



MAIN LINE ART CENTER STRATEGIC PLAN 2020 – 2024

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DRAFT

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Introduction

Since its founding in 1937, Main Line Art Center has played a pivotal role as a community anchor in the Western suburbs of Philadelphia, serving thousands of individuals annually through over 600 classes, workshops, exhibitions, and creative programs. The Center prides itself on its commitment to accessibility, as demonstrated through its programs for children and adults with disabilities, as well as tuition assistance for visual arts education programs to those facing economic challenges.

The Center engaged arts consulting firm WolfBrown to facilitate the development of an updated strategic plan to provide a clear roadmap for the future programmatically, financially, and organizationally. The process used to develop the Center's strategic plan was informed by stakeholder interviews and surveys, and a facilitated Board retreat, coordinated with preparatory and follow-up work by WolfBrown, Center staff and a Planning Committee of stakeholder representatives.

This document represents a draft summary of the major strategic plan components, including a "situation analysis," outlining the Center's major current challenges and opportunities, and the future vision, mission, values, strategic priorities, actions and objectives, along with the financial implications of the plan. Over the course of the next several months, the Center will be sharing this draft strategic plan framework with its key internal stakeholders and community partners, to obtain their feedback and support, in advance of presenting a final plan to the board of the Center for approval in early 2020.

Situation Analysis

The background context in which the Center launched the strategic planning process reflects the following major strengths and challenges:

- **Major Strengths:**
 - High student satisfaction:
 - Quality instruction; devoted to long-term teachers
 - Welcoming and nurturing environment
 - Increasing adult morning and kids/family weekend enrollment
 - Faculty:
 - Passion and commitment to Center
 - Improved relationships with Center
 - Respected, expanding Accessible Art and other community outreach programs
 - Finances:
 - Stabilizing after several years of deficits
 - 70% from earned revenues
 - Operating reserve and quasi-endowment show capitalization strength
 - Administration:
 - Respected & admired new leader, rebuilding welcoming culture
 - Dedicated, effective, efficient and loyal staff
 - Board: reenergized and committed



- **Major Challenges:**
 - Macro environmental context factors:
 - Accelerating demographic change (age and ethnic diversity)
 - Declining resources for arts education
 - Foundation pressure to demonstrate community relevance and public value
 - Competition:
 - Other time pressures on students
 - Direct from other art centers
 - Enrollment:
 - Declining adult evening enrollment
 - Loss of some key faculty due to change in business model
 - Facilities:
 - Close to full capacity during peak demand times
 - More resources needed for maintenance and repairs
 - Need more resources for:
 - Data collection and analysis to inform decision making
 - Marketing and communications, to close the gap in what the Center is perceived to do and what it actually does
 - Administrative staff for community program growth and to support data analysis, marketing and fundraising initiatives
 - Fundraising:
 - Need more compelling case for philanthropic support
 - Limited fundraising capacity

In summary, Main Line Art Center has made significant progress in the last several years rebuilding good will and trust among its loyal students, while expanding its audiences through innovative visual art programs, as well as stabilizing its finances. To reach the next level of organizational success, however, the Center must develop a compelling plan for the future, which addresses some of the external environmental factors it faces and inspires more people to participate in, and provide financial support for, the Center's visual art education and community engagement programs.



Executive Summary

A primary outcome of the Main Line Art Center’s strategic planning process is a renewed emphasis on its unique role as a community gathering place that – as expressed in the revised mission statement – “brings people together, building individual creativity and strengthening community through visual arts education, exhibitions and experiences.”

To achieve this mission, the Center’s strategic plan must ensure it has an “iron triangle” of capacity, with the right balance among the interdependent elements of programs, financial capacity and organizational capacity:



This strategic plan includes recommended strategic priorities in programmatic offerings and community engagement that, while generally functioning well, can be improved to accelerate realization of the Center’s vision as a community magnet for visual arts education. To maximize the potential for success in the next five years, the plan also focuses on critical strategic priorities that address the Center’s major challenges in the areas of data analytics, marketing and communications, fundraising and other measures of organizational and financial capacity.

The financial plan that underpins this strategic plan includes the following major assumptions:

- The base net operating result (prior to any strategic plan initiatives) is projected to increase remains steady at the FY2020 level of about 65K
- The critical strategic priority and incremental improvement initiatives will increase require additional annual funding of \$108K in FY2020, rising to \$567K in FY2024.
- To capitalize the Center at a hypothetically optimal level, the Center needs to raise \$4.5M in the next 5 years (on top of annual contributions) for:
 - Annual operating deficits through FY2024: \$330K
 - Strategic plan initiatives funding: \$1.8M
 - Additional endowment to cover 10% of expenses by FY2024: \$1.8M
 - Additional operating and facility reserve: \$607K

Strategic Plan

Vision

- We imagine Main Line Art Center filled with people, from young children to older adults, all working and sharing together around a common theme: Creative Expression. We see a future where the Center is a vibrant, caring, artistic community that has a real impact on the lives of those who participate, regardless of where they come from. It is a place where differences are celebrated through art, and relationships are built upon a shared, creative foundation. It is filled with joy and pride and activity all the time.
- In this future, everyone knows the Center and recognizes its value to our community. It is a gathering space where individuals saying “Hello” is second nature and may even be followed by a handshake or a hug or a simple look of recognition. It is a place where friends can sit down together and share a quiet moment and a coffee, or a laugh and drink, where they can talk about art and beauty and making and inspiration and anything.
- It is also a gathering place for civic discourse and community activities, meetings and informal get-togethers, happy hours and life celebrations. It becomes a permanent fixture, an invaluable resource for a thriving dynamic populous. It is a touchstone by which all other community organizations are measured.
- It is an identity, a brand we each wear, a point of pride that defines us, a thing we are excited to share and grow.

Mission

- CURRENT MISSION: The mission of Main Line Art Center is to inspire and engage people of all ages, abilities, and economic means in visual art through education, exhibitions, and experiences.
- PROPOSED REVISED MISSION: The mission of Main Line Art Center is to bring people together, building individual creativity and strengthening community through visual arts education, exhibitions and experiences.

Core Values

- Art is essential
- Community building
- Service to community
- Inspirational education
- Accessibility
- Inclusivity



Unifying Strategy

- Purpose: To use an exposition of the mission statement as an overarching strategy filter, to develop organizational goals and strategic priorities, and then determine whether programs and action steps are consistent with the mission.
- Exposition and analysis of mission statement:
 - Why: The outcome the Center seeks is to foster creativity in individuals and strengthen connections among its stakeholders.
 - How: The Center intends to achieve this result by presenting, on its own or in partnership with others, an array of visual arts education programs and activities that are of essential value and benefit to its community.
 - For Whom: The Center serves people of all ages, abilities, identities and backgrounds.
 - What: The Center's visual arts education programs, which serve amateurs and professionals throughout their lives, include classes in art making and art appreciation, as well as art exhibitions and other programming that support the Center's mission.
 - Where: Activities can take place at the Center's historic Haverford facility and other community locations (e.g. schools, assisted living facilities, etc.)

Strategic Priorities

Although there are many organizational strategies Main Line Art Center must and will pursue to be successful in the next five years, some of them represent incremental improvements in areas that are generally functioning well (e.g. programmatic offerings, community engagement) and others reflect critical strategic priorities that have the potential for the largest positive impact on the Center's ability to address its key challenges and opportunities and realize the vision for the future.

This strategic plan is organized in a way that is designed to focus the attention of all Center stakeholders on initiatives and actions that will support five, interdependent strategic priorities:



- Programmatic Offerings and Community Engagement: Expand offerings that attract more participants in Center programs at its Haverford facility and in other community locations.
- Data Analytics: Increase our ability to obtain and analyze data to inform decision making.
- Marketing and Communications: Invest more resources in marketing and communications to support organizational priorities.
- Fundraising: Use our community's connections to improve fundraising and obtain resources/assets beyond operational funds to invest in future development of the organization.
- Organizational Capacity: Ensure the Center has sufficient human resources and facilities to support the successful implementation of all programs.

A list of the strategies, key action steps and objectives (metrics of success) associated with each of these strategic priorities are outlined below.

Programmatic Offerings and Community Engagement

1. Programmatic Offerings and Community Engagement Strategies
 - a. Identify ways to increase engagement of diverse audiences
 - b. Develop strategies to attract and retain teaching artists
 - c. Increase lectures and workshops offered by well-respected artists, thinkers and field leaders
 - d. Provide opportunities for students who want to share their work in informal, social settings
 - e. Create programmatic synergy between classes and exhibitions
 - f. Expand external community programs, in collaboration (where appropriate) with schools, community groups, etc.
2. Key Programmatic Offerings and Community Engagement Actions
 - a. Increase number of teaching artist and student exhibition opportunities
 - b. Explore new ideas for adult summer classes
 - c. Reimagine exhibitions, to make them more relevant to internal audiences and potential new audiences
 - d. Activate and energize galleries (non-exhibition activities)
 - e. Spend more time outside of Center making connections at events/other art spaces, community events, festivals, galleries, etc.
 - f. Analyze data to assess success of current programs
3. Programmatic Offerings and Community Engagement Objectives
 - a. Increase total annual student enrollment from X to Y
 - b. Increase average number of students per class from X to Y
 - c. Increase entry class retention rate from X% to Y%
 - d. Increase Net Promoter Score from X to Y

Data Analytics

1. Data Analytics Strategies:
 - a. Train staff and/or hire consultants to identify data needs, gather and analyze data
 - b. Improve systems of processing student survey feedback into actionable data



- c. Evaluate and redefine Center IT relationship with Canvas
 - d. Build and maintain program evaluation plan to discover and improve outcomes, as well as support the case for philanthropic support
2. Key Data Analytics Actions
 - a. Use data to discover and build on connections among our stakeholders, identifying those who are willing and able to help with fundraising
 - b. Identify barriers to participation and explore solutions to those barriers
 - c. Adopt data gathering and report creation that provide actionable data related to:
 - o Client acquisition
 - o Student retention
 - o Student giving
 - o Community demographics
3. Data Analytics Objectives
 - a. Identify current and potential audience segments
 - b. Better understand the motivators for and barriers to participation
 - c. Create, track and act upon key performance indicators
 - d. Enhance fundraising efforts to cover sustainability gap

Marketing and Communications

1. Marketing and Communications Strategies
 - a. Improve awareness of the Center in and around our community
 - b. Create a consistent feedback loop with constituents that drives our operations and actions
 - c. Increase awareness of the Center's outreach programs
 - d. Improve understanding of audience segments, in order to engage specific audiences (e.g. lapsed stakeholders)
2. Key Data Marketing and Communications Actions
 - a. Increase Center visibility by creating better signage and/or public art for the building
 - b. Improve end-user website experience
 - c. Increase marketing budget to 15% of operating expenses (currently at 4%)
 - d. Develop an internal communications system
 - e. Adopt a comprehensive actionable marketing and communications plan
 - f. Discover and use stakeholders' preferred communications channel
 - g. Hire a design firm to evaluate and redevelop branding strategy
3. Marketing and Communications Objectives
 - a. Increase stakeholder loyalty (increase student and donor renewal from X% to Y%)
 - b. Reengage lapsed stakeholders (increase those reengaged by X%)
 - c. Increase general awareness of organizational programming and activities (increase population served from X% to Y%)



Fundraising

1. Fundraising Strategies
 - a. Communicate fundraising needs/goals to current community
 - b. Cultivate potential donors through exclusive experiences
 - c. Increase student participation in making connections to potential donors
 - d. Increase student contributions to the Center
 - e. Create Board development plan, to identify additional individuals who understand the Center's expectations of board service and accept their responsibility for fundraising (giving, getting and development prospects)
2. Key Fundraising Actions
 - a. Increase volunteer engagement (e.g. in community programs), to increase involvement in fundraising prospect identification, cultivation and solicitation
 - b. Network at art openings, universities and community events, to identify potential donors
 - c. Conform Governance Committee policies and procedures to non-profit best practices that support the Board development plan
 - d. Increase Center participation in non-art community efforts and initiatives
 - e. Partner with Board members on important major donor cultivation and solicitation visits
 - f. Reimagine comprehensive fundraising strategy (e.g. annual appeals, gala and non-gala event fundraising)
 - g. Engage fundraising consultant to assist with implementation of fundraising and board development strategies
3. Fundraising Objectives
 - a. Increase percentage of students and teaching artists who contribute from X% to Y%
 - b. Increase number of major donors, who contribute at least \$1,000 annually, from X to Y
 - c. Increase total annual Board contributions from X to Y
 - d. Increase percentage of budget covered by annual contributions from X% to Y%
 - e. Increase percentage of budget covered by endowment income from X% to Y%

Organizational Capacity

1. Organizational Capacity Strategies
 - a. Allocate resources for additional staff and more staff training/professional development
 - b. Increase overall cleanliness of the Center facilities and functionality of equipment
 - c. Identify resources to improve facility maintenance and undertake "must have" capital improvements
2. Key Organizational Capacity Actions
 - a. Invest resources in maintenance and capital improvements to physical plant
 - b. Invest more resources in staff in the areas of marketing, fundraising, programming and exhibitions
3. Organizational Capacity Objectives
 - a. Increased student satisfaction with facilities and equipment
 - b. Increase staff capacity gradually...



Financial Projections

Baseline Projected Operating Results

MAIN LINE ART CENTER PROJECTED OPERATING RESULTS							
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Operating Income/Expense (000)	Actual	Actual	Budget	Proforma	Proforma	Proforma	Proforma
Tuition and Fees	742	783	809	841	874	909	946
Event and Exhibition Income	35	27	37	37	38	38	38
Sales	10	8	11	11	11	11	11
Membership	43	38	39	40	40	40	41
Other Earned Income	14	23	20	20	21	21	21
Earned Income	845	880	916	949	984	1,020	1,057
% of Total Expense	72%	76%	74%	74%	74%	75%	75%
Operating Expenses (000)							
Instructors	244	256	287	299	311	323	336
Program Expense	148	134	145	150	156	163	169
Event and Exhibition Expense	26	41	39	41	43	44	46
Facilities Expenses	78	75	74	76	78	80	83
Total Program Services	496	505	545	566	588	611	634
Salaries and Benefits	573	538	585	603	621	639	659
General Operating Expense	108	110	109	112	116	119	123
Administrative Expense	681	648	694	715	736	758	781
Total Expenses	1,177	1,153	1,239	1,281	1,324	1,369	1,415
Operating Income/(Loss)	(332)	(273)	(323)	(332)	(340)	(349)	(358)
Funding							
Individual Contributions	142	143	129	134	140	145	151
Foundation, Corporate, Gov't Grants	199	181	204	210	217	223	230
Annual Contributed Income	341	324	334	345	357	369	381
% of Total Expense	29%	28%	27%	27%	27%	27%	27%
Endowment Draw	54	56	58	60	62	63	65
Operating Result	63	106	68	73	78	83	88
Depreciation	(133)	(133)	(136)	(140)	(144)	(148)	(153)
Non-Recurring Revenues	187	-	-	-	-	-	-
Annual Surplus/Deficit (Internal)	117	(27)	(67)	(67)	(66)	(65)	(64)

- Key assumptions:
 - Base line operations, prior to incremental costs for strategic plan initiatives (see p. 11)
 - Tuition and fees increase 4% annually above FY2020 budget levels (combining enrollment and price increases)
 - Program expenses increase 4% annually above FY2020 budget levels
 - Administrative staff costs increase 3% annually above FY2020 budget levels
 - Other earned income increases 1% per year above FY2020 budget levels
 - Individual annual contributions increase 4% per year above FY2020 budget; institutional grants and endowment draw increase 3% per year
 - Operating result (before depreciation) remains positive
 - Net operating loss remains steady at FY2020 level of about 65K

Strategic Plan Initiatives

MAIN LINE ART CENTER STRATEGIC PLAN INITIATIVES (000)					
	FY2020	FY2021	FY2022	FY2023	FY2024
Programmatic Offerings/Community Engagement	Budget	Proforma	Proforma	Proforma	Proforma
Increase engagement of diverse audiences	-	5	5	5	5
Attract and retain teaching artists	-	7	16	23	31
Lectures and workshops by guest artists	6	6	6	6	6
Expand external community programs	-	25	50	75	100
Reimagine exhibitions	-	-	-	-	-
Total Program Expense	6	43	77	109	142
Data Analytics					
Staff Training	-	3	3	3	3
Consultants/Staff	-	26	26	27	28
Modify Canvas Data Structure/Capture	5	5	5	5	5
Other Data Analytics Expense	-	2	2	2	2
Total Data Analytics Expense	5	36	36	37	38
Marketing and Communications					
Evaluation and Redevelopment of Brand Strategy	-	10	10		
Signage and/or Public Art	-	5	5	5	5
Update Website	-	15	2	2	2
Additional Marketing Expense	17	29	42	54	59
Total Marketing/Communications Expense	17	59	59	61	66
Fundraising					
Fundraising Consultant	30	30	30	-	-
Cultivation Events	10	15	20	25	30
Other Fundraising Expense	5	5	5	5	5
Total Fundraising Expense	45	50	55	30	35
Organizational Capacity					
Additional staff expense and staff training	-	60	122	185	251
Additional resources for facility maintenance	10	10	10	10	10
Additional capital improvement expense	25	25	25	25	25
Total Organizational Capacity Expense	35	95	157	220	286
TOTAL STRATEGIC PLAN INITIATIVE EXPENSE	108	283	384	458	567

- Key Assumptions:
 - Teaching artist pay increases by \$1 per hour each year, starting in FY2021
 - Community programs (e.g. Catherine School) increase by 1 per year starting in FY2021
 - Marketing expense budget increases gradually from 10% to 15% of total expense
 - Fundraising consultant engaged for three years, to help implement fundraising best practices and identify potential individual donors to cultivate and solicit
 - Additional staff expense and training for current and new staff, to ensure there is sufficient organizational capacity to implement all programs and strategies effectively
 - Additional capital improvement expense of \$150K to modify facility as potential community gathering place
- Total strategic plan initiatives add ~\$100K to \$500K to annual expense or \$1.8M between FY2020 and FY2024
- Funding of strategic plan initiatives included in capitalization plan below

Capitalization Plan

CAPITALIZATION FUNDING NEEDS (000)	FY2020	FY2021	FY2022	FY2023	FY2024	TOTAL
Annual Operating Deficit	67	67	66	65	64	330
Strategic Plan Initiatives	108	283	384	458	567	1,800
Add'l Endowment Principal		250	500	500	517	1,767
Operating Reserve	32	35	38	41	31	175
Capital Reserve		100	125	125	82	432
Total Capitalization Funding	207	734	1,112	1,189	1,261	4,504

- To fully capitalize the current scope of activities at a hypothetically optimal level (consistent with non-profit best practices), and fund the launch of the strategic plan initiatives, the Center needs to raise (in addition to annual contributions):
 - Annual operating deficits through FY2024: \$330K
 - Strategic plan initiative funding: \$1.8M
 - Additional endowment to cover 10% of expenses by FY2024 @5% draw: \$1.8M
 - Additional operating reserve (3 months operating cash reserve by FY2024): \$175K
 - Facility reserve @ 20% of net fixed assets value by FY2024: \$432K
- Total capital funding need: \$4.5M

Critical Success Factors

The successful implementation of this plan is contingent on several key factors:

1. Demonstrating the Center's commitment to being a community gathering place for visual art, but building community and strengthening connections among all of its stakeholders, as well as fostering creativity in individuals;
2. Communicating more effectively the depth and breadth of the Center's community programs at the Center's historic Haverford facility and in other community locations;
3. Obtaining the incremental philanthropic resources needed to implement the strategic plan initiatives and adequately capitalize the organization; and
4. Infusing a greater sense of responsibility among all of the Center's stakeholders – especially students, teachers and board members – for participating as solicitors and donors in fundraising.

