

A Small Theatre Company

Three Year Strategic Plan

2007-2010

This document is meant to outline potential areas an organization might focus on in a strategic planning process and offers a logical layout of findings and next steps. This template is based on a non-profit THEATRE.

PROJECT SCOPE

Description of the A Small Theatre Company Strategic Planning Project

- ❖ Initiate a strategic planning process and provide a three year strategic plan with emphasis on a strategic marketing plan, financial planning, and organizational infrastructure.
- ❖ **Current State - Preliminary list of key issues** (from initial conversations & analysis)
 - Overall Strategic Direction & Growth: re-visit A Small Theatre Company's mission statement to see if it still reflects A Small Theatre Company's overall future direction and definition of "success". Consideration for developing a statement of vision and values that is stakeholder-oriented. Need for a greater rate of organizational growth and improved level of strategic success
 - Marketing
 - Necessity for data collection and analysis in order to better understand A Small Theatre Company's target audience and how A Small Theatre Company is perceived with respect to differentiation. Development and distribution of a preliminary audience survey.
 - Audience commitment - building patron loyalty to an organizational identity that the patron can relate to.
 - Need for advertising especially opportunities that are less costly and that take advantage of partnerships with other organizations
 - Organizational Infrastructure
 - Need for an assistant (part-time/full) to work in areas such fundraising, patron relations, and grant-writing.
 - Need for clearly defined organizational roles and a transition (contingency) plan for when members leave
 - Financial Planning: need for steady sources of income - fundraising and grant-writing needs and membership development
 - Board
 - Need further development of board in terms of membership and directorship, board roles, communication, and utilization.
- ❖ With regard to the strategic marketing plan and the overall strategic direction, work to: identify the desired target audience (survey development, data analysis), define organizational identity, market growth opportunities, and new forms of marketing (less expensive forms, broader reach, partnerships)
- ❖ With regard to organizational infrastructure, address the issue of a having paid administrator (part/full-time) and defining his/her qualifications and experience and job responsibilities.
- ❖ With regard to financial planning, identify ways to increase the annual budget and generate steady sources of income.
- ❖ The project will also include overall recommendations for long-term strategic growth.

The Strategic Planning Process

Issues-based Strategic Planning Approach

- ❖ Assess the organization from a business standpoint – collect data using questionnaires, brainstorming, surveys, analyze the existing mission statement
 - *Targeted Completion Date (TCD):*
- ❖ Evaluate data → Perform SWOT analysis to assess the external and internal environment of the organization.
 - Targeted Completion Date (TCD):
- ❖ Top Issues → Identify the differences between desired and present state
 - *Targeted Completion Date (TCD):*
- ❖ Set Prioritized Goals for the coming years → Identify specific organizational objectives
 - **SMARTER** – **S**pecific, **M**easurable, **A**ceptable, **R**ealistic, **T**imely, **E**xtending capabilities, **R**ewarding
 - Objectives that (1) drive strategic growth & (2) support that growth over time
 - Objectives for General Management, Marketing, Finance, and the Board
 - *Targeted Completion Date (TCD):*
- ❖ Develop Strategies to accomplish objectives
 - Targeted Completion Date (TCD):
- ❖ Prepare & deliver Strategic Plan
 - *Targeted Completion Date (TCD):*
- ❖ Implement Plan & Evaluate the success of the plan & make adjustments (long term)
 - *Targeted Completion Date (TCD):* To be determined by A Small Theatre Company

History of the Company

(Complete section)

A Small Theatre Company Theatre Mission Statement

(Complete section)

Analysis Highlights

STRATEGIC DIRECTION

Revision of the Mission statement

- From a internally focused statement to an external, stakeholder-focused statement
- An assessment of who A Small Theatre Company's primary stakeholders should be
- Shortened statement by removing information relating to the play selection process
- Added a personal quality and level of excitement to the statement that is distinct from the Mission of other similar companies

Development of Competitive Analysis document for analyzing competition

- A tool to better understand the competition
- For proactive, continuous measurement & adjustment of strategies

ORGANIZATIONAL DESIGN

Development of Organizational Analysis document for analyzing tasks & responsibilities

- A tool to systematically analyze key roles and responsibilities in the organization
- To help define member roles and develop a paid staff position
- To help define a contingency or succession plan
- For proactive, continuous measurement & adjustment of strategies

Identification of Board structure, development, communication & utilization concerns

- Clarity with regard to roles & responsibilities
- Outside director and additional members with fundraising background
- Involvement & communication concerns between Board & members

COMMUNICATION

Identification of intangible elements associated with the dynamics between company members

- Clarity with regard to roles & responsibilities
- Trust and communication concerns within members & between members and the Board

Development of Production Assessment Dashboard

- An easy-to-interpret data chart that can be used after each production.
- To bring all members up to speed and on the same page
- For proactive, continuous measurement & adjustment of strategies

Set-up of an A Small Theatre Company Internet Blog

- To capture feedback from the community about A Small Theatre Company
- To communicate more effectively amongst company members
- Advertising for A Small Theatre Company

CUSTOMER INSIGHTS

Development of a patron Survey

- To be given with each play of the season during defined periods
- Compilation & analysis of data to identify trends
- To measure audience type and level of satisfaction and future needs

Implementation of a Focus group discussion consisting of current subscribers

- To supplement patron surveys
- To gain insights on topics such as quality of productions, A Small Theatre Company's identity and marketing, and its programming & special events to make adjustments to strategy

SWOT Analysis

<u>STRENGTHS</u>	<u>WEAKNESSES</u>
<ul style="list-style-type: none"> • Ensemble – talent quality, well-balanced & diverse skill sets, intelligence, smart approach to scripts & playwrights, dedication & willingness to put the company’s interests ahead of own, respect for one another, cohesiveness • Mission – uniqueness in Midwest, strong guiding force over the past 10 years, focus on the story & story-telling • Stability – mostly intact ensemble over the 10 years, ability to get grants, credibility & level of familiarity, good sense of ensemble members strengths, working habits, & tendencies • Partnership with “Big Theatre” – has momentum, good relationship & location, mentorship, brand power • Board - renewed, energetic, desire & skills to actively participate • Reputation - good relations with critics & external actors 	<ul style="list-style-type: none"> • Ensemble – Perceived mistrust, lack of communication, miscommunication & workload imbalance - over-burdening of a few & underutilization of others because some aren’t stepping up or aren’t capable, those who do certain tasks don’t trust that others will do them or are capable of doing them, those that do don’t ask for help or are reluctant to hand over decision-making, a failure to use members effectively in some cases, do things that are convenient & familiar, unclear roles • Marketing – weak, dry, lacks energy, not very “hip”, not daring, somewhat stodgy, not highly visible, little use word-of-mouth/free marketing & leveraging existing contacts • Lack of Paid Staff – difficult to grow, need for clearly defined responsibilities & a plan for position funding • Board Structure - not enough members (need at least 2-3 more), lack of an outside director, lack of board member who can effectively contribute to fundraising, lack of active involvement by members at meetings & lack of communication between ensemble & Board • Inertia - do things that are the easiest or most convenient since it works for the time being
<u>OPPORTUNITIES</u>	<u>THREATS</u>
<ul style="list-style-type: none"> • Partnering – with Board, ensemble, subscribers, & sponsors to improve word-of-mouth & other forms, with others to share resources, with other companies (invite guest directors, new actors) • Building & Leveraging Contacts - that company & Board have with others (schools, libraries, cultural org., museums) to fuel growth • Outreach - coordinate with others (Illinois Theater Assoc.) for new opportunities (literacy, education) & potential younger generation subscribers, attend conferences (give out promotions), promote high school internships, underserved communities, universities • Paid Staff Position – to take over some tasks (grant work, subscriber relations) & increase level of organizational legitimacy • Improve Communication/Visibility– between Board & ensemble (rotations at meetings) • Expanded Programming – workshops, playwrights for longer periods, tour a show for special groups (underserved communities), readings & behind the scenes • Improve Fundraising –raise money in larger amounts more regularly, improve techniques • Media – use of Internet (Blogs) & other types • Size of A Small Theatre Company – offers potential for effective identify development & relations building 	<ul style="list-style-type: none"> • Complacency – less motivation to change & grow since things seem to be working, some aren’t stepping up to do work & actively brainstorming for new ideas, A Small Theatre Company isn’t fighting enough to grab theater-goers from competitors, weak marketing • Competition – multiple theaters doing similar things, vie for similar audiences • Identity of Victory Gardens – can overshadow that of A Small Theatre Company • Lack of Contingency Plan – in case something happens to key members or members leave • Shift in Interest – in specific product or the more focused mission of A Small Theatre Company • Granting Agencies – limited pool may be shrinking • Major Newspapers – cut theatre reviewing staff & space for review • Equity & Potential Attrition – since A Small Theatre Company is a non-equity company - risk that the ensemble will lose several members because they achieve equity status. • Inflation – less disposable income for patrons, increasing costs for productions • Rapid Company Growth – potential to alienate some members & patrons, possible increase in financial risk

GAP Analysis

<u>Current State</u>	<u>Desired State</u>
<ol style="list-style-type: none"> 1. Unique mission that serves its niche reasonably well, but does not make a significant impact in the Chicago land community 2. Talented, cohesive, & diverse ensemble that has a good sense of its strengths, working habits, & tendencies. But a level of inertia exists due to perceived mistrust, lack of communication, miscommunication & workload imbalance. 3. Lack of administrative & business support, which deters from growth-oriented goals such as marketing and subscriber relations, and results in over burdened ensemble members who may lose interest in the organization 4. Lack of Contingency plan in case members leave, which contributes to increased risk and costs to the Company. 5. Ensemble and board have solid relations & reputation with a variety of organizations and individuals. 6. Marketing lacks energy & excitement. It is done but impacts aren't clearly known. Patrons don't strongly identify with the Company. Needs strategic direction. 7. Lack of systematic data collection & analysis needed for effective strategic planning & adjustment to ensure growth and strategic success 8. Renewed energetic board, but one that needs improved structure, guidelines, and expertise, and better communications with ensemble 9. Same source of yearly funding, funding that is growing at a steady, but not at an exciting pace. Instability of some sources of funding such as grants. 	<ol style="list-style-type: none"> 1. Further leverage unique mission to build brand identity and loyalty in the Chicago land community & expand patron base. 2. Continue building talented & cohesive ensemble, but overcome aspects of group behavior contributing to inertia, which prevents change and ultimately inhibits organizational growth and continued strategic success 3. Define organizational roles & tasks, & define a paid staff position. Identify sources of funding for the position. Fill position in order to alleviate burden on ensemble and focus more energy on increasing organizational visibility. Continually assess position. 4. Development of a Contingency plan to ensure proper organizational succession. Done in conjunction with identification of organizational roles & tasks, job rotation, and cross-training. 5. Continue to build relations, but more importantly, leverage valuable relationships to create further marketing and growth opportunities. 6. Strengthen marketing. Build on the Company's mission & develop less costly forms of advertising that have energy. Leverage good reputation & contacts. 7. Implement systematic data collection & analysis process to improve strategic planning and adjustment for continuous monitoring of objectives & strategies. 8. Harness the energy of the Board by supporting their needs. Further develop its structure, and bring in an outside director & new members who have expertise in certain areas. Further define board responsibilities & communication with ensemble. 9. Organized & ongoing funding. Increased levels of funding from a variety of sources. Have a more formalized approach to grants, and utilize the Board more for fundraising.

Key Issues

To improve strategic growth and success in the coming years, A Small Theatre Company will focus on the following **Key Issues** between 2007 and 2010:

- **Strategic Direction** – the need to aggressively pursue an updated mission that reflects the Company’s vision. Efforts should translate into program refinement, a stronger Company identity, increased loyalty, and expanded patron base.
- **Organizational Design** – the need to assess and align member roles, responsibilities, and motivations to support the achievement of the Company mission. The need for contingency and succession planning to reduce organizational risk and costs. Efforts should translate into improved organizational effectiveness. More specifically, it should reduce inertia, improve member utilization, and increase organizational flexibility.
- **Marketing** – the need to develop energetic and exciting marketing that supports the Company’s mission and takes advantage of the Company’s reputation and relationships. Efforts should translate into a stronger Company identity, increased exposure, increased loyalties, and expanded patron base.
- **Financial Planning** – the need to have a process for pursuing increased funding from a variety of sources. The need to optimize grant development efforts and board fundraising responsibilities. Efforts should translate into more consistent sources of funds over time at increased levels from a variety of sources.
- **Board Development** – the need to harness the energy of the board by supporting their needs. Efforts should translate into improved board performance in support of the Company’s mission and growth objectives.

Goals & Strategies

To realize our Mission and address the Key Issues, A Small Theatre Company will pursue a number of **Goals and Strategies** over the next 3 years.

Goals & Action Plans to address “Strategic Direction”

Goal 1a – Ensure Mission statement reflects ensemble’s vision

Action Plan

- Evaluate whether the revised mission is in-line with Company’s objectives, and gain formal, unanimous approval of Mission. Discussion and debate amongst all members and the Board should be encouraged prior to formal approval. All concerns should be aired and addressed.
 - **Target:** by (DATE)

Goal 2a – Utilize the Mission to guide Company visibility & identity building with the ultimate goal of brand loyalty development & growth

Action Plan

- Evaluate current relationships and “joint ventures” with other organizations and individuals. Then, establish a list of potential partnerships (schools, community, other theater companies, individuals, libraries, etc.). In order to evaluate relationships, the Company and Board must first map out in detail and document its potential partner network. The list should be narrowed down to include those relationships that can effectively support the Mission.
 - **Target:** (DATE)
- Actively pursue partnerships that address the Mission. Develop collaborative arrangements that allow the Company to build its identity and improve its visibility simultaneously. Initially, it would be efficient to consider those collaborations that are straightforward to accomplish as they are within easy reach. Further opportunities for growth might include programs for underserved groups, collaboration with schools and universities, and association with city-wide events (e.g., Printer’s Row)
- More personal relations with subscribers may be developed so they will have more of a “stake” in the organization. A Small Theatre Company’s size can allow for this level of accessibility.
 - **Target:** (DATE)
- Continue to build relationships and add to the Company’s list of potential partnerships. Pursue new possibilities over time. Management of the process might be done through a “Partnership” Committee made up of Board and ensemble members.
 - **Target:** ongoing

Goals & Action Plans to address “Strategic Direction” (cont)

- Evaluate current programming & subscriber relations to see if adjustments based on the Mission should be made. Interpret data from surveys, focus group, and other measurements as well as expert opinion. Implement changes to current programming and subscriber activities to better address Mission. Continually assess level of success of the partnerships.
- Consideration will be given to programming such as (1) allowing subscribers the opportunity to select certain plays (2) behind-the-scenes opportunities and (3) further opportunities to see play readings or playwright discussions to actively build A Small Theatre Company’s Identity and pursue a more “customer-focused” organization
 - **Target:** initial assessment by (DATE)
- Implement and monitor the effectiveness of the Marketing Plan (refer to Goal 1c) to see whether it is positively influencing Company visibility and identity.
 - **Target:** ongoing

Goal 3a – Proactive and continuous measurement, evaluation, and adjustment of strategies & goals against Mission

Action Plan

- Establish short term, mid range, and long term strategic goals (e.g., ticket sales will be increased over the next year by 10%). In order to establish specific goals, existing data should be pooled and assessed, and baseline information should be created (e.g., A Small Theatre Company has been growing its sales on average by 5% yearly for the past 5 years).
 - **Target:** no later than (DATE)
- Utilize the *Production Assessment Dashboard* tool and marketing surveys to continually assess organization’s performance against goals.
- Conduct brief assessment meetings (~20-30 minutes) regularly to review results and make adjustments in a continuous manner.
 - **Target:** on going, after each performance (or after each week) & each season
- Develop and refine other forms of measurement (e.g. subscriber surveys, focus groups, blogs, partnership assessment) to gain further insights about strategic success. Utilize the new measures to make adjustments to strategy.
 - **Target:** by (DATE)

Goal 4a – Address other general management issues that promote growth and pursuit of the Mission

Action Plan

- Work with “Big Theatre” to improve ticketing process.
- Investigate and address possible subscriber communication concerns. Consider concerns about miscommunications with “Big Theatre” and not receiving membership benefits in a timely fashion.
- Continue to pursue benefits that “Big Theatre” offers (mentoring, brand, publicity, etc.)
 - **Target:** “Big Theatre”

Goals & Action Plans to address “Organizational Design”

Goal 1b - Develop a logical operating model designed to best utilize A Small Theatre Company’s limited resources.

Action Plan

- Utilize the *Organization Analysis* tool to identify current organizational structure (e.g., member roles, responsibilities) and future needs.
- As part of the analysis, discuss with every member their long term and short term goals and motivations. Also address their concerns.
- Come up with a revised operating model based on the analyses.
- Attain approval of proposed operating model from board
- Continually re-assess effectiveness of approved model.
 - **Target:** (DATE)

Goal 2b – Have a paid staff person who complements revised operating model and contributes to improved efficiency and organizational visibility.

Action Plan

- After reviewing data gathered with the *Organization Analysis* tool, define the responsibilities of the position, and identify where the position will fit into the organizational structure. Also clarify who will manage the position.
- Develop job description and qualifications, and identify salary and benefits (a benchmarking study can be done with other theatre companies). Resources from organizations like the (LOCAL ARTS RESOURCE ORGANIZATION) can be used to accomplish this human resource task more effectively.
- Identify sources of funding for the position. Consideration will be given to whether position is full or part time and whether funding can be maintained consistently over time
- Hire a person who fits qualifications for the job and who believes in the Company Mission and supports the culture.
- Evaluate effectiveness of the position over time (refer to Goal 1b).
 - **Target:** (DATE), ongoing

Goals & Action Plans to address “Organizational Design” (cont)

Goal 3b – Continue to nurture the strengths of the ensemble, but address aspects contributing to inertia which can limit the organization’s ability to adapt and grow over time.

Action Plan

- Create a committee to address issues associated with inertia such as perceived miscommunication, mistrust, complacency, and workload balance. Maintain an environment where honest, open, and constructive communication is supported. Investigate thoroughly the underlying drivers of miscommunication, mistrust, etc.
- Develop and implement, in a timely manner, action plans to address issues identified through investigations.
- Continue to do periodic evaluations of issues
 - **Target:** (DATE), ongoing

Goal 4b – Have a contingency and succession plan process that addresses the Company’s future well being.

Action Plan

- Cross train members on Company tasks
- Document all job responsibilities
- Create a plan that addresses contingency and succession issues. A “Contingency Planning” Committee made up of board and ensemble members might be used to manage the process.
 - **Target:** (DATE)

Goals & Action Plans to address “Marketing”

Goal 1c – Develop and implement energetic and exciting marketing approaches that address the Mission

Action Plan

- Evaluate competitors to understand what they are doing with regard to products/services and marketing efforts. Identify ways to differentiate the Company’s marketing approach. Solicit feedback from subscribers, friends, members, and others that understand the Company’s objectives and Mission.
 - **Target:** (DATE)
- Use input from analysis to develop and implement a Marketing Plan that is energetic and exciting. It should address ways to build word-of-mouth advertising, ways to build a younger audience base, how to leverage existing relationships, less costly marketing strategies, more targeted approaches, and utilization of the Company, subscribers, and the Board to expand reach.
 - **Target:** (DATE), ongoing

Goal 2c – Proactive and continuous measurement, evaluation, & adjustment of the Marketing Plan

Action Plan

- Utilize the *Production Assessment Dashboard* tool and marketing surveys to continually assess marketing effectiveness.
- Have brief assessment meetings (~20-30 minutes) regularly to review results and make adjustments in a continuous manner.
 - **Target** – on going, possibly after each performance (or after each week) & each season
- Develop and refine other forms of measurement (e.g. subscriber surveys, focus groups, blogs, partnership assessment) to gain further insights about marketing success. Utilize the new measures to make adjustments to Marketing Plan.
- Consider using a Marketing committee made up of Board and ensemble members to manage the process and address specific concerns
 - **Target** – (DATE), ongoing for utilization

Goals & Action Plans to address “Financial Planning”

Goal 1d – Evaluate pricing structure to maximize profitability

Action Plan

- Compare Company event and ticket prices against what customers receive (consumer surplus) with consumer surplus offered by other theater companies. Revise event and ticket prices as necessary
- Consideration will be given to charging money for certain programming.
 - **Target:** (DATE), ongoing

Goal 2d – Identify consistent sources of non-ticket based funds

Action Plan

- Establish long term financial goals (e.g., transitioning A Small Theatre Company to equity status company)
- Leverage the board for funding and clearly define how these funds will be allocated
- Determine major benefit events to be held over coming years and assess profitability of each benefit
 - **Target:** (DATE), ongoing

Goal 3d – Optimize grant portfolio

Action Plan

- Identify board member(s) with expertise in obtaining grants and consider other sources for assistance in the grant process. Consider resources available at organizations like the (LOCAL ARTS RESOURCE ORGANIZATION).
- Develop a grant development process that reflects a systematic method for seeking non-ticket based funding.
 - **Target:** (DATE) (refer to Goal 1e), ongoing

Goals & Actions Plans to address - Board Development

Goal 1e – Develop a structured and efficient Board that has clearly defined roles and responsibilities

Action Plan

- Elect non-ensemble member to act as chair person of board at end of current Chair's term
 - **Target:** (DATE)
- Evaluate the composition of the existing Board in terms in terms of expertise, commitment, and contribution to A Small Theatre Company. Can use something similar to the *Organization Analysis* tool (used to assess the Company's internal operations).
 - **Target:** (DATE), ongoing adjustments
- Create criteria for new member selection (donation requirements, skill background). Recruit 2 - 3 new, "energetic" members who have the ability to build and leverage partnerships, and who have strengths particularly in fundraising and the grant process.
 - **Target:** (DATE)
- Evaluate existing roles and responsibilities of Board members and make necessary adjustments to support the Mission. Consider whether members are being most effectively utilized. Consider whether the Board can contribute not only their time but also other types of resources. Design Board so that its members can provide better oversight, be more actively involved in areas that suit their strengths, and alleviate some of the burdens off the ensemble.
 - **Target:** (DATE), ongoing

Goal 2e – Improve communications, level of trust, and level of activity between the Board and ensemble

Action Plan

- Develop and mandate a rotational schedule for ensemble members that encourages them to meet and communicate regularly with the Board
- Create more informal opportunities for Board and ensemble to meet.
- Create opportunities for joint collaboration on projects (e.g., fundraising, "Partnership" committee)
 - **Target:** (DATE), ongoing