



Adopted by the Board of Trustees 2/6/2010

**CHAUTAUQUA INSTITUTION  
DEDICATED TO THE EXPLORATION OF THE BEST OF HUMAN VALUES  
AND TO THE ENRICHMENT OF LIFE  
2010-2018**

**Preface--The Planning Process**

The strategic plan to be adopted by the Board of Trustees in February 2010 is but one step on a planning continuum that began in the fall of 2005 and will continue throughout the period 2010-2018. The plan is fluid, not static. The plan is not a document, but rather a process of embedding strategic decision making in the work of the Board of Trustees and Institution staff.

**From 2005 through 2009, the following activities were undertaken:**

- **Focus Groups – 2005:** Under the auspices of the Chautauqua Foundation and the Development Council, outside consultants and staff conducted 6 focus group meetings around the region (Pittsburgh, Cleveland, etc) and in Chautauqua (two sessions) to survey and engage Chautauquans in discussions about the Institution.
- **Revenue Task Force – 2005:** As part of the work of the Asset Policy Committee a joint staff-trustee-foundation director task force took a disciplined look at sources of revenue for the Institution. As outgrowths of that work, gate ticket pricing policies were modified, the capital improvements service charge was implemented, the operations service charge was modified, a plan for success for the golf course was prepared, and attention was paid to bookstore revenue. All of these efforts were wrapped into a Strategic Financial Planning System which developed ongoing models for both capital and operating income and expenses.
- **Hotel Task Force:** A group of trustees-staff-foundation directors convened to take a hard look at fundamental questions surrounding the Athenaeum Hotel including continued Institution ownership of the hotel, conversion of the annex into a condo-hotel, pricing policies, meal plans, capital needs, and guest amenities. The result was the decision for continued Institution ownership, more flexible pricing and meal policies, the completion of a detailed architectural study, a prioritization of structural and guest amenity needs, increased capital funding from the Institution, outside borrowing, and a timeline for improvements.
- **Philanthropic Task Forces – 2007:** Beginning in the Spring and running through October 2007, Trustees and Directors jointly conducted 5 task forces looking at the philanthropic issues of gift recognition, property owner participation, individual participation, corporate/foundation participation, and the case for support.
- **Pre-Retreat Trustee Exercise:** In the Fall of 2007, Trustees were provided with

- a questionnaire designed to elicit their vision of the Institution in 2018.
- **February 2008 Retreat:** Information from questionnaires was collated and further refined. Eight subjects were identified for further study.
  - **Demographic Trends Report:** A study was commissioned to provide the Study Groups and Trustees with national, regional, and Chautauqua-specific information on future demographic trends, regional population trends, and psychographic profiles of future Chautauqua audiences.
  - **Study Group Meetings:** Eight study groups of community members met to discuss issues concerning: Art, Education, Recreation, Religion, Accessibility, the Lived Community – Place/Environment, the Lived Community – Services, and Chautauqua Movement in the Digital World. Each group chaired by members chosen from the groups. Approximately 80 Chautauquans were involved with Trustees serving as observers. Minutes of all meetings were kept.
  - **Study Group Reports – Fall 2008:** Reports from Study Groups were received. Immediate suggestions for improvements were passed onto administrative departments. Strategic issues sorted into SWOT analysis.
  - **February 2009 Retreat:** The Board received the Study Group reports and SWOT analysis, grappled with vision statement and identified three subjects meriting further review.
  - **Strategic Statement Exercise, Spring 2009 –** Three groups of Trustees and Directors were assembled to study Program/Movement, Place and Sustaining and Growing Capacity to Serve Mission. Each group conducted three telephone conference calls coordinated by Ron Kilpatrick, Jason Phillips and George Snyder. Each group produced a series of strategic statements.
  - **Trustee Review of Strategic Statements—May 2009** Work of Trustee/Director study groups summarized for Board of Trustees. Overall strategic statements were produced.
  - **Feedback to Chautauqua Community—Summer 2009** A summary of the strategic statements were provided to former study group members, former Trustees and community members for review, refinement and criticism.

#### **Immediate Outputs of these Activities:**

- **Operating Disciplines and Reforms** focusing on control of operating expenses and on revenue enhancements. These disciplines have resulted in a successful 2009 budget outcome and these reforms have resulted in a restructuring of the opera program to eliminate its outsized impact on the operating budget.
- **Capital Spending Disciplines and Reforms** focusing on measures to assure cost control, discipline in maintaining a continuing cash flow to capital needs, and new disciplines regarding the funding of philanthropically driven projects.
- **Capital Reinvestment Strategies** for the golf course and hotel including the creation of a golf learning center.
- **Community Engagement** in the strategic planning process such that over 100 Chautauquans have participated in the development of strategies, priorities, and have contributed tactical ideas to implement these strategies.

- **First Investments**, including the use of technology (Chautauqua in Depth), examination of our internal capabilities for marketing and brand development, collaboration on the production of a Chautauqua film, expansion of production of podcasts and e-mail blasts, the engagement of an advisory group of corporate CEOs, collaboration in 2010 between the Buffalo Philharmonic and the Chautauqua Theater Company and the implementation of the vision contained within the Idea Campaign for the elevation of our Schools of Fine and Performing Arts and display of visual art (with the resultant designation as a Steinway festival and potential collaboration with the Albright Knox Gallery).

All of the Reports and Minutes produced by these processes are archived and available for review.

## **Introduction**

From these inputs, the following four framing ideas emerged to guide our strategic planning:

**Demographic Opportunities  
Economic Sustainability  
Underfunded Capital Needs  
Program Sustainability and Outreach**

- **Demographic Opportunities:**  
Demographic trends in the foreseeable future as well as the affinity of the baby-boomer generation to the Institution's programming show a genuine opportunity for the Institution to thrive going forward.
- **Economic Sustainability**  
Current financial models, while successful in the near term, remain susceptible to economic externalities such as national recessions, full-year school schedules, travel costs, etc., and require an as yet undeveloped level of growth in attendance and philanthropy.
- **Under Funded Capital Needs**  
According to our capital models there are accumulated capital needs that have been underfunded over time. The strategic period will require a mix of capital investments and philanthropic campaigns to overcome that condition and to better anticipate and fund future ongoing needs.
- **Program Sustainability and Outreach**  
Chautauqua's program and imaginative mix that crosses disciplines of program, religious experiences, and generations of those who partake is affirmed as a signature quality of the Institution. However, in order to effectively manage the Chautauqua Institution brand to inspire increased attendance and philanthropy, two key ideas will shape the programmatic work before us: (1) investment must be made in the techniques and elements of program that can be exported and (2)

individual program elements must be appropriately sized in order to maintain a cooperative balance among all program elements (e.g. resizing opera 2010).

These framing ideas lead us to the identification of the following initiatives which will define our strategic investments in Chautauqua over the next decade:

**The Chautauqua Mix**  
**Sustainability**  
**Leadership**  
**The Community**  
**Brand Management**

With these initiatives and the identification of goals that will allow us to fully embrace them, we believe we chart a path for Chautauqua Institution that strengthens its capacity to explore the best in human values and enrich the life of a growing community, both physical and virtual, of Chautauquans.

## **The Chautauqua Mix**

The unique mix of arts, education, religion, and recreation at Chautauqua is a core strength which must be preserved and enhanced. The engagement of Chautauquans in that mix is critical to our mission. Accordingly, exchanges among lecturers, teachers, clergy, performers, and Chautauquans must be expanded and deepened, both in-season and out-of-season. The programmatic base of the mix must be sustained through a process of continual re-examination and re-imagination and must move from a nine-week on-site experience to a year-round engagement with existing Chautauquans and a wider audience. Our mix must be presented as an intergenerational and interfaith experience: another one of our core strengths. Chautauqua's programs must reflect the complexity of modern life and the interrelationship of those programs one to another. We must support our programs with continued attention to their facilities and continued attention to the housing of our staff and program leaders.

### **Strategic Goals 2010-2018**

- We will expand the opportunities for dialogue among presenters and participants by re-examining the structure of the summer schedule (grid calendar). We will encourage interchange among presenters across disciplines by offering longer stays and enhanced hospitality.
- We will expand inter-departmental collaborations through restructuring staff alignments, program schedules, and choice of participants. Programs will be structured by thematic and artistic content, not by existing departmental alignments.
- We recognize that Chautauqua Institution is unique in its presentation of both professional work and pre-professional student education and presentation across all of its art forms in a supportive community. We will build on this strength through a disciplined effort to maintain contact with our former students, the continued development of scholarship support, the continued contact between professional performers and students, and the publicizing of this unique aspect of the Chautauqua experience.
- We will continue to expand opportunities for our young people to participate in all aspects of the Chautauqua program to lead them to a lifelong love of the arts, learning and living in community with others. We will consciously structure many of these experiences as intergenerational opportunities.
- We will continue to serve as a catalyst for interreligious dialogue and integrate into the core fabric of our program and maintain both sacred worship and pastoral presence as critical to that dialogue.
- We will rehabilitate facilities that are critical to program presentation and to housing our program participants, staff and students including the Amphitheater, the Wensley House, Bellinger Hall, and the Turner Community Center
- We will develop additional opportunities for intergenerational recreation and will expand opportunities for fitness activities and development of healthy lifestyles. We will utilize these recreation activities as an outreach to local communities.
- We will continue to aggressively seek partnerships in our programming, both during and outside of the summer season.

## **Financial Sustainability**

Chautauqua Institution has developed a series of financial and capital models to serve as a platform for strategic financial decisions. These models demonstrated that we could not produce current levels of programming and adequately maintain our grounds and facilities without either a reduction of costs or the generation of additional revenue. In 2008 and 2009, the Institution reduced its operating expenses by approximately 6 percent. Going forward, expenses must continue to be restrained while new revenue is found if the Institution is to improve upon its current programming excellence, expand the delivery of programming to new audiences and continue to upgrade and care for its facilities. Reasonable increases in attendance or price will not provide all of the revenue necessary to sustain our operations and the improvements in quality that will allow us to accomplish our mission and effectively compete for patrons.

### **Strategic Goals 2010-2018:**

- We will grow earned revenue in excess of financial planning model assumptions by responsibly: adjusting price, increasing volume, actively seeking additional audiences and other revenue sources.
- We will optimize our net contribution to income from enterprise activities by responding to development of Chautauqua's brand and the expected increase in opportunity that should result from such development. In addition, sustain off-season conferencing activities that positively contribute to overhead and maintain the staff competencies necessary to provide the hospitality services required of us during the season.
- We will increase total philanthropic support as a percentage of total revenue. This includes a steady increasing annual distribution from endowment, recognizing that 20 percent of all revenues should be derived from the endowment. During this period we will seek to increase the share of revenue covered by the distribution from endowment to 10 percent and endowment receivables by \$20,000,000. We will increase the share of the total revenue which is derived from philanthropy most immediately by increasing the Chautauqua Fund at a rate of 5 percent per annum.
- We will realign staff to benefit from greater interoffice cooperation and efficiencies.
- We will increase revenue at a greater rate than we increase expense.
- We will refine our understanding of the needed investment in capital facilities and reduce the level of deferred maintenance incurred annually.
- We will expend the capital service improvement fee based on a multi-year plan identifying the most immediate need.
- We will identify funding sources for investment in the renovation of the Athenaeum Hotel, respond to expected increased opportunities resulting from Chautauqua's brand development and provide \$500,000 of annual capital investment.
- We will fund new facilities and major upgrades to existing facilities solely through philanthropy using existing principles (the checklist).

## **Leadership**

As a non-profit organization, Chautauqua is highly dependent on an energetic, committed, and engaged cadre of volunteers. Many of the activities throughout the grounds are organized and supported by volunteer organizations. The Chautauqua Fund is highly dependent upon volunteers for the solicitation of gifts. Persuasive advocates for the Institution create an environment in which major philanthropy can be generated. Our primary marketing resource is Chautauquans who tell our story to friends.

By October 2014, two-thirds of the current members of the Board of Trustees will leave the Board and be replaced by individuals who have not determined the priorities for their initial term of service. During this period a new chair of the Board will be elected. The Foundation Board will similarly face some turnover and will see its responsibilities to enhance our philanthropic agenda grow. Sustaining exceptional governing boards is essential to the success of the Institution during this strategic period.

## **Strategic Goals 2010-2018**

- We will develop a structure and organization in which volunteers can flourish as advocates for the Institution's strategic priorities and partners in the development of resources both financial and non-financial.
  - We will create opportunities for prospective volunteer leadership to contribute to the strategic thinking necessary to achieve the Institution's vision and to demonstrate potential effectiveness.
  - We will identify a larger and more diverse list of potential trustees and directors who collectively exhibit the talents of an exceptional board.
  - We will align board composition with strategic priorities.
  - We will develop orientation programs for all volunteers that create comprehension of the Institution's mission, values and strategic priorities.
  - We will reinvigorate the collaborative partnership between the Trustees and the Directors of the Chautauqua Foundation to identify, seek and provide resources required to attain identified priorities.

## **The Community**

The lived place at Chautauqua is an important component of the Chautauqua experience. This generation of Chautauquans is the steward of a national treasure designated as both a National Historic District and a National Historic Landmark. We must continue the obligations of that stewardship through developing, designing, and recognizing that we are a changing community, one with intangible emotional assets. In so doing we are charged with seeking the highest expressions of design, functionality and environmental sustainability in a diverse and complex environment.

### **Strategic Goals 2010-2018**

- We will respond to our environmental responsibilities and provide exemplary leadership through the development and implementation of specific action plans in the areas of:
  - Storm water management
  - Support for the Chautauqua Lake Management Plan
  - Tree preservation and replacement
  - Preservation and maintenance of landscaped and wild open space
- We will embrace future opportunities to achieve environmental excellence.
- We will enhance the safety and ambiance of the Institution grounds through reimagining and rebuilding our streets, walkways and community lighting.
- We will continue to improve our conservation of energy and recycling of waste products through our building control systems, use of renewable energy sources, composting and the use of energy efficient and recyclable products.
- We will enhance the on-grounds experience through improved transportation and parking by implementing the existing Transportation Plan, continuing evaluation of the adequacy and quality of food service, emergency medical services, and other community support services.
- We will enhance the on-grounds experience of Chautauquans who are here for short visits through encouragement of non-profit housing, the creation of additional housing opportunities for short-term visitors including the restoration of the Athenaeum Hotel and other projects as may be designed, and the development of more effective activities and communication efforts to welcome and orient our summer visitors.
- Fulfilling our mission of openness to all, we will proactively work toward a goal of Chautauqua Institution's population reflecting the population characteristics of our nation as a whole.
- Preparing for our long-term future, we will develop and implement plans for the South Lot, North Lot, and the Route 394 Corridor in order to improve access, housing opportunities, beautification of properties and corridors, services for residents and visitors and improvement of the Institution's facilities used for support services and programmatic uses.

## **Brand Management**

Chautauqua Institution has a rich history and an important mission that is unknown to too many potential stakeholders. We must move from being “a best kept secret” to being a nationally and internationally known center of programmatic excellence and relevance, a community respectful of its history and environment, and a meaningful part of the lives of its participants. We must outreach to a population beyond the summer population and move our program on a year round basis to both internal and external audiences. Technology is one tool to extend our reach beyond our gates to increase the number of people who know our Institution and to influence both earned revenue and philanthropy. In a world of information overload, Chautauqua must avoid being just one more voice, but must present its unique strengths of interdisciplinary offerings and intergenerational relevance.

### **Strategic Goals 2010-2018**

- We will develop and organize internal staff capability, supplemented by consultants where necessary, to implement the use of technology to:
  - Develop year round contact with clientele
  - Implement a program of viral marketing
  - Improved access to and deliver directly programming via web delivery, web cast, audio visual, film, live streaming and educational programming.
  - Use technology to facilitate and improve access to accommodations, tickets, and information, both on-site and off-site.
  - Improve internal data management
  - Support day-to-day operations
  - Provide on-grounds connectivity to clientele
- We will develop benchmarks to track the effectiveness of this effort using measurements such as earned revenue, philanthropy, attendance, media exposure, off-season engagement of program participants and audience—and re-examine our progress at 18 months and 5 years.
- We will create a Marketing-Communications Advisory group to assist us in this effort.
- We will develop effective means of surveying Chautauquans.
- We will identify key anchor cities and target them with our outreach effort.