



WARREN SYMPHONY ORCHESTRA

2013 STRATEGIC PLAN

- Executive Summary
- Strategy Session Highlights
- The WSO Organization
- The WSO Service
- Market Overview
- Orchestra Environment
- Goals and Priorities
- Long-Term Vision
- Roadmap to Success

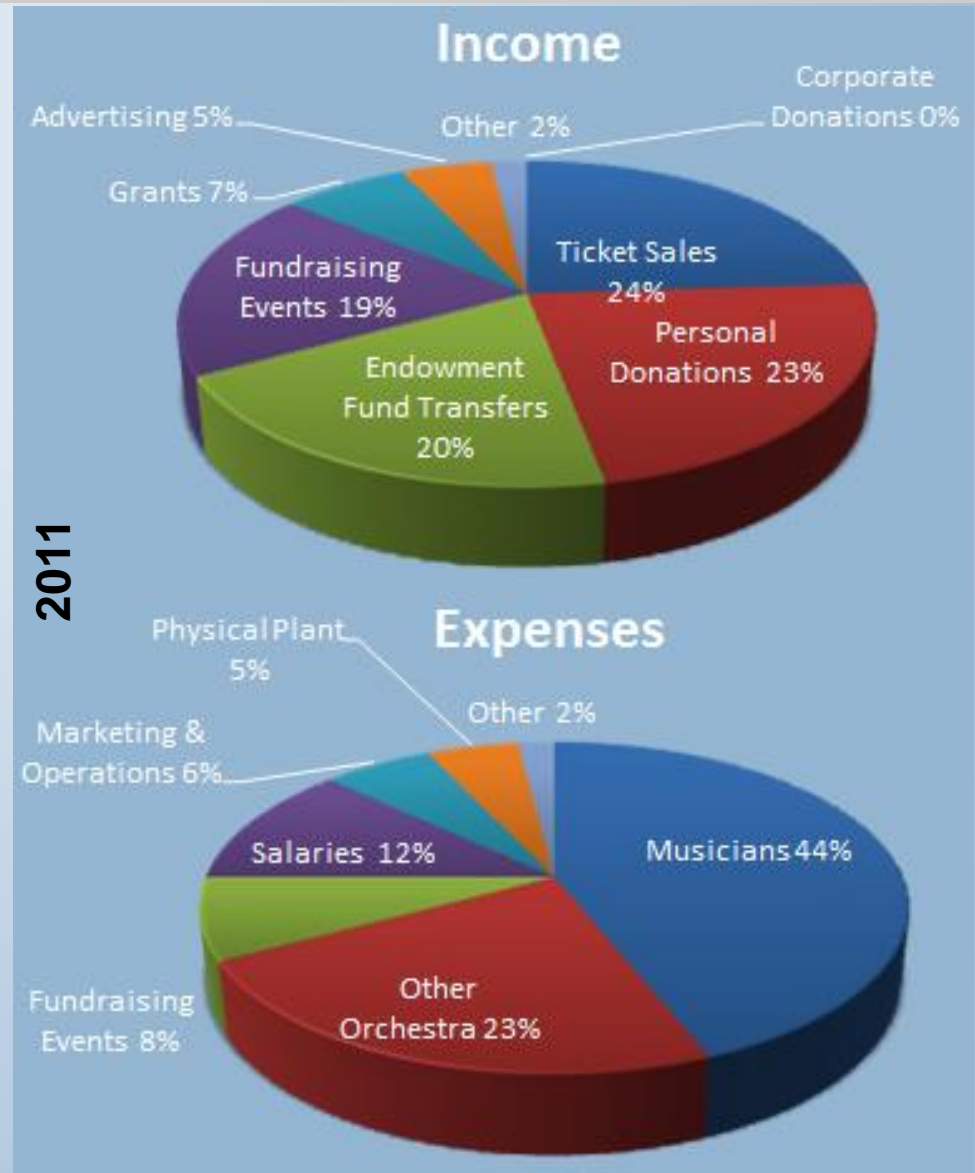
- The WSO is at a dynamic time in its history, with motions already underway for **name change** and **executive director**
- Immediate focus is **board recruitment**
 - Goal of 18 board members by 2014's Annual Meeting
 - With projected losses, this represents 5 new directors
 - Executive Committee, led by Lois, owns this initiative
- **Three-year** goals are
 1. Create enough income through a focus on corporate donations, sponsorships, and grants to offset all fixed costs (organize WSO to appeal to these)
 2. Triple youth and community outreach programming
 3. A formal venue study to optimize performance, minimize cost, and give the WSO a “home”

- Strategy Session 2013 held at the Baymont Inn & Suites on 19 May 2013, from 9:00a to 3:00p
- **Purpose**
 - *To collectively discuss the future of the WSO and set the vision for that future, creating the foundation for a written strategic plan to be reviewed approved by the board*
- Objectives
 - A **shared** vision of strategic (5-year) goals
 - Two specific operational (3-year) goals to work toward
 - Two tactical (1-year) goals to begin implementing **now**
 - A better consensus on the organization and its future
- Attended by Myrle Hughes, Lois Jackman, Joyce Lajack, Jeff Cutter, Susan Metalski, Greg Cunningham, and Jason Waller

THE WSO ORGANIZATION

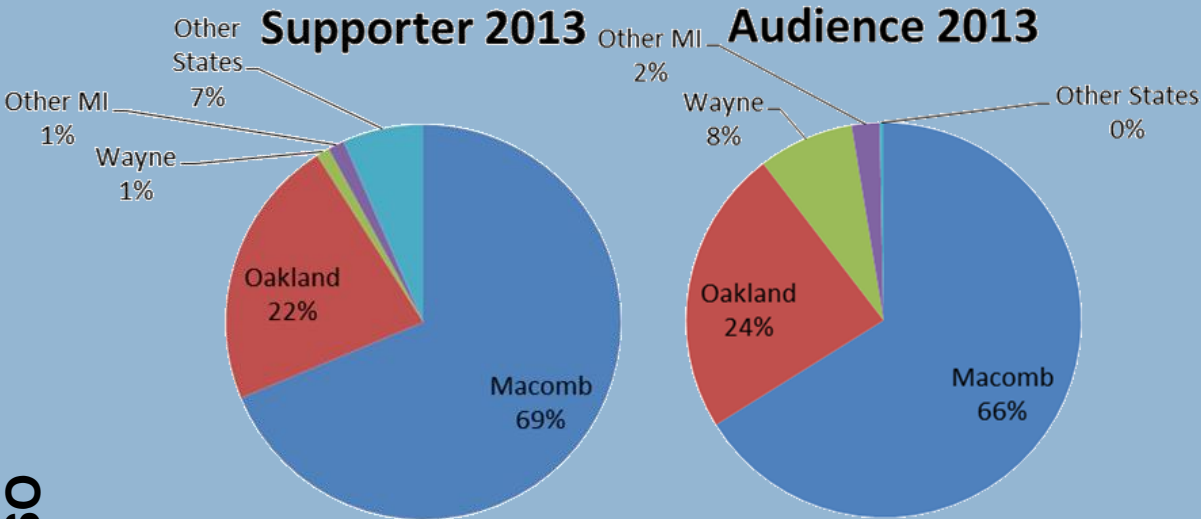


- Current mission: *to support and advance an orchestra of professional quality for cultural enrichment, entertainment, and youth education*
- Most **expenses** are concert related, while most **revenues** are not
- Key areas for growth:
 - Corporate donations
 - Fundraising

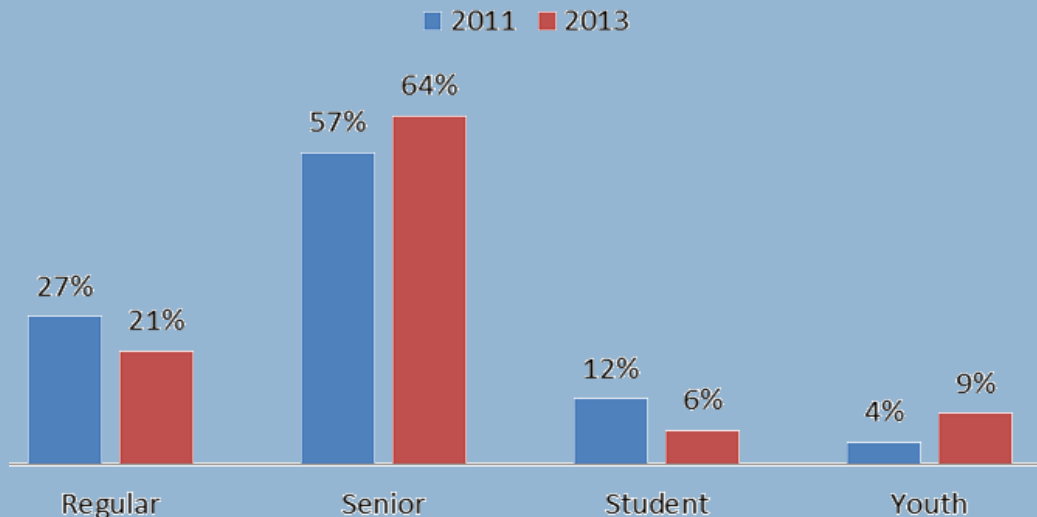


- First performance in 1973 under Dave Daniels
- Total of 18 directors, 6 of which are on the Executive Committee (161 directors since founding)
- **Capabilities**
 - Quality of service compared to similar orchestras
 - Endowment and property act as a financial stabilizers
- **Challenges**
 - Professional orchestra expense remains high
 - Board leadership is thinning compared to recent years





Ticket Sales



■ Capabilities

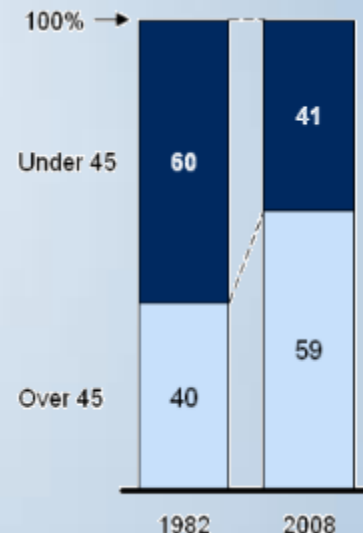
- Caliber of artistic product
- Senior market in Macomb

■ Challenges

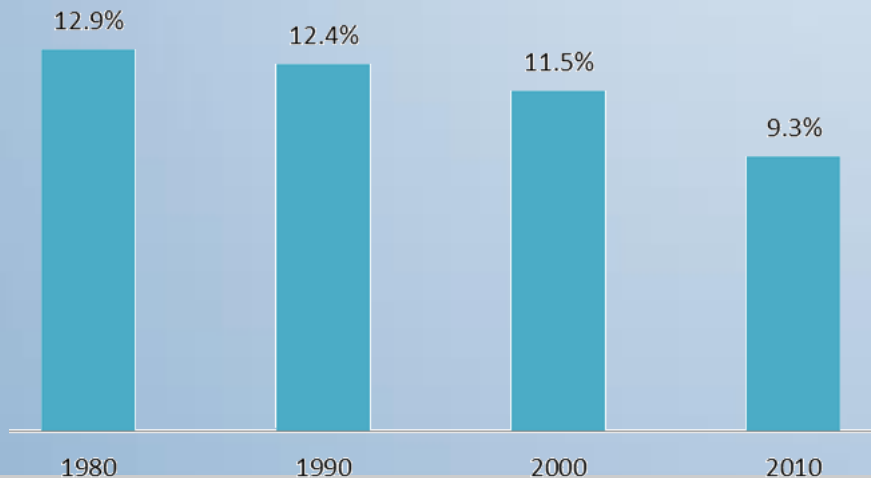
- Regular market
- Competition with neighbors
- Fragmented culture
- No permanent venue (home)

- The concert-goer market has been **decreasing** over the past several decades, as well as getting older
- Become more “entertaining?”
- **Who** is paying for concerts in five years?

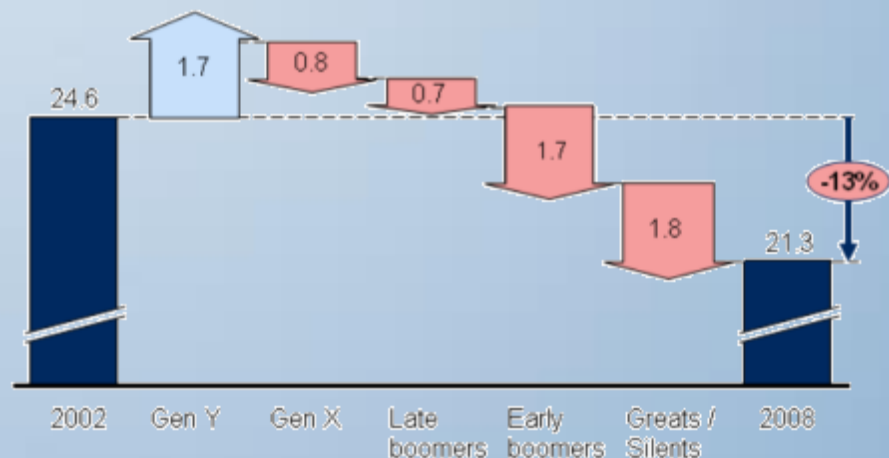
Classical Audience by Age



Classical Music Participation (NEA)

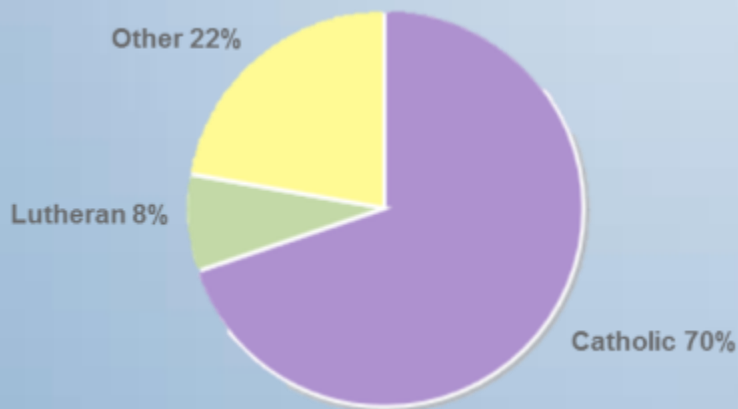


Classical Audience Trends

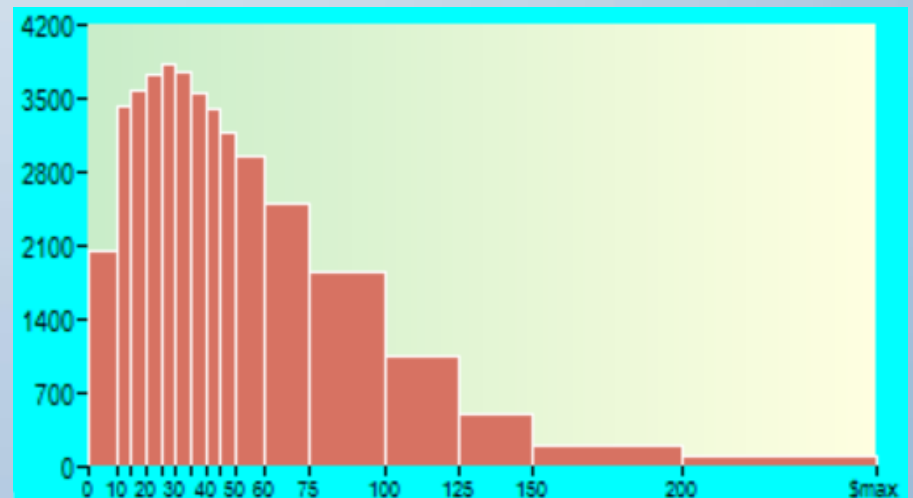


- Other performing arts, sporting events, and movie theaters have seen **similar declines** in the past three decades
- National audience composition:
 - 56% are women and 20% age 65 or older
 - Highly correlated to **education** and to **income**
 - Median age is 49 (40 in 1982)

Warren City Religion

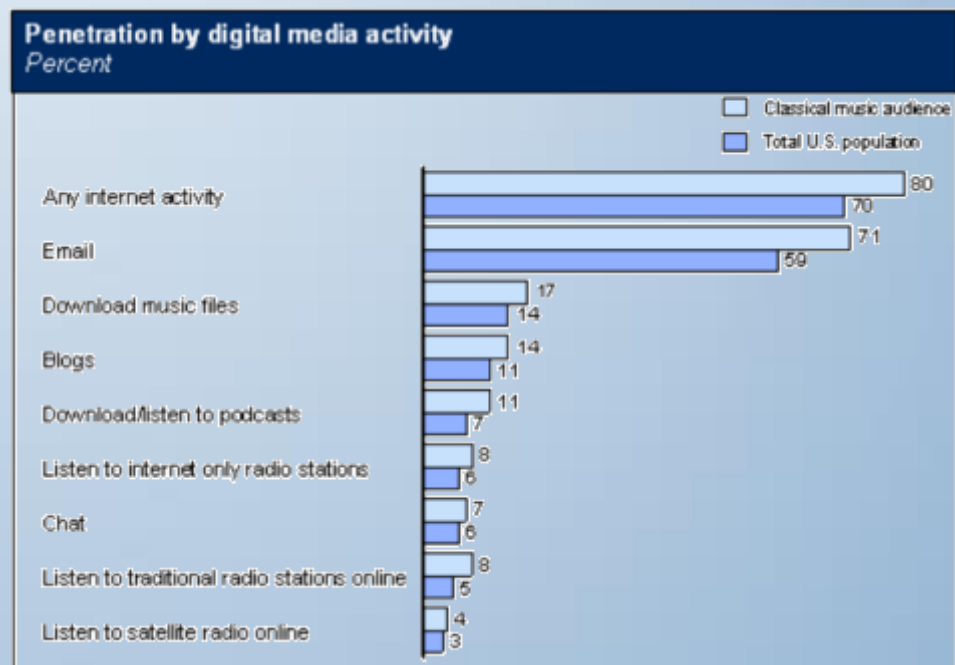
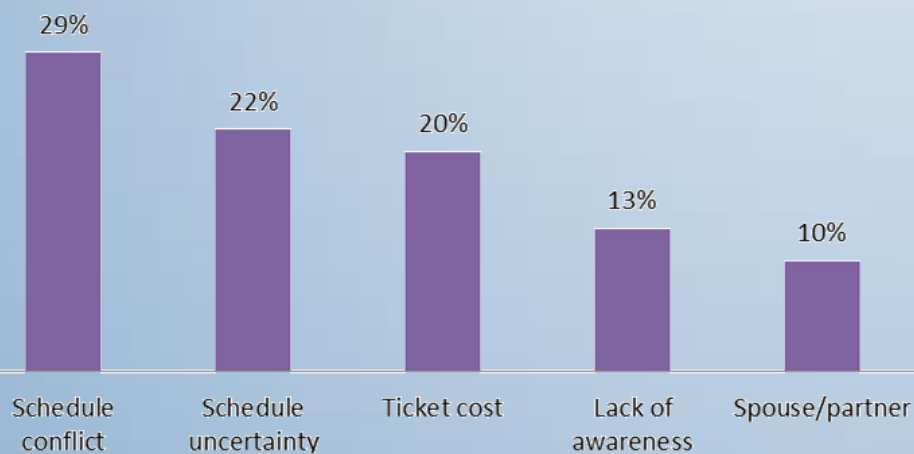


Household Income, Macomb (\$1,000s)

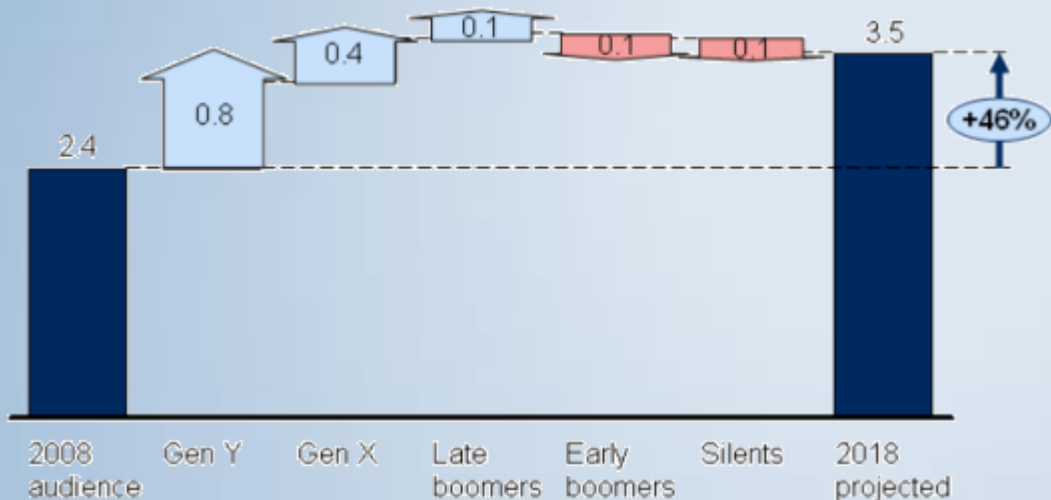


- While audience is aging, it is still more educated and wealthy
- Because of this, classical music audiences are more active on **internet and social media** than expected
- As markets flatten and attention spans shorten, **schedule** conflict and uncertainty drive decisions to forgo concerts

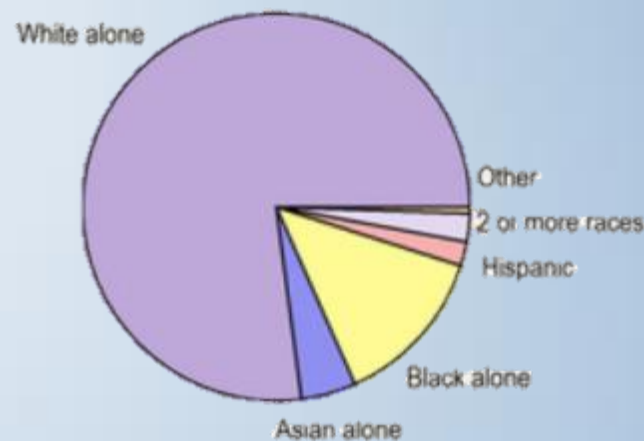
Concert Inhibitors (League Study)



Hispanic Audience Projection



Warren City Race Demographics

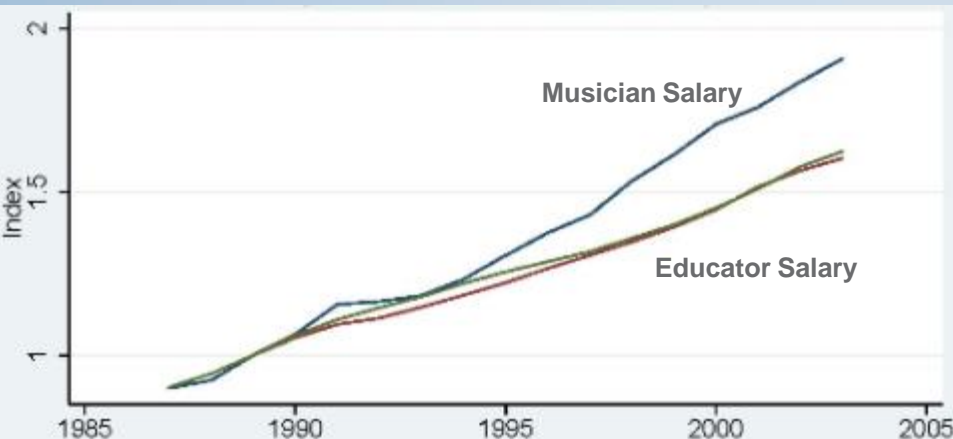


- Only an estimated **9%** of the U.S. listens to classical music
- Of note: the percentage of people performing classical music **increased** considerably from 1.8% in 2003 to 3% in 2009
- Although base remains important...
 - College-educated adults curbed their attendance of classical music events by 39% from 2002 to 2008
 - Race/ethnicity is **shifting** (e.g. increasing Hispanic share)

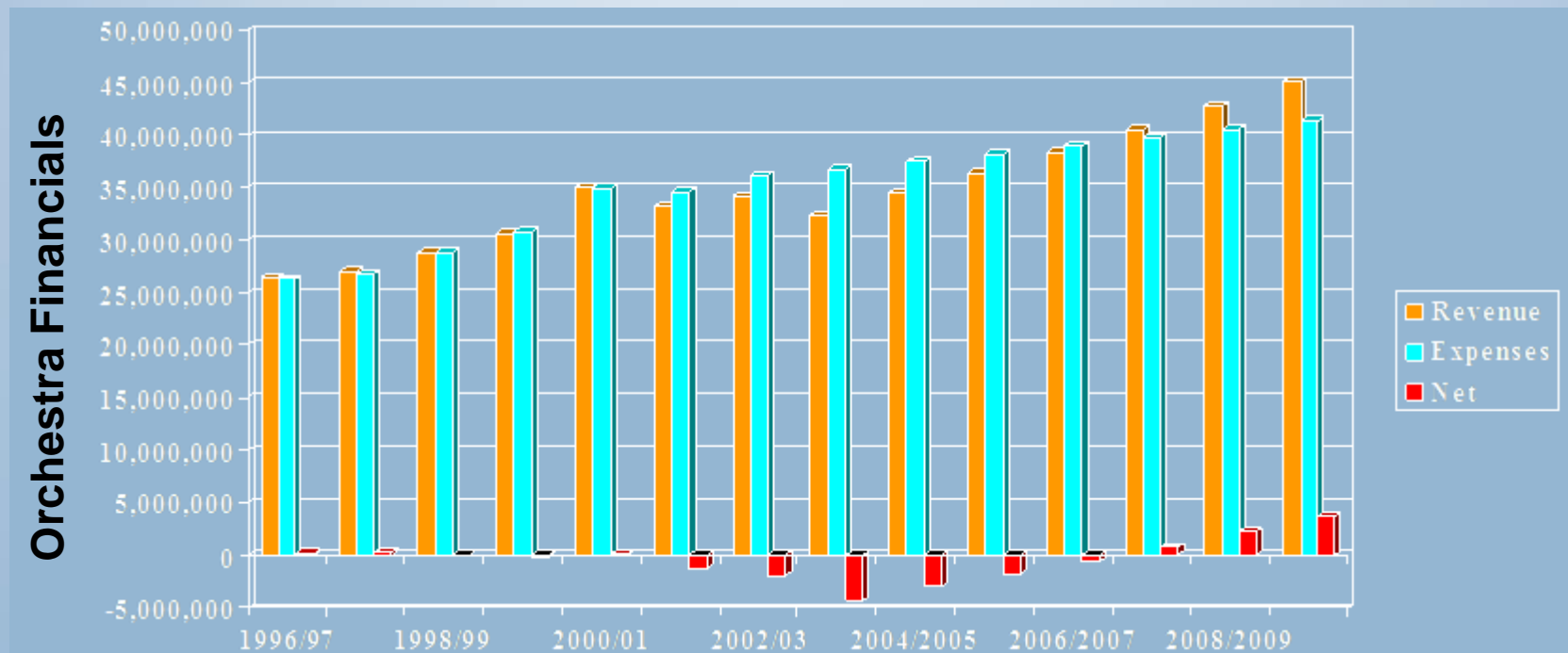
- Loyal donor base, but little corporate or government support
- Musician and conductor salaries have been increasing
- Two examples of WSO competition:
 - **DSO** is moving into the suburbs and pricing similarly
 - **Macomb Symphony** is bigger but not the same caliber; uses popular programming and community musicians

Real Government Support

Musicians' Salaries



- National trends in orchestras over the last two decades
 - Net income improvements have been driven more by **revenue creation** than by expense management
 - Audience free-fall in 2004 forced an organizational shift with original branding and **creative** revenue generation



- Where do we want to be next year? **Still alive**
- Current efforts
 - **Name change**; re-brand the orchestra at all levels
 - **Hire executive director** to allow the board to focus on governance; job description posted
- Tactical goal: board recruitment
 - Goal of **18 board members** by 2014's Annual Meeting
 - With projected losses, this represents 5 new directors
 - Restructure committees and roles within the board (priorities are marketing, IT, and finance)
 - Executive Committee, led by Lois, owns this initiative
- How do WSO's tactical goals (1-year) shape its operational goals (3-year)?

- Three-year goals are
 1. Create enough income through a focus on corporate donations, sponsorships, and grants to offset **all fixed costs** (organize WSO to appeal to these)
 - Short-term focus is on corporate donations (survival)
 - Long-term focus includes sustainable sponsorships and grants
 2. **Triple** youth and community outreach programming
 3. A formal venue study to optimize performance, minimize cost, and give the WSO a “home”
- Nested with tactical goals by leveraging board toward dynamic fundraising and branded programming support
- Obstacles to achievement
 - Board membership, ticket sales, market saturation

- The vision of the Warren Symphony Orchestra is to become the **symphony of choice** for the Macomb county community
- To that end, the WSO has several five-year strategic goals

Artistic Goals

- Maintain 5 quality concerts per season
- Develop an early childhood program to more directly impact the community
- Hold 10 Classicalpalooza events per season

Audience Goals

- Average 600 patrons per regular season performance
- Reach 4,000 youth with youth and community outreach programming per season

Financial Goals

- 25% of earned income is from ticket sales
- Grow the WSO endowment to \$1 million
- Gain 10 corporate sponsors per season
- Increase revenue from advertising by 50%
- Increase individual donations by 35%

- “Battle rhythm” incorporated into board and committee meeting planning and organization
- **Balanced scorecard** (“report card”)
 - Measures of performance and effectiveness
 - Number of board members, type of board members
 - Non-ticket revenue as a percentage of fixed costs
 - Youth and community outreach quantity and quality
- Organizational structure
 - Culture shift to reflect current **market** and **environment**
 - Board roles; individually assigned, collectively understood
 - Values (re)assessment, to include values statement
- How does the organization need to change?



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