

Associations face gap in ranks as boomers hit retirement age

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When asked what her first clue was that association membership in the United States was on the decline, author **Sarah Sladek** said it couldn't have been more obvious.



"I attended a U.S. Chamber of Commerce conference and the speaker asked everyone under age 40 to stand up. I was 29 at the time. In a room of 400 people, I was one of only a dozen people standing," she said.

From that point forward, Sladek began to wonder what would happen to voluntary membership associations when the baby boomers started to leave the ranks.

"It's a fascinating phenomenon," Sladek said. "Across the board -- Rotary, Jaycees, Kiwanis -- all have aging membership."

In fact, according to Rotary International, Minnesota's Rotary district 5950 (which encompasses the metro area, as well as central and southern Minnesota) has seen a membership decrease of approximately 1 percent from July 2006 to February 2007 alone. In North America, 67 percent of Rotary Club members are age 50 or older and 40 percent of all members have been a part of Rotary for 10 years or longer.

Sladek's research of 800 membership associations nationwide indicated that an overwhelming majority of those organizations had less than 50 percent of their active membership under age 40.

"Boomers have sustained membership associations for a very long time," Sladek said. "But there have been major advances in technology, social changes and changes in business that

greatly differentiate Generations X and younger from the boomers. Associations have been around for a long time and have followed essentially the same format.”

Sladek’s book, *The New Recruit: What every association needs to know About X, Y and Z*, doesn’t just point out the issues facing membership associations. She provides solutions to the elephant in the room.

“Those choosing not to ignore this [phenomenon] are kind of panicking; they’re perplexed,” Sladek said. “But we’re already seeing associations dying off because it’s ‘too much work’ to address this generational shift.”

One of the most effective actions is for membership associations to create a young professionals program.

“Cities like Boston and Milwaukee have started groups completely tailored to the wants and needs of younger people,” Sladek said. “These programs have been extremely successful and are formatted completely differently. In fact, Milwaukee’s program has 4,000 members and Boston’s program has 10,000 members.”

Locally, the St. Paul Chamber of Commerce created a Young Professionals program and the TwinWest Chamber formed an Emerging Leaders group.

Julie Craven, director of member services at the Minneapolis Regional Chamber, has a similar program called Emerging Leaders. Events take place six times a year and provide an opportunity for younger professionals to network in a relaxed and casual environment. The program focuses on “developing tomorrow’s leaders today.” Recent events have included local musician Tim Mahoney and have taken place at Canterbury Park and the Minneapolis Institute of Arts.

According to Sladek’s strategies for membership association success, the Minneapolis Regional Chamber is on the right track. “The younger generations are looking for more purposeful get-togethers, working with people who want to make a difference in their communities and

exclusive opportunities for members. Many associations still think offering programming and meetings is enough. But a certain percentage of membership associations will die off within the next five years and groups like [Emerging Leaders] will take over and blaze their own trail.”

The Minneapolis Regional Chamber also has used technology, particularly its Web site, to recruit and retain members. In addition to frequent updates and extensive information, members can pay their dues online, register for chamber events and gain access to member discounts and Internet specials. This focus seems to be paying off for the organization.

At the end of 2000, the chamber had 971 members, Craven said. By the end of 2006, the number rose to 1,293 members. And while the chamber doesn't track the average age of members, its spotlight on younger, metro-area professionals appears to be to its benefit.

“This is a fascinating time in our culture,” Sladek said. “The next three to five years will be a very telling time for associations and for the business community at large. People have largely failed to think about who is next in line.”

Sladek travels the country raising awareness of the generational shift in membership associations and offering strategies to address the issue. She tells her audiences that younger generations have high expectations and short attention spans, and to “get to the point.”

She explains that an organization must be honest, be creative, highlight the benefits of membership -- and most importantly, keep up with technology. “Younger generations perceive technology as a necessity, whereas boomers tend to view technology as a luxury.”

Generation Xers, which Sladek defines as those born between 1961 and 1980, and Millennials, those born between 1981 and 2000, are not joiners, Sladek said. “They want a life, fewer meetings, less hassle, more convenience. They're interested in technology, not face-to-face networking.” To appeal to these future members, Sladek suggests associations offer programming for diverse audiences, build a virtual community, personalize services and use technology to deliver those services.

“Ninety-four percent of association members are over the age of 40,” Sladek said. “And boomers are the primary market for membership associations.”

With an estimated 78 million baby boomers set to retire in the next five to 10 years, both businesses and membership associations may want to take Sladek’s advice.