



FINDINGS INDUSTRY CEO ROUNDTABLE

June 16

This virtual forum was convened by Stephen Rutter, Founder of The Scale Institute, and Josie Gibson, Director of The Catalyst Network, on behalf of engage2, to explore industry-level perspectives on rebuilding Australia's economy in the post-pandemic phase.

COVID-19 has shut down some industries while others have had to manage unforeseen operational and logistical issues.

For many industry bodies, the pandemic is a mixed blessing: it has hit traditional funding and delivery models hard, but it also presents opportunities to innovate and build greater relevance for members.

The next 12 to 18 month are full of unknowns.

As winter progresses and the COVID-19 pandemic plays out in Australia, the outlook for many industries is highly uncertain. Lockdown restrictions are gradually being relaxed, but as attention turns to the economy, it's clear the health crisis is far from over.

Industry membership associations are at the front line of discussions being held across Australia, relaying member concerns to government and providing practical advice and support for business leaders, owners and members trying to find a path forward.

At the same time, many associations face their own existential threat.

"EARLY CONFERENCES THAT CAN PROVIDE UP TO 50% OF AN ASSOCIATION'S REVENUE HAVE BEEN CANCELLED (NOT MOVED TO A VIRTUAL SETTING) UNTIL MID-2021."

Operating budgets have been slashed in response to the financial circumstances of members whose organisations or livelihoods 'fell off a cliff' when the pandemic hit. 'Rainy day' reserves have proved vital to continuing operations.



KEY OPPORTUNITIES

Bigger strategic moves have been postponed, service delivery has been hampered by lockdown restrictions, and widespread business suspensions or closures have sent shockwaves across industry ecosystems.

Many industry associations have gone virtual to support distraught members who are in survival mode. What are the implications and lessons of the past three months? Where to from here for industry associations?

In our discussion with the CEOs of three different industry bodies, a number of key themes and perspectives emerged.

PURPOSE

- For many associations, the pandemic has forced a rapid move from an events focus to an **engagement focus** as a core business activity.
- Some associations are taking the opportunity to scrutinise their **mission** and member offering – having honest conversations about **what members really need** and how well they are meeting those needs.
- The intrinsic value of associations is in their **clarity of purpose**, their curation of members and their ability to facilitate high-quality conversations.
- The pandemic has highlighted the unique role associations can play in **connecting isolated industry professionals** and business leaders – building a trusted community.
- People need to tell and hear each other's '**war stories**', and member associations are a great conduit for this.

LEADERSHIP

- Association leaders are working closely with their boards and advisors to **stabilise budgets** and adapt delivery models to address immediate membership challenges.
- As the weeks pass, there's little certainty to guide **longer-term decision-making** – skilled leaders are focused largely on the near-term and making small bets around doing things differently.
- Constant contact with distressed members can take a toll in terms of fatigue, so leaders need to manage their own **self-care** and their employees' **wellbeing**.
- Much effort is being invested in empathetic communication, listening and **strengthening relationships** with individual members.
- Monitoring the mood of members as the pandemic progresses will be a crucial leadership activity.

“Psychologists have been chosen as guest speakers to support the wellbeing of members.”



DELIVERY

- The top priority is to **retain members**. Waiving membership payments, making some resources available for free, identifying new, urgent needs and adapting to meet them in a virtual environment.
- Reduced resources are hampering the ability to **respond** to member enquiries.
- Right now, members seek **practical advice** and support, not networking and bells and whistles.
- More than ever, industry associations are providing a **crucial channel** between members and governments.
- Different lockdown restrictions and relaxation timetables across states make it difficult to **plan activities** beyond weeks/months.
- **Longer-term strategies** have been put on hold until there is greater clarity around pandemic regulations and the economic impacts of removing job subsidies.

OPPORTUNITIES

- The pandemic has highlighted a need for associations to adopt **corporate business practices** that increase accountability and organisational resilience.
- The hit to membership revenue is forcing a rethink of **funding models** and ways to diversify revenue sources to manage risk and ensure business sustainability.
- Many associations rely on **events to raise funds** – many of these have been cancelled, while some have been postponed or reimagined as virtual events.
- Even if some major events are permitted to proceed in a few months, **will people feel comfortable enough to attend?** What are the financial implications of this for associations' funding base?
- There's great potential to **collaborate** with other associations in complementary areas, although there's likely to be a rationalisation of some industry bodies.

“There is an option to consolidate and look for efficiencies to merge Associations together.”



OUR TEAM



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