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# The Debt of Legacy: Navigating the Complexity of Abundance and the Unseen Weight of Success

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## The Debt of Legacy: Navigating the Complexity of Abundance and the Unseen Weight of Success

### Introduction

In the complex web of modern associations, there's a seductive allure to broadening your service offerings. Like a cornucopia spilling over with variety, the impulse to offer more can seem like a straightforward path to increasing member value.

However, success has a funny way of doubling as a blindfold. As organizations amass a suite of products and services that resonate (or not) with its members, it can get swept away in the momentum. This blog aims to illuminate the hidden traps in your trajectory, specifically focusing on how each added service carries an implicit "debt" that may imperceptibly erode your ability to innovate.

### The Implicit Cost of Each Service

Every product or service added to an association's portfolio takes up a particular share of its resources—manpower, time, and financial capital. The upkeep for these services becomes a form of 'debt' that needs continuous servicing. Over time, a significant portion of the organization's budget and attention can get trapped in simply maintaining what's already in place. Like in your personal or business life, you should not have all or your resources being spent on servicing debt. "Keeping the trains running on time" leaves no room to recognize new modes of transportation, such as the automobile or plane.

### Budgeting for Innovation

My recommendation is to allocate between 5-7% of the association's annual operating budget to innovation. But it's not just about putting this line item in the budget; it's about actually deploying the capital to help your members.

The association's Board of Directors, along with the staff leadership, must be proactive in seeking ways to utilize these resources. You should almost feel challenged to deploy the innovation budget each year. In years when the innovation budget is not deployed, both the staff leadership and the Board should take a hard look in the mirror and ask; "You mean there was not one single new idea that we could come up with that we felt would benefit our members? Shame on us!"

At IIANC, initiatives like InsurAcademy and 101 Weston Labs have proven their worth by offering tremendous value to our members. These innovations did not come to fruition by mere chance; they were the result of meticulous planning, adequate resource allocation, and a commitment to redefining the landscape for independent insurance agents. However, their ongoing success also means that they now require a portion of our operational focus and budget to maintain.

So many associations sit on a very strong balance sheet but they are not looking for avenues to invest in member value. Look for ways to deploy assets that will make the lives of your members better, thereby making the organization more valuable in return.

## Avoiding Sacred Cows

Another key to maintaining flexibility is to regularly review your current list of offerings in search of 'sacred cows'—programs or initiatives that have been in place so long that they become untouchable, regardless of their current value proposition. An intentional approach to off-loading programs that are not delivering enough "interest" is critical to freeing up resources for new ventures. Do you have a process in place for this?

## Conclusion: Legacy as a Strategic Advantage

The duality of the "debt of legacy" means that while it can be a hindrance, it can also be an asset. Legacy provides valuable data, customer loyalty, and operational insight that newer ventures lack. At IIANC, we've adopted the mindset whereas we attempt to operate like a well-funded startup, even as we manage legacy services. By leveraging our history and member relationships, we turn legacy from a strategic constraint to a strategic advantage.

By being hyper-aware of the debt each service adds and by being intentional in your efforts to innovate, you can truly harness the potential that lies within your organization's complex landscape.

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