



The International Future of Associations

2021 and Beyond Survey Report

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Executive Summary



In January 2021, Factum Global launched a snapshot survey, entitled “2021 and Beyond,” to assess the impact of Covid-19 on organizations. The survey was conducted in collaboration with Strategic Straits Inc. and Boardroom Magazine and focused on how organizations were adapting practices and mindsets amid the global Covid-19 pandemic. It targeted responses from U.S.-based c-suite and other executives from associations, for profit and nonprofit organizations. Critically the majority of respondents were U.S.-domestic association leaders with international experience and operations. It was conducted online and consisted of eleven questions, along with six key business-oriented variables. The sample size was statistically significant and normally distributed.

Key insights included divided confidence in association leadership, technology demand to maintain and increase global member engagement, and a modest growth outlook despite an interest in international workforce expansion.



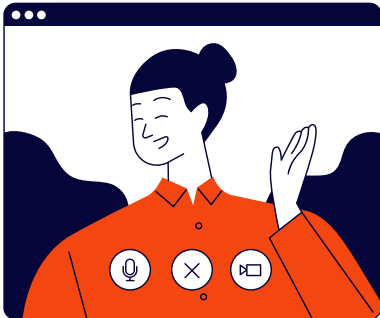
Key Themes



Respondents highlighted four key insights about the future of international associations pertaining to leadership, engagement, performance measures and growth inhibitors. Survey findings also demonstrated that associations operate in a highly interconnected world experiencing disruption.

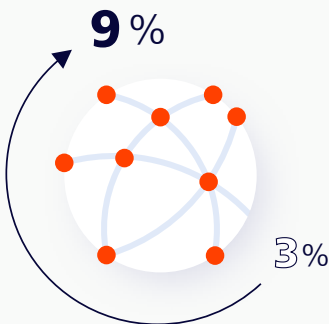
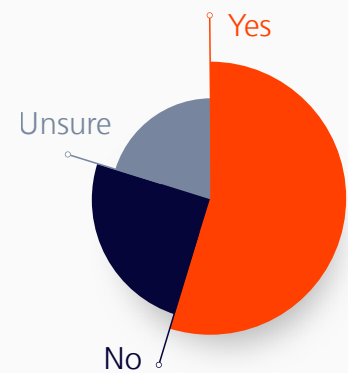
- 1. Leadership.** During times of economic disruption, faith in leadership is tested. Respondents confirmed this by reporting a divided confidence in leadership. Nearly half of respondents said they have little to no faith in their current leadership's ability to lead.
- 2. Engagement.** Annual events, a critical engagement tool for membership-based organizations, were hit the hardest and suffered severe financial consequences. Our Respondents reported significant losses due to their inability to hold in-person events. Yet, 55% of respondents reported an increase in international participation due to virtual connection options, signaling the growing importance of technological investment and expansion among organizations.
- 3. Measures.** Membership size is a key performance metric in the association industry. Respondents rated "increased membership" as their success metric at a rate of 90%; leaving engagement and impact as minor afterthoughts. Some association leaders have begun to, at least anecdotally, shift their view towards a "return on engagement" rather than only membership size as a key qualifier for success.
- 4. Growth Inhibitors.** Internationalization can be a great opportunity and challenge for associations. Respondents reported the top barriers to international growth were financial resources (80%) and international know-how (71%). In fact, respondents reported an "inability to find the right in-country partners."

Survey Insights



Association operations and growth prospects were disrupted by COVID-19-related restrictions on travel and in-person events.

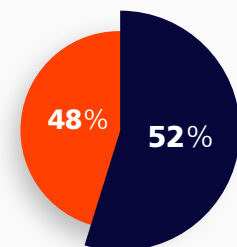
→ Confidence in leadership is divided. 52% report confidence in their leaders while 48% are unsure or not confident in their ability to make informed decisions in 2021 and beyond. This indicates a need to invest resources into leadership evaluation and support.



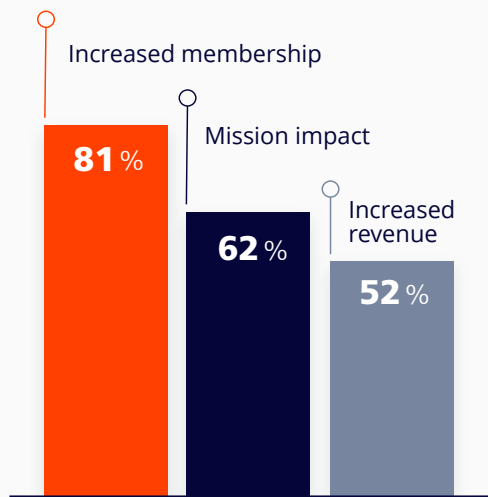
→ There is a positive correlated relationship between growth outlook and international presence. Trends that occur in one factor are mirrored in the other within 3-9%, indicating that international presence provides opportunities for association growth.

→ 48% of associations reported flat growth in 2020. Restricted or uncertain funding is a major contributor, along with canceled in-person events and sponsorships.

→ 55% of respondents report an increase in international participation. A larger number of non-U.S. members participated in online events at a higher rate than ever before.



- Offering key member benefits, such as asynchronous connections, virtual tools, and global keynote speakers, can help associations increase member retention beyond 2021.
- 44% of associations are considering expanding their workforce globally, signaling that talent management is still top of mind for leaders. Associations will need to address upgrading their staff and tools to support decentralized and global teams. With over 40% of the global workforce considering leaving their employer in 2021, a thoughtful approach to hybrid work will be critical to attracting and retaining diverse talent¹.



→ **81% of respondents report that increased membership is the key measure of success, ahead of mission impact (62%) and increased revenue (52%). This indicates that associations have not adapted their key performance indicators to address 2020 disruptions.**

- Nearly half of all respondents reported two or more limiting factors in their efforts to expand internationally. Barriers to expansion are systemic rather than financial alone, confirming the need for a holistic strategy for internationalization.

¹. Source: Microsoft Worklab. Feb. 2021

Considerations



Survey results present key insights for association leaders. There is an opportunity to better understand current sentiments and incorporate them into their approach towards internationalization.

Here are some key questions for association leaders to consider, including:

- 1. How can you build confidence in leadership when expanding internationally?**
- 2. How do you establish an international workforce?**
- 3. How should associations measure success in international expansion?**
- 4. How do you overcome the barriers of international expansion?**

About Us



Factum Global is an international consulting firm specializing in helping associations and businesses expand and operate globally. Strategically headquartered in Washington, D.C., with Latin American operations in Bogota, Colombia, Factum Global offers a full suite of services across six continents in more than 10 languages.

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Credit

Factum Global's **Stephanie Holzinger**, Associate and lead analyst on the project, authored the survey questions and all resulting research reports and presentations. For questions on the survey and results, contact sholzinger@factumglobal.com.



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