

# Developing a Strategic Plan

**What are the goals for your museum? How are you going to reach them? These are questions you address in a strategic plan. This guide offers you a process to follow in developing a plan.**

## Key points about your strategic plan

- Your strategic plan shapes the future of your museum.
- Your plan includes specific actions to ensure you get to where you want to be.
- To make it work, the plan has to be realistic and in regular use - a living document.
- You need to involve staff, your governing body and other key players in your plan's development - people support what they have helped to create.

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## Facing challenges and opportunities

Museums currently face many challenges and opportunities, including:

- uncertainty about the future
- difficulty in getting resources
- greater competition from other cultural organisations, events and leisure activities
- higher expectations from visitors
- greater demands for accountability from local and central government, iwi and community groups, and individual supporters.

A strategic plan will help your museum to:

- anticipate problems and recognise opportunities
- unite the staff, governing body and supporters behind a clear direction
- allocate resources to agreed priorities
- give evidence of your organisation's commitment, vision and accountability.

(Based on Museums Australia's *Strategic Planning Manual*)



# The benefits of a strategic *plan*



## THE STRATEGIC PLAN IS THE ROAD MAP FOR THE MUSEUM'S STAFF AND GOVERNING BODY.

### Clarifying

The strategic plan helps you to clarify your ideas about the nature of your museum and its working or operating context.

### Directing

The strategic plan sets the direction for the museum.

- It outlines the goals for the short-term (next year), the medium term (up to 3 years) and the long term (up to 10 years).
- It lists the practical and specific steps that will enable the museum to meet those goals.

### A framework for decisions

The strategic plan provides a reference point for the daily, weekly and monthly choices and decisions that the museum faces such as:

- What sort of message should our new brochure convey?
- Who should meet with the iwi concerning the new exhibition?
- Who should go to the conservation workshop next month?

The plan can be used:

- to assess opportunities that arise
- to ensure that the museum sticks to its overall strategy, direction and purpose
- to help the museum to move beyond today's focus
- to help the museum to continually improve its services.

**'IF YOU DON'T KNOW WHERE YOU'RE GOING,  
YOU'LL PROBABLY END UP SOMEWHERE ELSE.'** *CONFUCIUS*

### Communication with stakeholders

The strategic plan will help stakeholders to:

- understand what the museum does and why
- make decisions about funding
- be assured about the museum's viability, credibility and accountability.

## Developing a strategic plan - overview of the process



## Stage one:

# *preparations*

### Who does the plan?

People will support what they have helped to create. Proposals that are imposed tend to be less accepted. At the end of the planning process the museum needs to have broad agreement on what it stands for, the issues it is facing and the direction in which it is heading.

Staff and the museum's governing body need to take responsibility for the planning process and should form the planning team. The planning team should, however, consult and if appropriate involve supporters, the local community and other people with a stake in the museum.

Getting a range of views and experiences is important. At the early stage of the planning process you should aim to create as rich an analysis as possible.

### The team and the tasks

Each team member should have a role that they are capable of fulfilling. They also need to know exactly what is expected of them.

- Who will lead the team?
- Who will do the research?
- Who will record the information at the planning sessions?
- Who will draft the plan?
- Who will circulate the information?
- Who will take responsibility for organising the planning sessions and invite the guest speakers?

### How much time do we need to do the plan?

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#### Gathering and preparing information

The information gathering and consultation part of the process may take a month or more - to gather information, send information out and get responses back in. This process helps build support for the museum and a sense of teamwork amongst the community.

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#### Planning sessions

The planning team then needs time to meet and draft the plan. Smaller museums may find three half-days will get them close to a useful plan (see 'A plan in three half-day sessions' on page 7).

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#### Timelines and deadlines

Agree on a completion date. This should enable you to meet any external deadlines such as a local authority budget round or a funding body's application closing dates.

Establish a timeline by identifying:

- the deadline for the completion of the plan
- the tasks that have to be achieved
- the amount of time that each task will take
- the resources (people and funds) you will have available to do each task.

# Tools for handling information

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## SWOT analysis

A SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis can form a useful focus for discussion. It will provide the planning team with a broad view of the museum's current state and help identify and confirm the issues to be addressed in the strategic planning process.

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## Gap analysis

A gap analysis looks at:

- the gap between where you are now and where you want to be
- the reasons for the gap
- possible ways to bridge or close the gap.

A gap analysis helps you establish more accurately the scope of the task to achieve a specific goal. For example, if the goal is to increase visitor numbers at the museum, you need to investigate the factors that influence whether people visit or not in order for you to establish a realistic target for the increase. The investigation may include an analysis of:

- responses from people who don't visit the museum
- responses from visitors
- visitation patterns by season
- comparisons with other museums in similar situations.

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## Cost benefit analysis

A cost benefit analysis (CBA) is a tool to determine which products or services will give the best value for money, fit best with your strategic plan and will help the museum achieve its mission.

If your opportunities involve capital investment and have ongoing operational costs, a CBA will provide you with information on what new venture is the best strategic fit for the museum and, if it is a revenue opportunity, the best net revenue result.

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## Environmental analysis

Environmental analysis is another tool to help the planning team to assess the outside factors that will influence the museum's operation and future direction. These include cultural, economic, social, political and legal influences. For example, economic growth, characterised by increased tourist numbers, may influence the plan. Changes to the Local Government Act and the Copyright Act will influence the museum's operating environment.



## Gathering information

You need to organise resource people and background material to research the information on which your plan will be based.

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### The history and current state of your organisation

Pull together as much background material on the museum as you can, including any earlier plans, mission statements and the like. Involve staff and friends of the museum in highlighting the key features of the museum.

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### Visitor and non-visitor feedback

Find out how your visitors perceive the museum and its services. It is worth running a reasonably substantial visitor survey to gather together responses to such things as your exhibitions, your facilities, educational programmes, and your collection. Sample the people who don't come to the museum, and analyse information available about your communities, in order to determine their leisure preferences and reasons for not visiting.

(For further guidance, refer to *Know Your Visitors*, Te Papa National Services Resource Guides Issue 3, and *Introduction to Visitor Surveys*, Te Papa National Services Resource Guides Issue 4.)

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### Stakeholder feedback

Seek comments from museum supporters, the local body, iwi and others connected with the museum. These comments could be in answer to a questionnaire.

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### The local context

Research what is happening in your local and regional community, including tourism trends. Information is available from Statistics New Zealand ([www.stats.govt.nz](http://www.stats.govt.nz)), and there will also be local people who can comment on the trends that affect you. (See *Know Your Visitors*, Te Papa National Services Resource Guides Issue 3.)

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### The national and international context

Note any developments in museums that shape people's expectations of what you should be doing, as well as wider cultural and economic developments that will influence your museum.

# Stage two: the **planning**

## *sessions*

### Before the sessions

- Make sure you have a good facilitator for your planning sessions - someone either in-house or brought in for the occasion.
- Make sure you have circulated reading material well in advance.
- Any speakers you line up for your planning sessions should be briefed about what you want them to cover and how long you want them to speak (10-15 minutes maximum).

### A plan in three half-day sessions

If you follow the three half days option, try organising it for two consecutive mornings (when people are at their freshest). The third session (to consider the draft plan) could be a fortnight later. You should need just a couple of hours for it. You may find that finishing each session with a shared lunch enables further informal discussion - this can also be very helpful.

### Session one - where we are

#### Outcome of the session

By the end of this session you will have:

- examined the museum's working context - where it is as a museum
- detailed the influences and issues that affect the museum now and those that will affect it in the future.

#### What are we? Where are we? How did we get here?

Use the material you have gathered (including mission and vision statements) as a discussion starter for examining:

- the history of the organisation and past successes and problems
- the present role of the museum
- the principles, values and attitudes that are important to you.

Concentrate on what you are now and how you got there. Save any discussion on future directions for the second meeting.

#### The museum's working context - issues and influences

You could develop this part of the examination in a series of widening views.

##### Current operations

- The building - location, access and parking, signage, surroundings
- Staff - numbers, skills
- Visitors - numbers and profile, level of satisfaction
- Exhibitions and programmes - current mix, feedback
- Collection - uniqueness, wellbeing (storage, stability, presentability), popularity
- Communication - advertising, publications, word of mouth, profile, different groups catered for
- Finances - major revenue sources (grants, sponsors, commercial operations).

### The local context

- Relations with local body, local iwi, local schools, local supporters
- Local growth or decline, changes in the population profile (check the website for Statistics New Zealand - [www.stats.govt.nz](http://www.stats.govt.nz))
- Local competitors for leisure experiences.

### The national and international context

- Changing population patterns on the national scale and how they are affecting visits to museums and galleries
- Changing leisure patterns
- Trends and developments in museums
- Communication and information technology (access to collections, information and publicity)
- Central government's cultural and economic policy.

## Session two - where we want to be

### Outcome of the session

By the end of this session you will have:

- determined your future direction and goals
- pinned down the broad goals into specific action plans.

## Strategic issues for museums

This summary of issues facing museums may serve as useful background for discussions on where you are as an organisation.

| Issue                                 | Response   |
|---------------------------------------|--|
| Initiating change                     | Museums are currently rethinking their role in the community, including collaborative ventures and using information technology. |
| Relevance to communities              | A visitor focus is becoming increasingly important.  |
| Relationships between museums and iwi | Treaty of Waitangi issues are of continuing importance.  |
| Resource management                   | Museums are increasingly being required to manage their assets efficiently.  |
| Sector diversity                      | A wide range of needs and resource capabilities with limited training.   |

A more detailed version of this table can be found in the National Services section of Te Papa's website ([www.tepapa.govt.nz/our\\_resources/National\\_Services/national\\_services\\_strategic\\_issues.html](http://www.tepapa.govt.nz/our_resources/National_Services/national_services_strategic_issues.html)).



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### Direction

- Where do you want to be in five years?
- Is there some agreement among the people you have consulted about what they expect of the museum in the future?
- What do people want to develop or change and what do they seek to sustain?

Note that a plan isn't necessarily all about change. It is important to recognise what is working well and also what the limits are of your funds, staffing and other resources. The plan should, however, seek improvement.

Given this, can you arrive at a relatively brief description of the museum as it could be in five years?

### Example of a statement of direction

**Direction:** The museum will lead in collecting, exhibiting and communicating the heritage of the region.

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### Goals

The museum's goals, together with the overall direction or vision for the future, give purpose and shape to your plans. Some goals may be long term and dependent on substantial funding, for example, building restoration. Others may require an investment of time, for example, developing a working partnership with iwi.

As an example, your museum may have a substantial local heritage collection, but much of it is in storage. This observation could form a goal.

### Example of a goal

**Goal:** To improve access to the collections.

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### Objectives and performance targets

Objectives are statements that describe the specific actions that the museum will take to get closer to its goal. Performance targets break up the objective into relevant end points, standards or numbers that may relate to one or more of the following:

- time - when the goal or part of the goal will be achieved (usually a completion date or statement about timeliness, for example, within a specified time in days, weeks, months)
- quantity - the number of products or services that will be produced
- quality - often a standard of performance agreed beforehand
- cost - the resource that has been approved.

If the goal is to improve access to the collection there are probably a number of specific objectives that will help achieve the goal.

### Example of objectives

**Objective:** Introduce self-guided 'behind the scenes' tours by 30 June 2002.

**Objective:** 95% of visitors rate their 'behind the scenes' experience as good to excellent.

**Objective:** 95% of visitors take advantage of the self-guided 'behind the scenes' tour by 30 June 2002.

# Action plan for 'behind the scenes' tours

| Action/who is responsible  | Costs/other resources  |
|--|--|
| <b>Phase One: Can we do this and will it achieve what we think it will?</b>  |  |
| <p>Do a cost benefit analysis:</p> <ul style="list-style-type: none"> <li>How much will this cost? (capital, operating, opportunity - what else could be done with the money)</li> <li>Will people use the tours?</li> <li>Will it be eligible for funding?</li> <li>Will it produce revenue?</li> <li>Could it be a charged-for experience?</li> <li>What are the other opportunities to increase access to collections?</li> </ul> <p>This process may well result in the initiative not proceeding or perhaps going ahead on a different basis.</p> | Staff time and possibly some cost if the skills required for the analysis are not currently available to the museum.   |
| <p>Confirm the plan, including performance targets that will help staff and board assess the success or failure of the new initiative.</p> <p>Performance targets may include:</p> <ul style="list-style-type: none"> <li>revenue targets</li> <li>first time visitors</li> <li>repeat visitors</li> <li>use by schools, tour operators and other groups</li> <li>positive feedback</li> <li>no irreparable loss or damage to collections.</li> </ul>  |  |
| Agree the action plan.   | Staff /board   |
| <b>Phase Two: Implementation of the plan</b>   |  |
| <p>Develop interpretive information and object labels to help visitors understand what they are looking at.</p> <p>Some research is needed and information needs to be written with the audience in mind.</p>  | Staff and volunteers<br>\$500 for labels   |
| <p>The feasibility study recommended the use of audio or audiovisual at a later stage once the store is open.</p> <p>Investigate audio system.</p>   | Volunteers   |
| Check for safety and security (safety consultant)  | \$500 for audit  |
| <p>Safety and security audit recommended the installation of some barriers and additional lighting, the relocation of some high value items and the improvement of visibility from entrance of store to furthest part of store.</p>  | \$2,500 - for electrician and lights, stanchions and rope barriers plus volunteers to move collection items and to prepare the store.  |
| Establish and signpost a pathway through the storage area  | \$500 for signage  |
| Establish roster to do guided tours during high visitation times - weekends and public holidays.   | Staff and volunteers   |
| <p>Communication strategy (staff plus volunteers)</p> <ul style="list-style-type: none"> <li>an official opening (only if sponsored)</li> <li>previews for local tour operator/s</li> <li>previews for teachers</li> <li>advertising (local/iwi radio, travel guides)</li> <li>free editorial</li> <li>send information to local target audience/s (schools/clubs)</li> </ul>  | <p>Previews - staff time + refreshments @ \$3 a head</p> <p>Advertising - free community + \$500 for selected publications</p> <p>Staff time to prepare press release and to engage local press + refreshments @ \$3 a head.</p> <p>Staff time to prepare information.</p> |
| Agree operational detail and the performance targets that will be used to assess the success or otherwise of the venture.  | Staff/board  |
| Agree how and when the venture will be evaluated.  | Staff/board  |

# Putting it all together

This is an example of the page from your draft plan consolidating the statement of direction and its associated goals, objectives and action plans.

*Direction: The museum will lead collecting, exhibiting and communicating the heritage of the region.*

| Functions of the museum  | Goals   | Objectives  | Action Plan   |
|--|---|---|---|
| <ul style="list-style-type: none"> <li>Collecting items relevant to the region.</li> <li>Conserve and house securely the collection.</li> <li>Provide information about the collection.</li> <li>Provide museum services to the region.</li> </ul> | To tell the stories of the region.  | 1. 80% of the exhibits and events are about the region.   |   |
|  | To improve access to the collection.  | <ol style="list-style-type: none"> <li>95% of visitors take advantage of the self-guided behind the scenes tour by 30 June 2002.</li> <li>Investigate the cost benefit analysis of collection data storage and retrieval systems for public use by 30 June 2002.</li> </ol> | <p><b>Behind the scenes tour</b></p> <ul style="list-style-type: none"> <li>Do cost, benefit analysis</li> <li>Confirm implementation plan</li> <li>Develop interpretations and object labels</li> <li>Investigate audio visual</li> <li>Undertake safety and security audit</li> <li>Establish and signpost a pathway through the storage area</li> <li>Investigate guided tour option</li> <li>Communication strategy (staff plus volunteers).</li> </ul> |
|  | To ensure that the museum's facilities are fit for purpose.   | <ol style="list-style-type: none"> <li>Facilities meet minimum health and safety requirements.</li> <li>All collections are housed in optimum conditions by 2005.</li> </ol>  |   |
|  | To engage visitors and create loyal supporters.   | <ol style="list-style-type: none"> <li>95% of visitors rate their experience good to excellent.</li> <li>50% of visitors are repeat visitors.</li> <li>10 new members join the Friends each year.</li> </ol>  |   |
|  | To establish a regular flow of information about the museum and its activities to local schools, local news media, community groups, visitor centres, and motels etc. | <ol style="list-style-type: none"> <li>A minimum of five school groups visit the museum per term.</li> <li>Six newsletters are produced and distributed each year.</li> </ol>   |   |
|  | To gain the confidence of stakeholders (funders, iwi, sponsors etc.) through an effective and efficient operation.  | 1. Annual business plan achieved within budget.   |   |

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**Just do it - action plan**

Objectives are only statements unless you achieve them. All relate to the performance of the museum. That being the case, you will need a plan to help you identify what is involved in achieving the outcome you want and also a way of measuring your performance.

Of the objectives listed above, the first relates to the establishment of a new product and the second and third relate to the performance of the product.

All objectives require a specific action plan - this will detail the resource required (money and people) to achieve the desired result.

**FOR YOUR PLAN TO WORK, IT HAS TO BE REALISTIC, IN PLAIN  
ENGLISH, NOT JARGON, AND REGULARLY USED,  
NOT FILED AWAY ONCE COMPLETED.**

**Example of an action plan - access to the collections**

To pick up our example again, because your museum has only a portion of its collections on public display, one of your goals is to improve access to your collections. You will probably break this goal down into some more specific objectives:

- increasing the number of collections available
- increasing the number of visitors
- improving the quality of presentation and information.

To increase the number of collections available, you might consider:

- behind the scenes tours
- website access
- lending items out to local schools.

You may decide two of these are appropriate and feasible in the short-term, given your current resources. Pin these down in more detail with the actual tasks that will need doing, who will do them and what support (for example, money, people) is required.

## The draft strategic plan

You now need to compile a summary of the results of each consultation and each planning session and document it in the draft plan - in plain English - for further and final feedback.

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### What goes into the plan?

#### A cover sheet

This includes the museum's name, address, phone, fax, e-mail address, date (and a contact name for final feedback).

#### An executive summary

This states the direction and key goals for the museum.

#### A statement on the museum

This is a summary description (maximum of one page) of the museum's role and values, its history and philosophy, its staff and stakeholders.

#### The working context

This describes 'where we are'.

#### Future direction

This describes the directions with prioritised goals ('where we want to be') and actions plans ('how we're going to get there'). (See page 11 for an example of lay-out for this.)

#### Action plans

Make sure the outcomes are clearly stated so that you will know if they are achieved.

#### Financial information

The minimum to include is a cash flow statement. See page 14 for information on developing a financial plan.

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### Cross-check the plan

Review the plan and cross-check it against feedback you have received on priorities and the resources you have available to put the plan into action.

- Feedback from visitors and other stakeholders - it may be that new toilets are more important to visitors in the short-term than additional exhibition space.
- The budget - some plans may not be possible in the short term and require steps over a number of financial years. Remember that not all action plans require spending additional funds. Some may need different ways of expending current allocations, or just smart thinking that has no cost implications at all.
- Resources of time and skills - check out what you need of these to achieve objectives. Without additional resources of volunteers or paid workers or removing existing tasks from them, some things may not be possible to do.

If you find that you have more goals than you can afford in terms of staff and budget, then you will have to prioritise. You may be able to find additional sources of income - either in-kind support or cash - but you need confirmation before you can sign on to that goal. (Take care that any additional grants or sponsorships are for your goals and action plans and not to achieve the sponsor's or funder's goals.)

## Circulate the plan

Circulate the draft of your plan to all the people who have been involved in the planning process and get their verbal or written feedback.

# Preparing a **financial** *plan*

Gathering financial information and preparing a financial statement is an essential part of the planning process. Most strategic plans include some financial information. The level of information and its purpose will vary depending on the size and nature of your operation. A cash flow statement is the very minimum you need. But to ensure transparency and accountability, particularly if your organisation is using public money, the following three statements are the basic requirement.

The statements will allow those involved in the museum (staff, board and stakeholders) to assess whether the operation is viable and sustainable at the level proposed by the plan.

## **Financial performance**

This records the profit and loss of an organisation at a given time providing an analysis of revenues and expenditures.

## **Financial position**

This is a balance sheet providing a statement of financial position of the organisation on any given day, presenting the total value of that organisation's assets, liabilities and ownership contributions.

## **Cash flow**

This sets out actual cash inflows (revenue) and cash outflows (expenditure) in a given period. This is an essential management tool to ensure that expenditure and revenue flows are managed to the best advantage of the museum. (A simple template for this can be found in Museums Australia's Strategic Planning Manual, which can be downloaded from the AMOL website. See page 16 for the reference and URL.)

The cash flow statement is the most important statement for planning and monitoring performance. In simple terms, it adds up all the revenue from whatever source (whether capital or operating), and deducts all the expenditure (both operating and capital). The result is the net cash position.

## **Getting assistance with your financial planning**

You may not be able to afford professional help with assembling your financial information. There are various local training opportunities available for drawing up financial plans. Remember too that within your community there are many people with business expertise who may be able to lend a hand with the task.

## Stage three: **the final plan** and

# *beyond*



### **Session three - the final plan**

In your final planning session, you bring the planning team together to work through the feedback and any budget adjustments and make final changes to the plan.

You are then ready to go into action with your plan.

### **Implementing the plan**

- Make sure the final version of your plan is made widely available.
- Monitor performance regularly (probably quarterly) to keep tabs on the progress of the various action plans.
- At the end of the year, or when an action plan is completed, assess what has been achieved. Have the planning expectations been met?
- If expectations have not been met, why not? The answer to this gives you useful insights into how to make things better. It's easy to bite off more than you can chew, especially the first time.

### **Evaluating performance**

- Evaluate performance regularly. Your plan is your touchstone for evaluation.
- If something is going wrong and putting the viability of the museum at risk, take action. It may mean having to cut your losses.
- Each year, review the direction of the plan to check if the goals for that year have been achieved and to set the short-term goals for the next year.
- Check the priorities of the longer-term goals.
- You will need to do a new plan after three years or if the circumstances of the museum change dramatically - for example, a new local authority takes a new view of your role.

### Further reading

Brown-Parker, J. (1997). *Strategic Planning*. Melbourne: Monash University.

Dickman, S (1995). *The Marketing Mix: Promoting Museums, Galleries and Exhibitions*. Melbourne: Museums Australia.

Museums Australia (1998). *Strategic Planning Manual*. Melbourne: Museums Australia. (You can download a copy from the AMOL website: <http://www.amol.org.au/downloads/craft/publications/handtxt.pdf>)

Steidel, P. (1998). *The Art of Strategic Planning: Visions and Strategies for Cultural Organisations*. Melbourne: Department of Communications.

The Ministry of Education has produced strategic planning guidelines for school boards of trustees that deal with many of the same issues - check with your local schools.

Te Papa National Services Resource Guides | He Rauemi are published by Te Papa National Services in support of its work with museums, galleries, iwi, and related organisations throughout New Zealand to enhance the museum services offered within communities.

**For further information or to discuss training opportunities related to this topic, please contact:**

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