

The Andy Warhol Museum (A)

On June 3, 2001, Pittsburgh's leading newspaper, the Pittsburgh Post-Gazette identified Mr. Thomas Sokolowski as one of the top ten "cultural forces in Pittsburgh." In explaining its choice the Post-Gazette said, "---Sokolowski launched a performance art series last year in collaboration with P.S. 122, an avant-garde performance space in Manhattan. Sokolowski also voiced the concerns of many when he spoke in favor of offering same-sex benefits at the Carnegie Institute and against the large pirate ship planned for the exterior of PNC Park. He is the most outspoken leader in a local arts community that tries hard not to make waves."

For Mr. Sokolowski, the Director of The Andy Warhol Museum (AWM) (which was founded as an art museum – one of the leading single artist museums in the world) to be recognized for involvement in the *performance* arts and to be lauded as a social and cultural activist was symbolic of the changing mission of the AWM. The Post-Gazette's reasoning for its choice of Mr. Sokolowski served as an independent affirmation of the successful implementation of aspects of the AWM's 1999 – 2003 Strategic Plan.

The AWM opened on May 13, 1994 with a gala party the likes of which had never been experienced before in Pittsburgh. The location of the AWM in Pittsburgh was the result of vigorous efforts by prominent figures in the Pittsburgh community. Senator John Heinz of Pennsylvania who also represented a major Pittsburgh-based family fortune and related foundations, Mr. Henry Hillman a leading businessman and the doyen of philanthropists in Pittsburgh, and Mr. Robert Wilburn the then head of the Carnegie Institute were most instrumental in bringing the AWM to Pittsburgh. They persuaded the Andy Warhol Foundation for the Visual Arts (AWF), located in New York that Warhol's work would most enthusiastically and appropriately be enshrined in the city of his birth.

The museum was located in an old building situated in Pittsburgh's northside, approximately four miles away from the Oakland location of two of the Carnegie museums and the city's two most well-known universities. The refurbished building was believed to be in character with Andy Warhol's famous Factory where he did much of his work. Otherwise, the building's history had nothing to do with Andy Warhol, though there was a popular legend that he had once set foot and perhaps even sat on the stoop of the building!

Prepared by Dr. John C. Camillus, Donald R. Beall Professor of Strategic Management, Katz Graduate School of Business, University of Pittsburgh. Copyright © 2001 by John C. Camillus.

Title to the artwork was transferred with much celebration from the AWF to the AWM in 1998. However, the copyright to the art was retained by the AWF. The complete Warhol video collection was moved to the AWM and film and video copyright was also transferred in 1998.

Initially the AWM was set up organizationally as a unit of the Carnegie Museum of Art (CMA), with its Director reporting to the Director of the CMA. In 1996, the AWM was given its independence and was identified as one of the four separate museums of the then Carnegie Institute. The AWM at that time was also given its own thirteen-member (including its Director) board of directors. Though some of its board members were unique to the AWM, a significant number served on the boards of other units of the Carnegie Institute and on the parent corporation's board. Four members, including the board chair, were also members of the CMA board.

The AWM was seen by some to be out of character with the average Pittsburgher's supposed lack of enthusiasm for the avant-garde and not in keeping Pittsburgh's reputation as a socially conservative city. Pittsburghers, however, generally expressed pride in the AWM, though occasional visitors had been heard to express surprise that the AWM was located here rather than in a city like New York. The AWM's social events were quite unusual for Pittsburgh, with youths in Gothic attire and/or colorful mohawks hobnobbing freely with the elite of Pittsburgh's social register.

The first Director of the AWM, Mr. Armstrong was recruited as the director of a major museum in New York in 1996. Mr. Sokolowski was appointed Director in 1996 and, to quote a board committee, "turned around the morale of the staff, (and) brought solid management skills as well as artistic and academic leadership" to the museum. The mission of the AWM at that time was:

MISSION STATEMENT (1994-1999)

The Andy Warhol Museum, the nation's most comprehensive single-artist museum, explores Andy Warhol's contributions to art, culture, and society during the second half of the twentieth century. The Museum serves as a cultural and educational resource for the Pittsburgh region as well as the world, and is accessible to all peoples for the exploration of individual creative interaction within society. The Museum preserves, collects, exhibits, and interprets works of art primarily by Andy Warhol and provides a forum in which to engage dialogue, prompt inquiry, and enhance understanding of the late twentieth century through the template of Andy Warhol's art.

Following a comprehensive planning exercise conducted in 1998 – 1999, the following new mission statement was proposed:

MISSION STATEMENT

(Proposed, 1999)

The Andy Warhol Museum, the nation's most comprehensive single-artist museum, explores Andy Warhol's contributions to art, culture, and society during his lifetime and their impact for the future.

The museum preserves, collects, exhibits, serves as a resource center and interprets works of art primarily by Andy Warhol. As a vital center for the Pittsburgh region as well as for the world, it is accessible to all peoples for the exploration of individual creative interaction through the full range of artistic expression. Like Warhol's famous Factory, it provides a forum in which all the arts are given equal and robust voices. It is ever changing, and constantly re-defining itself in relationship to its time.

Highlights of Changes in the Mission

The AWM's 1999 – 2003 Strategic Plan identified the following “most significant changes between the existing mission statement and the proposed --- mission and vision statements”:

- Enthusiastic acceptance of a dynamic, energetic and broadened identity as a “vital center” of contemporary cultural happenings
- Becoming as much a protagonist as an observer and interpreter
- Robust support of all the arts, both visual and performing, in keeping with Andy Warhol's perspective
- A renewed focus on Pittsburgh and the region, with a responsive, deliberate and economically sound approach to international opportunities
- An emphasis on programs (particularly touring exhibitions), publications, leading-edge technology and electronic media to reach a global audience
- A forward-looking, ever-evolving perspective on contemporary culture, beyond the horizon of the “late 20th century,” ever pursuing the new.
- A visitor-focused approach to creating evocative and memorable experiences
- A greater reliance on sponsorships, endowments and earned income to support the diverse range of activities and events

The strategic planning exercise that led to these changes in the mission is described below.

Motivation for Strategic Planning

The objectives, process and output of the strategic planning exercise conducted in 1998 were seen as key to the strategic changes implemented in the AWM. The parent organization of the AWM, the Carnegie Museums of Pittsburgh (known at that time as

the “Carnegie Institute”) was initiating plans for a major capital campaign and was expecting each of its four constituent entities (The Andy Warhol Museum, The Carnegie Museum of Art, The Carnegie Museum of Natural History, and The Science Center) to articulate its case for development. Also Mr. Sokolowski felt that the time was ripe for re-examining the vision and mission of the AWM in light of its by then significant history and accomplishments. The Chair of the AWM’s board, Ms. Lea Simonds shared Mr. Sokolowski’s view of the need for a review of the AWM’s strategy. In addition, the AWM had just hired an Associate Director for Administration and Finance – a newly funded management position. The Associate Director, Ms. Ellen Brooks, had significant experience in strategic and operational planning as Director of Planning for the Pittsburgh Cultural Trust.

Ms. Brooks suggested that the AWM involve a team of two consultants with whom she had worked on two previous occasions. Ms. Simonds, too, knew this team well through interactions in her capacity as a member of the board of the Carnegie Museum of Art. Mr. Sokolowski, Ms. Simonds and Ms. Brooks met with the proposed consultants to discuss their possible engagement. The meeting went well and Mr. Sokolowski requested a formal proposal. The proposal submitted by the consultants was accepted without significant changes.

Several decisions were made at this point. It was agreed that a core team consisting of Mr. Sokolowski, Ms. Brooks, Ms. Simonds and the two consultants would manage the process. It was also explicitly understood that this group would operate on a basis of complete openness with one another; ideas and concerns would be shared without reservation. At least one member of this core team would attend every meeting of every committee, task force or group involved in the planning exercise. Ms. Brooks and her staff would take on primary responsibility for managing the logistics of the process, including scheduling meetings and integrating the analyses developed.

The proposal submitted by the consultants summarized their understanding of the AWM’s situation and the objectives of the strategic planning exercise as follows:

“Based on discussions with Ellen Brooks, Lea Simonds, and Tom Sokolowski of the Andy Warhol Museum, we [the consultants] have developed the following understanding of the context and objectives of the strategic planning exercise that the Warhol intends to implement. This understanding leads to the proposed design of an efficient strategic planning process that is described later.

Overview of the Warhol Context

The following represent, as we understand them, the key points made by Ellen, Lea and Tom:

- ◆ The Warhol is currently exploiting the reality/potential and facing the challenge of being a 4000-piece museum instead of a 300-piece museum as originally conceived.

- ◆ Great success has been experienced so far. This success has created numerous opportunities, which, though consistent with the museum's mission, require the development of a clear strategic focus to ensure that efforts of the Board and staff are mutually reinforcing and not diffused over too wide or too disparate a set of activities and programs.
- ◆ The museum is sometimes both misunderstood and underestimated in the Pittsburgh community.
- ◆ The museum has the potential to be more closely integrated with the local community and the best ways of achieving this end need to be identified.
- ◆ The new (two-year old) Board needs to affirm its priorities, set the strategic direction of the museum and further build its members' sense of identity with the museum.
- ◆ The Warhol's complex relationships with the Carnegie Institute need to evolve in the context of changing strategies.
- ◆ Carnegie Institute's upcoming capital campaign requires that the Warhol define its priorities and develop a convincing supporting case for its requests/projects.
- ◆ The Carnegie Institute is providing resources for marketing that need to be employed in the most productive way.
- ◆ Policies such as (1) the balance between intellectual, artistic and revenue generating programs, (2) accession and deaccession guidelines, and (3) the appropriate form and focus of relationships with other organizations need to be refined and formalized.
- ◆ As the museum evolves, the Board and the staff need to refine their understanding of their respective roles so that they can continue to function in the most mutually supportive and effective fashion.
- ◆ Multifaceted opportunities -- education, videos, archives, travelling shows, alliances, marketing of products -- require a clear set of guidelines for setting priorities.
- ◆ Income generating opportunities need to be managed with more formal policies, processes and guidelines so as to maximize their impact and contribution as well as avoid overextending staff resources.

- ◆ Overall, the museum is entering into a distinctly different phase of its existence and maturity, requiring more formal management and clearer strategic direction.

Objectives of the Strategic Planning Exercise

In light of this context, the objectives of the proposed strategic planning context are as follows:

1. Refine and focus the mission of the Warhol, in the context of experience, the evolving organization, the emerging opportunities, and the aspirations of the Board and of the Carnegie Institute.
2. Heighten the Board's understanding of, and involvement and investment in the Museum
3. Promote an integrated/organizational/non-departmental and ownership perspective on the part of staff.
4. Encourage Board and staff interaction, mutual support and understanding
5. Create a reasoned “voice” on a par with other units of the Institute
6. Develop a strategic rationale that will inform the “case” for the capital campaign
7. Develop the framework of an action/work plan to support the strategic directions of the Museum.”

Design of the Planning Process

The organizational structure of the AWM at the beginning of the strategic planning exercise is presented in Exhibit 1. The key internal stakeholders whose priorities and needs were to be served by the planning exercise were identified to be:

Tom Sokolowski/Ellen Brooks, Lea Simonds
Ellsworth Brown (President of the Carnegie Institute)
The AWM Board
The AWM Staff
The Trustees of the Carnegie Institute (CI)
The Marketing Committee of CI
The Development Department of CI
The Andy Warhol Foundation for the Visual Arts

With this understanding the consultants proposed a planning process which is presented in Exhibit 2. This process was substantially adhered to, though the planned completion dates slipped by a few months because of a combination of the time required for more

detailed analysis, more meetings of the task forces/committees involved and the difficulty of scheduling meetings involving several members of the board.

Two committees carried out the analysis supporting the development of the plan. One committee studied the AWM itself while the other studied the external context in which the AWM functioned. The committees were comprised of about ten members each and included members of the board and the staff of both the AWM and the CI. Mr. Sokolowski and Ms. Brooks were members of both committees. The initial focus of analysis for each of these committees is presented in [Exhibits 3](#) and [4](#).

Integrating the Analyses

-The extensive reports produced by each of these committees included information, analysis and fresh insights. The benchmarking study found, for instance, that Graceland offered several lessons of relevance to the AWM. The analyses were summarized in a SWOT matrix. Presentations by the two committees formed the basis for a retreat of the board and staff.

In this retreat the board considered four possible scenarios that had been developed by the two committees. These four scenarios were based on two major uncertainties and were intended to achieve two objectives. First, they were intended to stimulate “out-of-box” thinking by the participants in the retreat. Second, they were intended to help identify “robust actions” – actions that would be needed or appropriate for the AWM to implement in all conceivable scenarios. The scenarios and robust actions are outlined in Exhibits 5 and 6 respectively.

The board, employing a criticality-urgency matrix, prioritized the issues identified by the two committees. Alternative possible responses to the urgent and critical issues were then developed by the board and senior staff.

Analysis, of the alternatives generated by the board and senior staff surfaced the strategic choices facing the AWM. Lengthy and lively meetings followed about what choices were appropriate for the AWM. Discussions between members of the core planning team and individual members of the board also guided the emerging consensus. At a subsequent board meeting a preferred strategic direction of the AWM was articulated and represented as positions along selected “dimensions of choice.” The strategic profile created by the board is presented diagrammatically in Exhibit 7. The “dimensions of choice” are described in Exhibit 8.

These choices, in effect, created a strategic profile that the AWM could employ to guide its decisions and actions. Based on the strategic profile, Mr. Sokolowski prepared a brief document that reflected his view of the evolving vision of the organization. This document coalesced the thinking of the board. It also prompted further exchanges of points of view of various members of the board and culminated in the proposed mission statement reproduced at the beginning of the case.

At this stage in the process, three task forces consisting of staff personnel were formed and charged with the assignment of translating the proposed mission and desired strategic

directions of the AWM into action plans. Each of the three task forces was given specific responsibility for one of the following focus areas:

1. Programming and Audiences
2. Facilities and Technology
3. Management Processes and Systems, and Revenue Generation

The directions provided to the task forces are presented in Exhibit 9.

This stage of the planning process was closely managed by Ms. Brooks. Detailed action plans were produced by the task forces. The task forces developed, among other things, a template for managing the complex process of developing an exhibition, a team-based approach to project development, and plans for generating additional revenue. The Executive Summary of the 1999 – 2003 Strategic Plan described the connection between the proposed new mission and the major action recommendations developed by the task forces and approved by the AWM board as follows:

“The new mission statement reflects the key strategic choices which have been made by the Board. When integrated, these strategic choices also shape the vision and objectives of the AWM, what it sees itself as becoming over the next few years. Even more directly, these choices define the strategic profile that guides the AWM’s evolution as a vital center for the region; giving equal voice to both visual and performing arts; and employing Andy Warhol’s perspectives on art, culture and society to both interpret and act as a catalyst of contemporary culture.

Some of the action outcomes of the planning exercise are summarized below in key categories identified as part of the planning process.

Programming/Audiences

Short-Term: Immediately, the Museum staff will begin to create a programmatic menu which will lead to a coalescing of all of the programmatic activities, both long-term exhibitions and one-of-a-kind events, to create an exciting buffet of cultural experiences for a local audience. Funding limitations will not allow expansion of staff expertise or numbers immediately, but through adroit collaborations with other organizations (e.g., The Pittsburgh Symphony and P.S. 122 in New York City), the Museum will be able to present additional and provocative programming at a low cost, making efficient use of other organizations' audience profiles and critical reputations.

Long-Term: With money already in hand for one staff position and the potential to raise funds for another, the Museum will create two new curatorial positions which will cover the fields of performance art and electronic media, supporting its new commitment to both visual and performing arts and its intent to be a leading website.

Facilities

Short-Term: The Museum will retrofit several gallery spaces to serve as both performance spaces (as has been done during this past season) as well as for desperately needed additional office space.

Long-Term: The Museum will plan to build an additional four floors on the rear of the current structure. This four-story addition will not only replace the gallery(ies) that have been co-opted in the short term for office space, but will also provide the necessary space to accommodate a black box theater, cold storage facility, new media lab, additional film projection facility, a larger store location, and a full-scale rooftop restaurant which will both provide daily food service and create a new venue for special events/catering events – both sources of earned income.

Management/Finance

Short-Term: Present staff will be restructured to provide for more efficient handling of museum-wide issues, e.g.: merger of security and visitor services departments; potential creation of an assistant director for programming and interpretation.

Long-Term: Outside funding is currently being sought to assist in the creation of an extramural wing of the Museum, which will enable the hiring of several new staff whose sole job will be the organization, shepherding, marketing and management of traveling exhibition projects that will be a significant income source for the Museum.”

The Strategic Plan went on to summarize the financial resources needed to support implementation. The financial requirements were presented with the following preamble:

The financial needs of the AWM can be readily partitioned into (i) those that are immediate in nature to provide temporary and relatively inexpensive solutions to issues and impediments, and (ii) those that are of the nature of permanent solutions that require significant financial commitments.

The board enthusiastically approved the strategic plan in the fall of 1999. Following the development of recommendations relating to its “brand” identity, the wording of the mission statement was refined to read as follows:

the warhol: more than a museum

The Andy Warhol Museum is a vital forum in which diverse audiences of artists, scholars and the general public are galvanized through creative interaction with the art and life of Andy Warhol. The Warhol is ever-changing, constantly redefining itself in relationship to contemporary life using its unique collections and dynamic interactive programming as tools

Reflecting on the development of the AWM's new mission and strategic plan, Mr. Sokolowski commented on the "copacetic" nature of the outcomes. In his view, the plan had surfaced and successfully addressed the "Apollonian and Dionysian" dialectic inherent in the board's and staff's views of the future of this unique institution. This, he believed, augured well for the future of the AWM as it began to address the enormous challenges of implementing its mission.

Exhibit 1

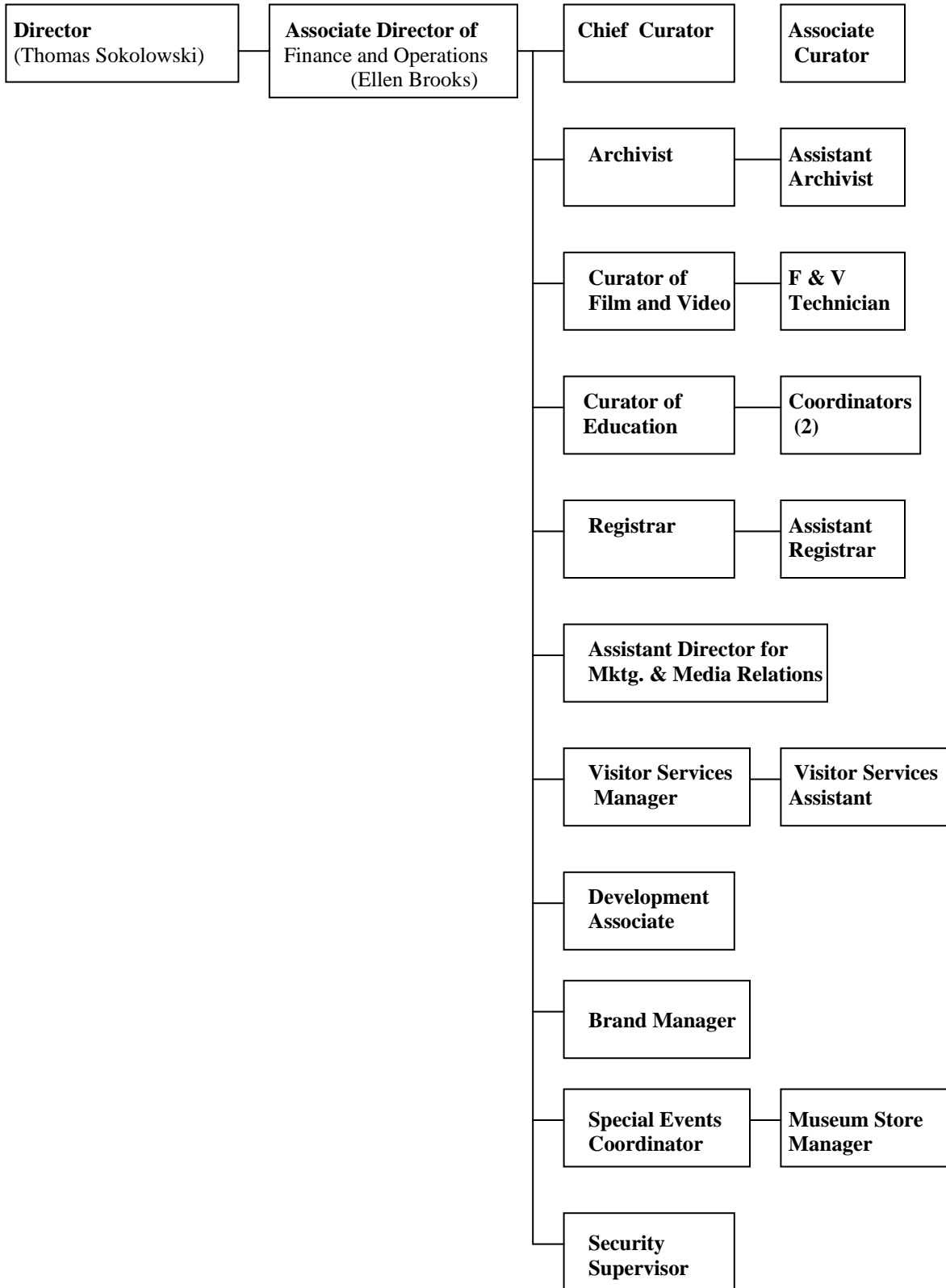


Exhibit 2
Tentative Warhol Strategic Planning Process 1998-99

Timeline	Output	Responsibility	Comments
Aug 26	Finalization of Objectives and Process Specification of Board and Staff process champions	Tom/Ellen/Lea	Affirmation of existing understanding?
Sep 23	Board “buy-in”	“Strategic Planning Committee”	Committee to include “champions”
By Oct 31	“External Analysis”	Board and Staff Subcommittee	Approximately 3/4 meetings; involve Foundation, CI
By Oct 31	“Internal Analysis”	Board and Staff Subcommittee	Approximately 3/4 meetings
Nov 13	Scenario Development	Both Subcommittees	Based on two or three key uncertainties
Nov 13	SWOT Analysis	Both Subcommittees	Integration of External and Internal Analyses, in the context of Scenarios
Nov 13	“Robust Actions” and Key Issues	Both Subcommittees and Board	Identified based on Scenarios
By Nov 18	Review of Scenarios, Key Issues and Robust Actions	Strategic Planning Committee	Overview of context and action directions
By Nov 18	Development of “Dimensions of Strategic Choice”	Strategic Planning Committee	Based on preceding analyses
Nov 18	Board Briefing	Strategic Planning Committee	Scenarios, SWOTs, Dimensions of Choice
By Jan 31	Action/Work Plans (Programs, Resources, Responsibilities for Execution and Monitoring, Performance Parameters and Milestones)	Subcommittees to be defined	Triggered by “SWOTs”, “Strategic Profile” and “Robust Actions”
By Feb 12	Overview of Programs	Strategic Planning Committee	Strategic and financial aspects
Feb/Mar	Board Approval	Strategic Planning Committee	Retreat? Review and modifications of strategic profile and overview of programs
By Mar 26	Final Documentation	Strategic Planning Committee	☺

Exhibit 3

Overview of Internal Analysis

Past Performance

- Fiscal Trends
 - Expenses (operating and capital)
 - Operating Revenues (by key activity classifications)
 - Grants/Endowments
 - Other Giving
- Evolution of Mission/Strategies
- Activity/Service/“Product” Trends
- Key Stakeholders’ Perspectives
- Critical Incidents and Implications
- Notable Successes and Shortcomings

Resources

- Financial
- Physical
 - Collections
 - Facilities (presentation/activity spaces)
 - Location (with respect to key stakeholders/customers/markets)
 - Physical Plant (HVAC)
- Management Systems
 - Financial
 - Planning
 - Operational
 - Strategic
 - Performance Measures and Goals
 - Information and Control
 - Personnel (e.g.: recruiting, development, motivation)
 - Key Functions (e.g.: ticketing, curatorial, education, security)
 - Organizational Structure
 - Governance
 - Interactions with Carnegie Institute
- Human
 - Personnel
 - Board
 - Other Stakeholders

- Intangible
 - Reputation
 - Relationships with Stakeholders/Partners/Competitors
 - Culture and Morale

Projected Outcomes of the “Internal Analysis”

- Identification of Key Trends and Shifts
- Development of “Momentum Scenario”
- Preliminary Listing of Strengths and Weaknesses
- Benchmarks – Parameters and Performance Levels

Exhibit 4

Overview of External Analysis

General Environment

- Social (e.g.: attitudes to “high culture,” recreation, personal development, family/social activities)
- Technological (e.g.: information and communication, education, customization, commerce)
- Economic (e.g.: disposable income, segment growth, tourism, spending patterns)
- Political (e.g.: City, County, Regional, National, Global support for arts investments, partnering potential)
- Regulatory (e.g.: taxes, zoning, safety, access, personnel practices)
- Demographic (e.g.: population size and trends, cultural/ethnic backgrounds)

“Competition”

- Same “product,” same “need,” same “dollar”/“time” (complementary and competitive)
- Similar capabilities/characteristics
- Same resource pools
- “Five forces” (new entries, substitutes, power of “customers”/“suppliers,” rivalry)
- Time and place dimensions

Customer/Market Segmentation

Dimensions such as:

- Stage of life
- Income
- Education
 - level
 - discipline
- Location
 - residents
 - visitors
- Motivations
 - recreation
 - family activities
 - personal development
 - learning
- Professions
- Ethnic background

“Industry Groups”

Based on dimensions such as:

- Range of activities
- Definitions of market segments
- Funding patterns
- Reputation
- Missions
- Strategies

Projected Outcomes of the “External Analysis”

- Significant Trends
- Key Drivers of Change
- Major Uncertainties
- Relevant Strategic Groups and Their Characteristics
- Characteristics of Successful Competitors
- “Best-in-Class” – Institutions and Benchmarks
- Preferred Customer/Market Segmentation Bases – “Positioning Possibilities
- Key Success Factors in Target Segments

Exhibit 5

Alternative Scenarios

**Reduced
“Unconditional”
Funding
(\$500K reduction)**

**Increased
“Unconditional”
Funding
(\$1,000K increase)**

**Eternal
Edge**

In Search of --
Revenue?

1

World is Our
Oyster

4

**Broken
Icon**

A Different
World

2

3

Mission
Revision?

Exhibit 6

Robust Actions

1. Constantly evolve the Museum’s “strategy”
2. Maintain flexibility in thought and action
3. Implement more structured “management processes”
4. Develop a collaborative management structure
5. Review the use of the building – engage an architect to develop a “program” for physical space
6. Build the endowment—dedicated to the AWM
7. Energize revenue generation activities
8. Strengthen the Museum’s local presence
9. Enhance the Museum’s international recognition & presence
10. Invest in building “brand equity”
11. Invest in technology
12. Refine the composition of the Board
13. Appoint a Planning Committee

Exhibit 7

AWM - Dimensions of Choice

(Preferred Positioning)

(1 of 2)

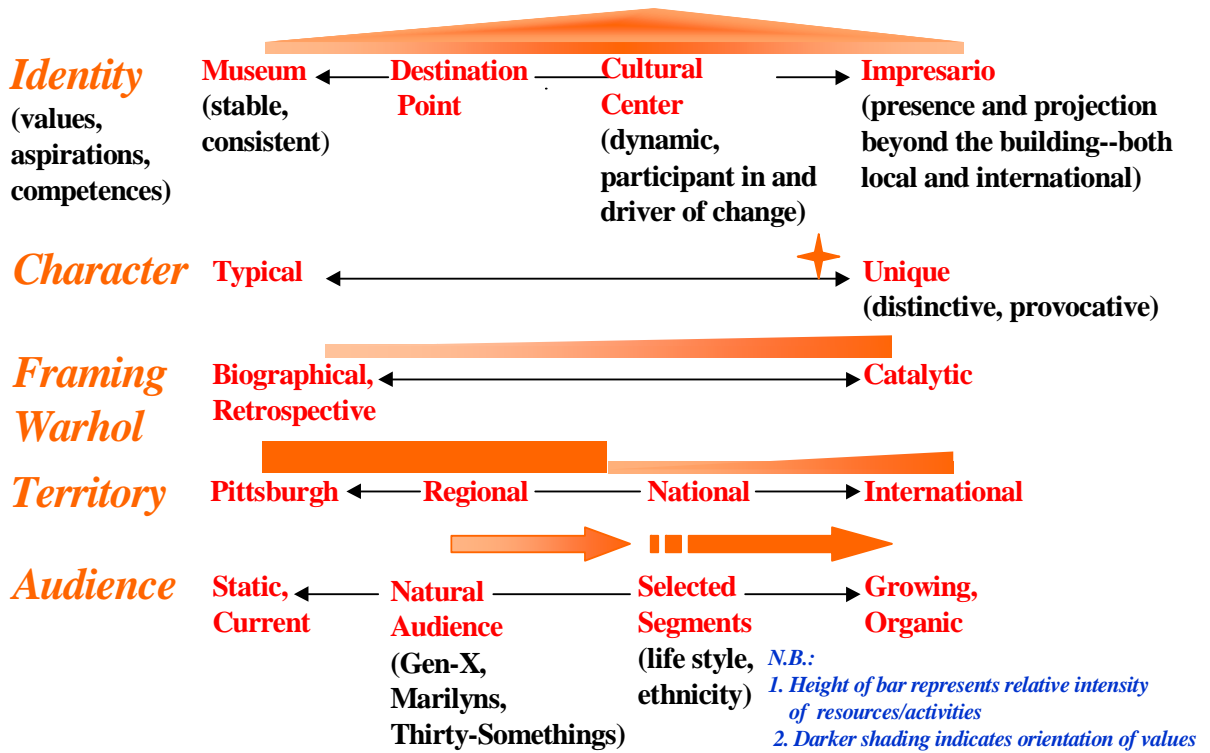


Exhibit 7 (Continued)

AWM - Dimensions of Choice

(Preferred Positioning)

(2 of 2)

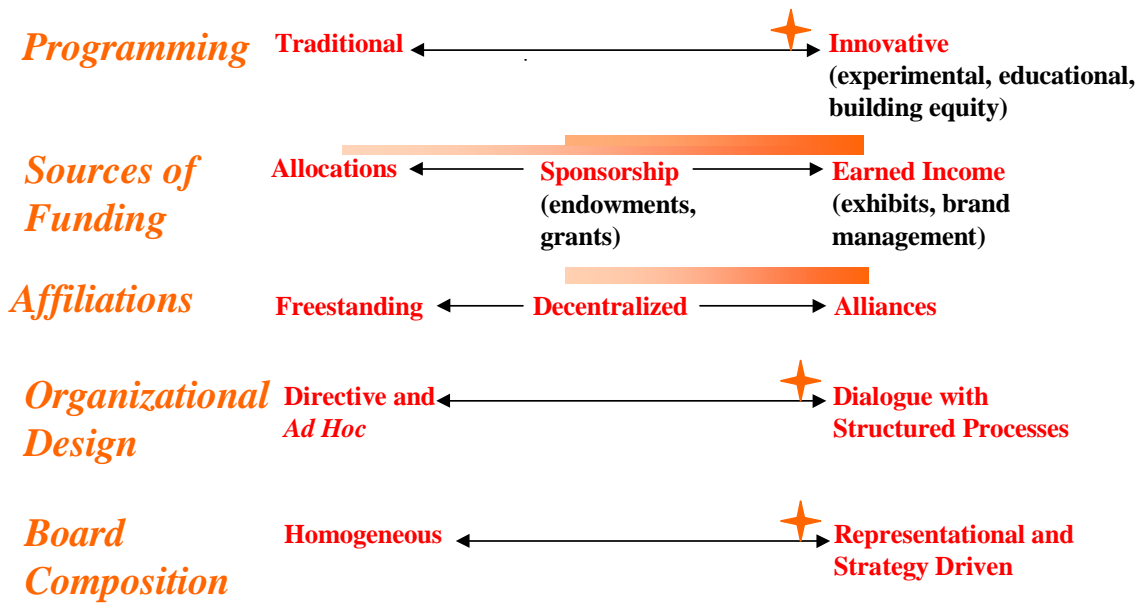


Exhibit 8

Dimensions of Strategic Choice

The range of alternative responses to each of the key issues identified in the planning process suggested that the strategy of the AWM can be defined in terms of certain *choices* that have to be made. When made, these *choices* in effect created a **strategic profile**, which could inform and guide managerial decisions as well as the development of operational plans.

The “**dimensions**” along which choices were made included the following:

- The **Identity** of the AWM – what it is and aspires to be
- The **Character** of the AWM – how it positions itself with regard to other institutions of its genre
- The manner in which **Warhol** is **Framed** or accessed by the AWM
- The **Territory** or Geographic Reach of the AWM
- The **Audience** that it seeks to serve
- The nature of the AWM’s **Programming** activities
- The AWM’s **Sources of Funding**
- The **Affiliations** that the AWM seeks to foster
- The **Organizational Design** of the AWM
- The **Composition of the Board** of the AWM

Each of these **dimensions** and related *choices* are briefly discussed below and the *choices* that were made are also illustrated in the figure [presented in Exhibit 7].

Identity

Four distinct but not necessarily mutually exclusive positions were identified along this dimension of “**identity**.” The first was that of a typical *museum*, focusing on its collection and interpretation of the collection to the public. This position would result in a stable identity that would remain consistent over time.

The second was that of an attraction that brings in visitors, in effect being a *destination point* for the local community and/or tourists. The focus in this choice would be presenting the collection and choosing programs primarily from the point of bringing in larger numbers of visitors.

The third position is that of a *cultural center* that is both a reflection of contemporary culture and a forum for and protagonist in effecting changes in culture. This would involve an intrinsically dynamic and changing set of activities in contrast to the intrinsically stable *museum* identity.

The fourth and final position is that of an *impresario*, offering and sponsoring programs within the AWM building and in locations in the region and internationally.

Review and discussion of these four positions led to the decision by the Board that the AWM's **identity** should embrace all four positions. However, not all four **positions are to be given equal emphasis. The primary facet of the AWM's complex** identity would be that of a dynamic and active *cultural center*. The AWM would also, it can be argued, naturally and almost inevitably include in the scope of its identity the care and interpretation of its unique collection ("*museum*"), the attraction of audiences ("*destination point*") and the offering of programs ("*impresario*") in the region and – as attractive opportunities present themselves – internationally.

This multi-faceted **identity** is reflected in the colored "bar" superimposed on the positions identified in the illustration [Exhibit 7]. The darkness of the shading and the height of the bar are representative of the relative importance of the *choices* in the dimension below the bar. More specifically, the height of the bar is intended to represent the intensity of activities and the magnitude of resources committed to the *choice* below it. The darkness of the shading above the choices is meant to reflect the preferences of the Board or, in other words, the alignment of the choices with the values of the Board.

Character

This dimension offered two discrete and mutually exclusive choices. The AWM could choose to be "*typical*," similar in **character** to other museums, visitor attractions, cultural centers and impresarios; or it could choose to be "*distinctive*," different and strikingly so. The Board expressed a preference for developing a *unique character, distinctive and indeed provocative* in nature – an institution that cannot be taken for granted or viewed as *typical* or imitative of others. This discrete and singular choice is reflected by the "star" in the illustration of this dimension and its two alternative choices.

Framing Warhol

This dimension, like the one above, offers two choices – but unlike the previous dimension these are not mutually exclusive. One alternative would be to look back at Warhol and study, interpret and communicate his life, his work, and his view of art, culture and the world. In other words the AWM's approach to Warhol would be *retrospective* and *biographical* in character.

The second choice would be to look at and also influence the contemporary world and its evolving culture through the lenses and from the unique perspectives offered by Warhol. The AWM would, by understanding Warhol and his approach to life and art act as a *catalyst*, interpreting and stimulating developments in contemporary culture.

The Board identified that the AWM will adopt both approaches to Warhol. There will continue to be *retrospective* efforts aimed at analyzing, understanding and documenting Andy Warhol's life and accomplishments, and his approach to life, society and culture will serve as a *catalytic* force that will illuminate and inform the AWM's perspectives and influence on contemporary culture.

This duality in articulating the AWM's relationship with and perspective on Andy Warhol is reflected in the strength of the shading and height of the colored bar above this dimension.

Territory

The choices along this dimension included being a *Pittsburgh* institution, a *regionally* (tri-state) responsive and accessed institution, a *nationally* active institution, and an *internationally* recognized and respected institution. The Board accepted all four of these possibilities with a strong emphasis on being primarily a *Pittsburgh-* and *regionally-* oriented organization. However, as economically responsible and prestigious *international* opportunities emerged they will be responded to by the AWM. Attractive opportunities in the U.S. (*national*), beyond the tri-state region will not be actively sought but will be responded to if they are economically sound and contribute to the visibility and favorable recognition of the AWM.

The relative importance of and preference for the territorial scope of the AWM is again represented by the height and intensity of shading of the bar above this dimension.

Audience

The choices considered by the Board and the Board's decision along this dimension result in a relatively complex and evolving stance. An active approach to building the AWM's audience is proposed. The "*natural audience*" of the AWM that has been identified by market research will be actively pursued. This *natural audience* includes three segments identified as an outcome of market research commissioned by the Museum. These three segments labeled "Gen-X" (single men and women in the 18 – 24 age bracket), "Marilyns" (mostly women with an average age of about 42) and "Thirty-Somethings" (self-explanatory). In addition to actively seeking to attract and sustain this *natural audience*, the AWM will in a phased, sequential manner choose additional segments, one at a time, and build a continuing rapport with these segments. Thus the AWM audience is expected to be a "*growing, organic*" or evolving body rather than a "*static*" group.

This evolutionary approach to growing the AWM's **audience** is represented by the arrows above the choices in this dimension.

Programming

The Board's choice with regard to the **programming** activities of the AWM is singular and discrete. The AWM's **programming** will be *innovative* rather than traditional. The *innovative programming* will possess certain desirable characteristics. It will inevitably be *experimental* in nature, in keeping with the *distinctive and provocative character* that has been espoused. An *educational* flavor is a natural concomitant of the *catalytic framing of Warhol* that has been chosen. The AWM's commitment to growing its **audience**, as well as the complex and influential **identity** that it wishes to project, also require that the **programming** should *enhance* the *equity/value* of the Warhol name.

The “star” at the *innovative* end of the **programming** dimension depicts the Board's choice.

Sources of Funding

Three prominent **sources of funding** were identified. These include the budget *allocations* from the Carnegie Institute, the *sponsorship* of the AWM's programs and collections (in the form of dedicated endowments and grants), and *earned income* generated by the AWM from its exhibitions and its sales of Warhol inspired products, services and programs. The Board recognized the necessity and importance of all **sources of funding**, but also expressed the intent of vigorously building the *earned income* stream of the AWM and also strongly encouraging the growth of *sponsorships*.

The Board's choices are reflected in the usual manner in the bar above the choices along this dimension.

Affiliations

With regard to **affiliations**, three choices were identified. The first, that of being a *freestanding* institution was determined to be irrelevant and infeasible given the legal, historical, economic and managerial connection with the Carnegie Institute. The second choice, that of operating in a *decentralized* fashion as an operationally independent unit, under the strategic aegis and fiscal oversight of the Carnegie Institute was seen to be consistent with the Institute's commitment to devolvement. While such decentralized operation is now the natural mode of functioning, the Board wishes to stress the third choice: the development and nurturing of *alliances* with other organizations that have activities and competencies that are complementary to those of the AWM.

The Board's preferences with regard to *alliances* are indicated in the visual representation of the strategic profile.

Organizational Design

To support the implementation of its strategy and fulfillment of its mission, the AWM's management practices and **organizational design** have to be consistent with **its identity, character, audience, programming and funding** choices. *Innovative programming, growing audiences* and acting as a *vital center* with an eclectic, catholic approach to the arts requires a flexible but informed approach. The choice of a traditional, top-down *directive* management approach would be at odds with the avowed mission and character of the AWM. Yet an *ad hoc* approach to opportunities would be at variance with the emphasis on earned income and the economically responsible venturing into the *national* and *international* arenas. The Board's choice therefore was to encourage a team-oriented, approach stressing *dialogue* across levels and responsibilities. In addition *structured processes* that touch all relevant decision criteria and access available information need to be developed for arriving at decisions regarding **programming** and *income* generation.

The Board's choice is indicated by the star positioned at the “*dialogue with structured processes*” end of the **organizational design** dimension.

Board Composition

Finally the Board expressed the view that its **composition** should be consistent with and supportive of the mission and strategy of the AWM. Not only should the Board represent the various stakeholders of the AWM, but it should also possess the competencies and perspectives necessary to effectively guide the implementation of the chosen strategy. Far from building a *homogeneous* body, decisions about Board membership should be based on considerations relating to representation of key constituencies and reflection of the identity and character of the AWM. In other words, the Board's **composition** should be *representational and strategy driven*.

As usual, this choice is indicated by the star positioned above the dimension of **Board Composition** in the visual representation of the chosen strategic profile of the AWM.

Exhibit 9

Development of Action Plans

Task Forces

1. Programming and Audiences
2. Facilities and Technology
3. Management Processes and Systems, and Revenue Generation

Charge to the Task Forces

Programming and Audiences

What programs should we add/develop and drop over the next three to five years to achieve our objective of being a dynamic and *vital* entity in line with the following criteria:

- Andy Warhol will be the stimulus and lens through which we view the interaction of art and society
- The Warhol will serve as a cultural and educational resource
- Equal emphasis will be placed on all the arts
- Change and controlled experimentation, with defined and acceptable financial risk are valued
- Innovative social events will be a means of attracting and engaging new audience segments
- Collaboration and partnerships with other organizations will be a significant means of achieving our objectives
- Interactions with scholars and organizations in other disciplines will be a source of intellectual and programmatic growth
- Galleries and spaces will be enlivened and dynamic
- New technologies will serve to support innovation and change
- The collection will serve as a foundation and an element of the creativity and innovation in programming

What audiences and segments should we attract and engage in keeping with the following guidelines:

- Our “natural” audiences will continue to be engaged and nurtured
- Selected new audience segments will be added and retained through targeted programming
- The Pittsburgh region will be well served
- National and international opportunities will be explored and taken up on an entrepreneurial basis

Facilities and Technology

How should the present physical plant be reconfigured to support the mission of the Warhol, recognizing that:

- The Warhol intends to espouse change and innovation in its activities and programs
- The Warhol will serve as a cultural and educational resource
- Innovative social events will be employed as a means of attracting and retaining new audience segments
- The store should become a “landmark” shopping destination for Pittsburgh
- Technology and the web site will be a significant element in stimulating and supporting the envisaged lively and evolving interactions with audiences
- The collection will serve as a foundation and an element of the creativity and innovation in programming
- Galleries and spaces should be enlivened and dynamic
- Collaborations and partnerships with other organizations will be a significant means of achieving our objectives
- Equal emphasis will be placed on all the arts
- Change and controlled experimentation, with defined and acceptable financial risk are valued

What technologies should we employ and invest in, in light of the intent to:

- Employ technology and the web site as a significant element in stimulating and supporting the envisaged lively and evolving interactions with audiences
- Enliven the galleries and spaces
- Use technology to support innovation and change
- Increase the revenue generating potential of activities such as the store and research support
- Promote interactions with scholars and organizations in other disciplines as a source of intellectual and programmatic growth
- Foster collaborations and partnerships with other organizations as a significant means of achieving our objectives
- Value change and controlled experimentation, with defined and acceptable financial risk
- Position the Warhol as a cultural and educational resource
- Serve the Pittsburgh region well and make the Warhol a destination point

Management Processes and Systems, and Revenue Generation

What changes should we make to our management processes and systems (See Attachment 1 for a suggestive list of management practices and elements to review) to support the commitment to:

- Embrace change as integral and fundamental to the Warhol's mission of being on the leading edge of the interplay between the arts and society
- Place equal emphasis on all the arts
- Disband traditional discipline-based thinking
- Enable and motivate staff to work collaboratively
- Reflect and support the strategic directions through the composition of the Board
- Increase earned income substantially in the next five years
- Generate income and foster scholarship through the use of the archives
- Foster collaborations and partnerships with other organizations as a significant means of achieving our objectives
- Serve as a cultural and educational resource
- Use technology to support innovation and change
- Explore national and international opportunities on an entrepreneurial basis
- Support change and controlled experimentation, within defined and acceptable parameters of financial risk

How will we increase earned income substantially in the next five years, consistent with our mission, recognizing that we intend to:

- Make the store a "landmark" shopping destination in Pittsburgh
- Augment income through the Internet
- Explore national and international opportunities on an entrepreneurial basis
- Appropriately charge for services provided to other organizations and individuals
- Promote frequent and lively social events
- Re-fit the physical plant to better support our mission and programs
- Seek to bring about the transfer of copyright
- Support controlled experimentation within well-defined parameters of risk

Documentation Format

The questions posed above should help to stimulate and direct the development of action plans. The responses developed could perhaps be meaningfully described and communicated by employing the format suggested in Attachment 2.

As the format indicates, the **rationale** for each action/program should be articulated. In addition to the criteria and guidelines expressed in the charge to the taskforces, the basis for actions/programs may be drawn from:

- the “robust actions” [Exhibit 6] developed at the retreat;
- the desired positioning and emphases with regard to the “dimensions of choice” [Exhibit 7]; and
- the SWOTs that were identified prior to and during the retreat.

In **describing** each action/program it would be helpful to identify the discrete steps that may lead to the delineation of milestones that would help determine that the action/program is on track.

The **responsibility** for executing each action/program should rest with a particular individual, even though it is expected that many actions/programs will be dependent on identified teams. It is possible that different individuals on a team may play a lead role at various stages of implementing an action/program.

The **resource** commitments necessary to accomplish each action/program could include human, financial and equipment/facilities requirements. These resources may be part of the *existing* budget and, if not, they may perhaps be usefully categorized as either *redeployments* from other activities or *additions*.

When identifying resource requirements, those that may be included in the upcoming *capital campaign* should be tagged so as to help create a preliminary list leading ultimately to a prioritized set of requests.

Quantifiable or objective **measures of performance/targets** should be given preference if it is possible to identify them.

A purely hypothetical example of a completed form is provided in Attachment 2 for purposes of illustration.

A final note -- it is important at this stage in the process for the taskforces to remain in close contact with one another as the actions/programs developed in each task force may need to be supported by or may have an influence on actions/programs that are developed by the other two task forces

Exhibit 9 (continued)

Attachment 1

**Suggested List of Management
Practices and Elements**

Suggested List of Management Practices and Elements

- Organizational Structure – Roles, Responsibilities, Reporting Relationships
- Measures of Performance
- Information and Reporting Systems
- Operational Planning Processes
- Development of “Work Plans”
- Coordinating Meetings – Triggers, Attendees, Frequency
- Process for Initiating, Developing and Approving Program and Projects
- Checklists for Review of Financial and Resource Commitments
- Monitoring and Analysis of Program and Project Performance

Exhibit 9 (continued)

Attachment 2

Action Planning Format

Action Planning Format

Action/Program Title:

Rationale: (Responding to Mission, Positioning along Dimensions of Choice, SWOTs, Robust Actions, Criteria/Guidelines in the Charge to the Task Force)

Program/Action Description	Responsibility	Resource Requirements	Milestones/Deadlines	Performance Measures/Targets

