends.

It is not that easy.

I am preaching a form of radical orthodoxy: return to the true, authentic roots of mission.

Associations *are* different. You can't create a new membership model merely by trying to be something you are not: a for-profit, service provider. Or by copying something that worked for someone else, in some other organization.

You exist for some larger purpose. The further away from that purpose you get, the more vulnerable you become to nimbler, better competitors who operate free from the burden of devotion to a higher purpose.

If you can get people to reconnect to what was at the core originally, it is easier to get them comfortable that everything else is ancillary and can be changed. Or abandoned.

Even membership.

One final caveat: This only works if that core mission remains truly authentic and relevant.

You need to be brutally honest in assessing whether that core mission remains valid or important enough to warrant continuing to find the resources to pursue it. Perhaps your reason for being has outlived its usefulness.

If that is the case, your solution is not a new membership model. It is finding a new purpose.

Or perhaps, fading gracefully out of existence.

And isn't that a radical thought?

The ACE Symposium

On November 6, 2013, the first Association Chief Executive (ACE) Symposium was convened at the Gannett Building in McLean, Virginia. Nine association CEOs were invited to present their high-level perspectives in three areas facing association leaders today and in the years ahead:

- The Future of Membership
- The Future of New Value Creation
- The Future of Leadership

Symposium organizers sought "to create a space for fresh thinking ...[and] rich exploratory discussions that will engage all participants in identifying new ideas and imagining new possibilities." The invited thought leaders were asked to create TED-style talks "challenging association community orthodoxy."