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# Strategic Planning – Planning for Organizational Success

*By Margaret L. May, Principal*

Museum Board members and staff are well aware that institutional planning is fundamental to a strong, successful and credible organization. There are mounting demands on museums to demonstrate to external stakeholders that they meet real community needs, provide value for money, and are operated wisely. A Strategic Plan is an important tool for Board members and staff in the management of their institution and fulfillment of their fiduciary and stewardship responsibilities.

This tip sheet will help you to identify the circumstances that indicate the need for a Strategic Plan and guide you in planning a process that will be successful.

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## What is the driving need for planning?

Typically, museums came into being because there was a collection that needed to be protected or a building that needed to be saved, and the presence of strong advocates in the community to acquire the initial capital investment needed to get started. For the most part, museums were seen as the means to "preserve the past for future generations" and tended to focus on acquiring historical artifacts. Board members and staff (whether paid or volunteer) were left to operate museums as they saw fit -- often with limited, but public resources. Most museums have directed those resources towards meeting standards of museum practice and providing for visitors.

Today the attitude towards and expectations of museums have changed substantially. Is your museum expected to be:

- part of a community's economic development strategy, especially as tourism generally -- and cultural tourism specifically -- becomes increasingly important?
- "self-sufficient" -- that is, earn more income and receive no or less government funding?
- more accountable to funders, government and the public?
- operated more "like a business"?
- more focussed on building paid attendance, more "market driven" and less "mission driven"?
- part of the solution in meeting social or community development needs?

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## **Your museum needs a Strategic Plan if:**

- Members of the Board and/or staff need to come to agreement on how to address external pressures (such as noted above) or internal issues; or if there is no framework or criteria against which to choose from among different ideas about what to do.
- The composition of the Board has changed or there is new senior staff that needs to assume leadership of the museum.
- There is a lack of support for or declining interest in what you are doing. Falling or static attendance, membership, volunteer base or contributed revenues are indicators.
- The number of traditional supporters and advocates are declining and there is no one taking their places. You are having trouble recruiting new Board members. Your community has changed, but there is no change in who comes to the museum.
- There is an anticipated change in circumstances, such as loss of the building or change in governance status. Or, more happily, the Board has been approached with a proposition that would alter the museum's direction, such as a relocation or merger with another organization.
- There is a desire to become a more dynamic partner in your community that requires reallocation of resources or other organizational changes.
- A funder or stakeholder has asked for a Strategic Plan and there isn't one.
- The museum is chronically unable to fulfill its stated mission in accordance with established standards of museological practice.

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## **What is a Strategic Plan?**

A Strategic Plan is a road map for Board members and staff that sets out policy and strategy that guides fundamental decision-making and the allocation of resources around institutional priorities for the next 3-5 years. A Strategic Plan is a statement of the future envisioned by the museum, based on an objective and realistic assessment of the museum's performance and the opportunities and challenges that can be foreseen. A Strategic Plan is a statement of action for institutional and accomplishment. While it is future-oriented, a Strategic Plan is not "what if" but "what will be".

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## **Who uses the Strategic Plan?**

A Strategic Plan informs decision-making -- at the policy level (the Board's responsibility) and at the programmatic level (the staff's responsibility). Ideally, a Strategic Plan will sustain and guide the museum, even if there are changes in the museum's leadership whether at the Board or senior management level. As a policy document that defines the future, the Strategic Plan is also a statement to external stakeholders of the Board's commitment to making that future a reality. Existing and potential funders, donors, supporters and partners will use your Strategic Plan to determine if there is a mutual benefit in supporting your goals. A sound Strategic Plan will enhance the credibility of the museum.

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## What is the difference between a Strategic Plan and a Business Plan?

While Strategic Plans and Business Plans share common elements in the process of their development, the actual plans are quite different in what they look like and how they are used.

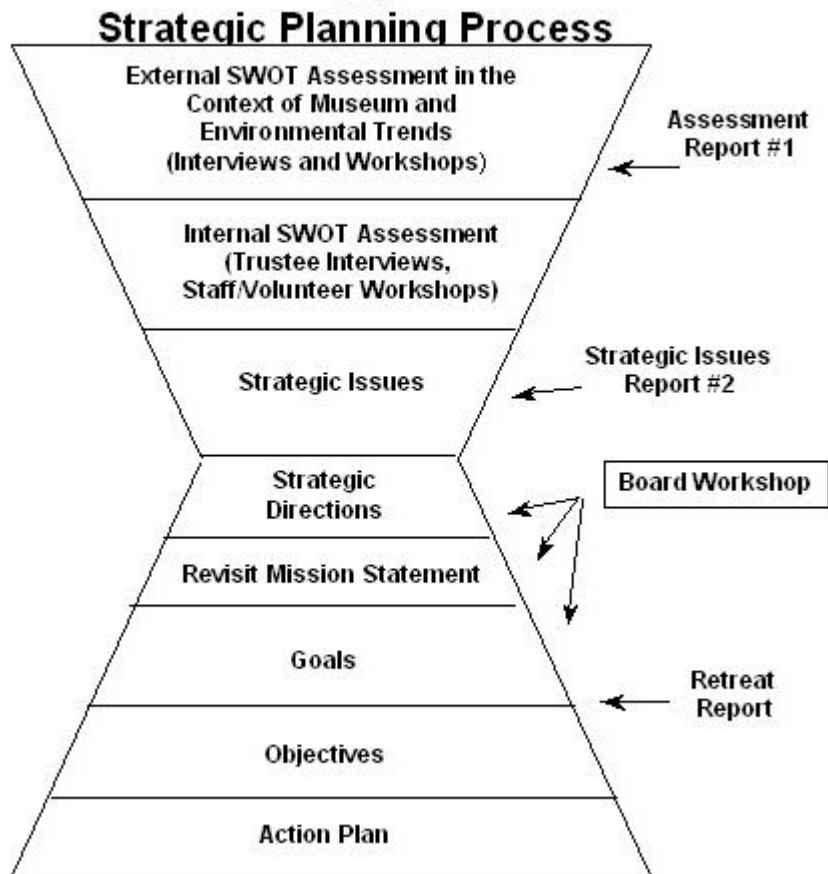
<b>Strategic Plan</b>	<b>In Common</b>	<b>Business Plan</b>
Process focuses on determining goals and strategies to achieve them.	Requires research and analysis of external and internal environments.	Projects the impact of programmatic and operations plans derived from the Strategic Plan and changes in the external environment.
Board led	Requires assessment of museum's performance.	Staff led
Programmatic decision-making continues throughout the time-frame of the Plan.	Short-term (3-5 years).	States policy, programmatic and operations decisions as assumptions upon which projections are based.
Policy Document.	Provides means of measuring performance.	Presents analysis of the existing and potential market.
Financial focus on cost of implementing the plan. These costs are then integrated into the annual budget process each year.		States projected attendance, revenue and expenses for a selected time frame.
States tasks and responsibilities for implementation.		
Tool for creating change.		

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## What is the process for developing a Strategic Plan?

The hourglass diagram below sets out the major steps in the development of the Strategic Plan. The process of creating the Strategic Plan is critical to its ultimate success. It must be planned and process must be open, inclusive and forward-looking -- especially if the intention is to create organizational change.

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## Characteristics of Phase 1 of Strategic Planning

**Hourglass Elements:** Environmental Scan, External and Internal SWOT Assessments.

**Purpose:** To assess the performance and future opportunities of your museum (Strengths and Weaknesses, Opportunities and Threats) in the context of:

- trends and norms in museums;
- the perceptions and expectations of different sectors of your community (external stakeholders) and of Board members, staff and volunteers (internal stakeholders).

**How:**

- Review your museum's performance in relation to operations indicators of other local museums and comparable (similar size and type) based on surveys or data from independent sources.
- Interviews with individuals knowledgeable about the needs and issues in your community and the existing or potential role of your museum, such as cultural institutions, service providers, community economic development planners, donors, funders, foundations or community groups -- as well as internal stakeholders.
- Workshops with individuals who are representative of existing and potential target markets.

**Who is Responsible:** Steering Committee (composed of Board members and senior staff) provides oversight and guidance to the research and consultation undertaken by an objective third party with staff support.

**Product:** A report providing a summary of the results of the assessment.

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## Characteristics of Phase 2

**Hourglass Element:** Strategic/Key Issues and Strategic Directions, Mission and Goals.

**Purpose:**

- To select five key issues that must be addressed and the strategies on how to resolve them if the museum is to address successfully changes in the environment, community expectations and internal situation.
- To review the museum's mission and determine if there is a need to revise it.
- To draft overarching goals that state what the museum expects to accomplish in 3-5 years.

**How:** A full-day planning retreat of the full Board and senior staff, facilitated by an objective third party.

**Who is Responsible:** Full Board and senior staff.

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## Characteristics of Phase 3

**Hourglass Elements:** Objectives, Implementation Plan, Evaluation

**Purpose:** To prepare the detailed Strategic Plan that sets out a series of Objectives for each Goal, tasks to be undertaken to realize the Goals, time frame and resources required for implementation, who is responsible for each task, and a mechanism by which success will be evaluated.

**How:** Staff, ideally in small workgroups that include volunteers and front-line staff members.

**Who is Responsible:** Director

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## A few final words on how to develop a successful Strategic Plan:

- Plan the planning. It may take between 6 and 9 months to carry out and develop the Strategic Plan.
- Stay focused on key issues and strategies. Leave the "we should do X and Y" until the action plan. Ask yourself instead, "If we do X, what issue will be resolved?"
- Be open and inclusive. Invite participation from a broad spectrum of those in your community.
- Be willing to re-examine past practices and old assumptions.

Acknowledgements:

[Margaret L. May, Principal](#), LORD Cultural Resources Planning & Management Inc. prepared this tip sheet for museum professionals following her OMA Professional Development Seminar on Strategic and Business Planning in April 2000. You can visit the Ontario Museum Association (OMA) web site at [www.museumsonario.com](http://www.museumsonario.com).

Further Information:

If you would like to obtain more information on Strategic Planning, please contact [Andrea Ott](#), Director of Marketing and Client Relations.