



Strategic Plan (2018-23)

January 23, 2018

A designed, graphical, high-level document will be produced after plan adoption to be placed on our website and shared with the public, donors, and other stakeholders

Overture Center, my gift to Madison, continues the tradition of civic pride and responsibility that my family has honored since 1867. It is given in appreciation of the good life Madison has given us.

W. Jerome Frautschi

Dedicated September 18, 2004

A. INTRODUCTION AND CONTEXT

Overture History

Jerry Frautschi and Pleasant Rowland Frautschi's vision was for Overture Center to be a world-class venue that would replace the Madison Civic Center as a new home for its Resident Arts Companies and be enjoyed by the entire community. Jerry funded the building construction with a combination of cash and debt service, and provided an endowment to collateralize the debt, subsidize the building's annual operating deficit and fund long-term capital maintenance. Pleasant created the Great Performance Fund, a separate endowment fund held at the Madison Community Foundation whereby the existing Resident Arts Companies raised matching funds, the sum of which would generate interest earning to pay for their additional cost of using Overture.

Overture was operated by the City and staffed by City employees as the Civic Center had been, except the building now was owned by Overture Development Corporation, a 501(c)(3) with a separate board, now appointed by the Overture Center Foundation (OCF). City staff continued to program educational and miscellaneous arts events to compliment the Resident Arts Company programming (today's Overture Presents), and added expanded Broadway programming to the mix.

The economic downturn of 2008-09 had a devastating impact on Overture's endowment, so much so that the building's remaining debt had to be repaid by liquidating the endowment. At that point the building became debt free, but there was no longer an endowment to support operations or fund capital expenditures, and the City became more at risk as the operator of Overture.

After more than 20 months of public discussion, recommendations by consultants, and much skepticism, the City and the private sector negotiated a "Structural Agreement." That agreement called for a new organization to assume management responsibility for the Overture Center effective January 1, 2012. The City agreed to continue its grant of Overture and the majority of staff elected to work for the new organization. OCF initiated a new business model that called for a greater reliance upon presenting professional touring Broadway productions as the base of earned revenue, an active philanthropy program, increased outreach, and the beginning stages of internal discussion of the need for a new capital endowment.

Current Position

After its first six seasons/fiscal years, Overture is in a very positive place. Strong Broadway and non-Broadway programming, increased ticket and subscription sales and attendance including free/low-cost events, and an ever-increasing donor base of individuals, corporations and foundation grants has allowed Overture to finish each of these years with net positive results.

Overture has been able to improve its cash position, has received consistently positive financial audits, and is in a more confident position to fund more capital projects than before and to borrow money for larger projects, such as the replacement of the Overture Hall sound system in the summer of 2017.

Overture has made a significant expansion of educational and audience development programs such as Rising Stars, Any Given Child, Disney Musicals in Schools and Club 10. It has implemented a more meaningful community engagement program, inspired by its recent diversity and inclusion initiative. This initiative has many facets that require further investment in stronger relationships in order for Overture to increase its relevance to a broader community.

Overture's relationship with the City of Madison, guided by the Structural Agreement, is also in a positive place even though the City has not fulfilled its full financial obligation through an annual City grant. Funds for the grant are currently allocated using Room Tax Revenue at a level close to the City's agreed obligation.

By accomplishing and exceeding most expectations since assuming responsibility, OCF has earned the confidence of subscribers, donors, civic and community leaders, resident arts companies, political leaders and taxpayers, the press, and most importantly from itself.

Since 2012, Overture has purposely shaped a basis for its future and has begun to be more proactive about telling its positive story.

Future Direction

Overture is not a typical nonprofit or arts organization with a single focus. Rather, it is an extremely complex organization with many interdependent moving parts. Overture is in a position of strength for developing this complex Strategic Plan rather than having to react to an environment of crisis. It's as though this is a moment of a space expedition to another planet where there is purposeful decision making in planning a mid-course correction. Many Overture programs, whether they be revenue generating or mission-based, deserve an honest review, refinement or possibly replacement in order to chart a more perfect course.

As the organization has begun to mature from its infancy, Overture knows there are still many questions to ask and challenges to resolve. We are in a good position and now have the time to be able to contemplate the questions of "What is Overture, and what do we want it to be?"

Overture's board and staff are clearly committed to develop and grow our programs, our engagement with the community, our revenues, our audience and our donor base in a thoughtful manner. But to help inform themselves of a future direction, the board and staff have begun to ask some of the following questions, among others:

- Is Overture a mission-driven organization, or a nonprofit business that must earn money?
- What is the relationship with our resident companies? Are they our partners? Our customers? Our competitors for donors? If our mission is to support them – financially or otherwise – to what extent?
- Can we fund a capital endowment fund at a level that will sustain building maintenance for generations to come, and how do we pay for maintenance during the time it will take to reach a fund goal?
- What is the optimal size and structure of the staff? The Board? Our programs? What is the best use of the venue spaces? What is the balance, capacity, priorities, or right-sizing?

- How can Overture be a better reflection of our diverse community through our board, staff, and volunteers, programming, and audiences?
- Can Overture afford to be seen as all things to all people, serving many constituencies with many expectations?

This Plan and How It Will Evolve in Fiscal Year 2018/19

We look for this planning process to answer the above questions and many others of a still relatively new entity. Are we doing the right things, are we doing enough, do we have the right balance, and are we doing too much? To what extent in this point in time do we need to tweak or modify the business model in order to continue our success and meet expectations? Ultimately, Overture needs to manage its future now rather than let the future dictate.

This Strategic Plan will be a living document. Goals, objectives and work plans will be amended and added as circumstances change, alternatives are discovered, and action items are completed. Annual Strategic Objectives may be modified to attain long-term goals. As each goal is realized, we will take time to evaluate the process and reflect on the results, always looking for ways to improve. A review of the Plan will take place each quarter and progress will be reported to the staff and board; and annually to the public. The objectives will be integrated financially into Overture's rolling three-year budget; operationally into the seasonal calendar of activities in the building; and culturally into its annual performance evaluations.

B. MISSION AND VISION

Overture's mission and vision statements are being revised This draft is the result of staff discussion, and captures the work put into the Key Strategic Areas to develop the goals and objectives of this plan. Further discussion will be coming.

Vision: Extraordinary Experiences for All

Mission: Elevate our community's creative culture, economy and quality of life through the arts

To serve our Mission, we are committed to:

- Be the first choice for audiences, employees, artists and donors
- Present a diverse spectrum of high-quality programming
- Maintain a world class facility
- Steward our resources
- Be inclusive and accessible for our diverse community
- Provide outstanding customer experiences
- Support the success of resident companies, local artists, promoters, businesses and community groups
- Develop audiences through education and engagement
- Advocate for the arts and serve as a national model

C. VALUES

One action item of the Organizational Culture strategic area will be to translate Overture's values into corresponding behaviors that can be measured and reinforced through performance feedback

- **THE ARTS:** We appreciate, patronize and practice various forms of art. We choose to dedicate our careers to advancing the arts. We work to connect people to the arts, thus building relationships, cultivating creativity and enriching lives.

- **RELATIONSHIPS:** We value our community, our colleagues, our artists and our patrons, knowing we could not achieve our goals without them. We hold ourselves, our colleagues, our artists and our facility to high standards. We strive to ensure that every Overture experience is extraordinary.
- **INCLUSION:** We work to engage our entire community. Our facility and our programs must be open, inviting, and accessible. We strive to provide meaningful and extraordinary experiences for people of all walks of life, of all economic classes, of all ethnic and cultural backgrounds, and of all identities.
- **CREATIVITY:** We constantly look for ways to innovate and improve our work. We value innovation in the art we present, as well as in how we present it, promote it, and engage with the community.
- **STEWARDSHIP:** We use our resources wisely and efficiently. We seek to maximize revenue and hold expenses in check without compromising our other values. We commit to honesty and transparency in how we conduct our business so that donors and taxpayers trust us with their patronage and investment.

D. KEY STRATEGY AREAS (2018 – 2023)

Seven key strategy areas have been identified as important for Overture’s future direction.

- The Goals paint a picture of where we want to be in 2023.
- The Strategic Objectives map out FY 2018/19 activities to get started toward the goals.

A priority during 2018/19 will be developing, implementing, and refining our processes. We will use this initial period of evaluation, analysis, and research to establish baselines for our goals. By August 2018, staff and board will be able to develop specific metrics by which we will track our progress towards success.

1. Equity, Diversity & Inclusion Ed Holmes, Director of Diversity & Inclusion
 - **2023 Goal:** Overture will clearly demonstrate that it values and embraces institutional frameworks that promote sustainable equity, diversity and inclusion, setting the standard of excellence for how to successfully embed diversity and inclusion into organizational structures.
 - **2018 Strategic Objective:** Leverage organizational resources to implement high-impact initiatives that are the foundation for cultural change toward a more equitable, diverse and inclusive Overture Center.
2. Market Research & Audiences Lex Poppens, VP of Marketing & Sales
 - **2023 Goal:** Overture Marketing will primarily be electronic and digital, supporting a sustained Broadway subscriber base of 8,000 and a membership (donor with benefits) base of 2,500 or more.
 - **2018 Strategic Objective:** Marketing will research, identify and market to new audiences through significant database analysis and expanded digital marketing.
3. The Endowment Glenda Noel-Ney, VP of Advancement
 - **2023 Goal:** Overture will have established a \$50MM endowment that addresses the current and long-term preservation of our iconic building by providing a steady stream of income to maintain a world-class performing arts center that impacts our community, presents the very best in live performances, and enriches the lives of everyone in our region.

- **2018 Strategic Objective:** To identify, cultivate, and inspire Overture audiences to provide financial support for the endowment and annual fund program ensuring the long-term sustainability of the organization.
4. Finance Kevin Sweeney, SVP of Finance and CFO
- **2023 Goal:** Overture will be able to financially sustain its aspirations through a mission based business model supported by the community which is shielded from risk with an endowment and a growing operating reserve.
 - **2018 Strategic Objective:** Develop an organizational practice to find offsets to the increasing cost to operate Overture. The objective for fiscal 18.19 is to find non-programmatic methods to mind the gap.
5. Organizational Culture & Planning Lyra Trapp, Director of Human Resources
- **2023 Goal:** Overture will demonstrate that it values our viable, diverse talent, retaining and energizing employees through our inclusive nature, inspiring mission, innovative work, improving systems, informed employees and exceptional leaders. Overture is one of Madison's Best Places to Work.
 - **2018 Strategic Objective:** Put systems in place to align priorities amongst divisions, facilitate effective communication and reinforce positive, culturally aligned behavior.
6. Programming, Education & Engagement Tim Sauers, VP of Programming & Engagement
- **2023 Goal:** Overture's programming (including engagement and education) is relevant to community interest and needs, and supported by the organization.
 - **2018 Strategic Objective:** Determine the right programming mix across all programs that will influence programmatic strategic initiatives.
7. The Building & Operations Jacque Goetz, VP of Operations
- **2023 Goal:** Overture's Capital Expenditure budget is integrated into the 5-year rolling budget to keep the building well maintained, operationally sound and state-of-the-art. Staffing, security and room usage is at appropriate and sustainable levels.
 - **2018 Strategic Objective:** Identify, budget and create a timeline for Capital Expenditure projects. Develop plans and systems for defining how best to use our spaces and resources, and knowing when we are at capacity.

E. REPORTING TEMPLATES & DASHBOARD

As work progresses on executing the components of the plan, staff and board will track, measure, and report on progress using project management tools such as:

- Detailed work plans for organizing and tracking progress on each action item. (Appendix B)
- An executive dashboard to allow high-level viewing of progress at a glance and track impact across objectives, creating efficiencies and lessening resource competition. (Appendix C)
- A more detailed dashboard for internal use by management. (in development)
- A reporting process to update the executive team and board on progress and alert them to issues.

F. CONCLUSION

Strategic planning is the pursuit of clarity where the discoveries will be many, perspectives will become more informed and the path forward made clear. The templates and forms that we will use are meant to be guides to improvement, not impediments to progress. The ongoing planning process will be a helpful, honest exercise that will be good for the organization. Like the artisans we are, we bring everything we know to Overture and to this planning process, always with a creative perspective, a passion for what we do, to be inspired and inspire others, and to lift and celebrate the quality of life we build together for our community and beyond.

Implementation of this Strategic Plan is just the beginning. It will be an ongoing process – always evolving and looking forward into the future. There is much to do, and we look forward to this opportunity.

APPENDICES

Attached are supporting documents that supplement the plan outlined above, providing background on the months of work that have led to the creation of this plan and giving examples of how the work to be done will be tracked.

A. Key Strategic Area Templates

Each of the seven key strategy areas has a template outlining the 2023 goals, FY 2018.19 objectives, action items, deliverables and timelines for that strategy.

B. 2018 Work Plans

Work plans for each of the action items outlined in the key strategic area templates will be developed and prioritized for use by staff. They will incorporate SMARTER goals, ensuring that all actions are specific and measurable and are followed by evaluation and reflection. A draft sample of the plans for the Organizational Culture and Planning area is attached.

C. Dashboard / Reporting Vehicles

We will track and report on progress toward the goals on two levels. The quarterly board reviews of progress toward goals will be high level, using an executive dashboard to be developed. The steering committee will have more detailed monthly reviews, using a report that tracks progress at the action item level. The sample attached illustrates only the Programming, Education and Engagement strategic area.

D. Background Materials: How We Got Here

- Executive summaries of the seven Key Strategic Areas. These were developed during earlier planning sessions and provide insight into the thought process that went into developing the goals and objectives.
- Grid overview document summarizing goals and objectives for the strategic areas at a glance.

The Overture board will be creating a plan for itself in the first quarter of 2018.