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SERVICES

Museum Grants for
African American History and Culture

Sample Application MH-252016-OMS-22

National Civil Rights Museum

Amount awarded by IMLS:	$250,000
Amount of cost share:	$250,000

The National Civil Rights Museum will increase visitor access to the museum through a ticketing software implementation project. Museum staff will work with external experts to develop new business processes and reports that leverage the capabilities of the new software and integrate with existing museum systems. The project will support visitors' ability to manage online reservations, make member reservations, and redeem coupons, while also providing information to museum staff about how visitors experience the museum. Museum staff will benefit from an updated system that supports targeted marketing and data analysis, which can lead to increased revenue, increased membership retention, while addressing staff and operational challenges.

Attached are the following components excerpted from the original application.

- Narrative
- Schedule of Completion

When preparing an application for the next deadline, be sure to follow the instructions in the current Notice of Funding Opportunity for the grant program to which you are applying.

IMLS – African American History and Culture Application
Lorraine Civil Rights Museum Foundation – DBA National Civil Rights Museum at the Lorraine Motel (NCRM)
PROJECT NARRATIVE -

<u>PROJECT JUSTIFICATION</u>

This project aligns with <u>IMLS Goal 1 under section A2 of the NOFO: to build the capacity of African American museums and their ability to serve their communities, and Objective 1.2: Enhance professional management.</u> This application requests funds to purchase and install a new comprehensive ticketing system to replace the current ticketing system that has limited functionality, inhibits visitor base growth, and does not fit the museum's future needs.

The need for a new ticketing system is reported by Jacobson Consulting Applications, now working with NCRM, on selecting a new system: "Up to this point, NCRM's operations have been siloed, and it is uncertain how this siloing has affected NCRM's overall business strategy. A connected eco-system of technology will help NCRM eliminate current operational silos, while also fostering data sharing."

The budget details a grant in the amount of $250,000 with a cost-share of $250,000. The new ticket system will enhance cross-organizational operations and resiliency, and will:

- Create positive point of sale paths for both in-person and online customers, which has proven to be key during the COVID-19 pandemic when NCRM transitioned from in-person to online ticket reservations as the primary means of selling tickets to ensure social distancing and limiting visitor capacity in the museum. Minimal in-person ticketing is available. Gallery sizes and shapes are diverse, creating capacity restrictions to maintain safety of visitors and staff.

- Create an integrated Customer Relationship Management system that facilitates engagement tracking and information collection and sharing. This will help to increase and enhance cross-departmental synergy of staff [as opposed to working in silos].

- Implement a user-friendly system that provides ease of operation, analysis, and reporting. This could help us improve the overall museum experience, programming, and special events.

<u>Previous Staff Organized Search for a New Ticketing System</u>

Background: FY2018-19 was a year of record-breaking attendance that followed the year of broad-reaching community outreach initiatives commemorating the milestone 50th anniversary of Dr. King's assassination named MLK50, *Where Do We Go From Here?* Because of those efforts, the NCRM was one of five recognized with an IMLS National Medal of Honor for Museums in June 2019.

The increased number of visitors and multiple public events compounded staff frustrations with the lack of functionality of the ticketing system. In the spring of 2019, a group of staff organized a search for a new ticketing system that would meet our requirements for multiple scanning (with NCRM's two buildings and traveling exhibitions), and ease integration of ticketing data with other organizational data. Three vendors were selected, and demonstrations scheduled to address those two requirements.

At the end of calendar 2019, two unexpected challenges arose that halted the decision and search process – the COVID-19 pandemic followed by the museum president's major car accident that kept her out of office for three months. At this time, the staff's departmental focus areas were critical. On March 17, 2020, the museum closed to the public for the first time in its history, and canceled programs and events that had always been in-person.

Staff transitioned immediately to virtual programming, the first being April 4, 2020, the 52nd commemoration of Dr. King's assassination. The immediate impact of the closure was loss of earned revenue, which prior to COVID comprised 60% of total revenue with 40% from contributions.

This necessitated the hard decision to furlough frontline staff and other selected staff to maintain the viability of the organization. NCRM meetings internal and external continue to be conducted via Zoom.

In the meantime, the museum's senior team met more often (once or twice a week) to prepare for eventual reopening in the new COVID reality with July 1, 2020 as the target date. Online ticketing would become one of the primary ways to assure the safety of visitors and staff - social distancing and face masks. That further amplified the ticketing system's lack of functionality.

The museum president suggested that a consulting firm could provide critical guidance to focus the search for a new ticketing system with the ongoing challenges.

A national search ensued. After due diligence, Jacobson Consulting Applications (JCA Inc.) NYC, an independent firm that has worked with 1,500 nonprofits to manage technical and operational needs, was selected. Their fee of $47,813 for up to 212.5 hours was supported in full by a corporate donation.

> "JCA will guide and counsel NCRM in its efforts to select and implement the right ticketing systems to meet current and future needs. JCA will provide NCRM the information and the tools necessary to make informed ticketing replacement decisions, ensuring that whichever systems are selected, they will be chosen through an objective, accurate, insightful, and reliable process. JCA will take a comprehensive approach to the needs assessment, ensuring that we cover all relevant business functions."

The Guided Search – October 2020 was as follows:

- *Project Preparation and Management* – With the JCA Project Manager, refine the scope, define key stakeholders, develop a communication plan, and articulate any project risks (and strategies for dealing with such).

  Throughout the entire process, regular progress meetings were held with the JCA Project Manager and key staff. NCRM included representatives from 9 functional areas for transparency and importantly to hear from those who would use the new system.

- *Discovery* –
  - Constituent Relationship Management (CRM) Workshop to explore and understand **best practices** of CRM inside and outside the museum world, and how these might impact the desired guest experience at NCRM.
  - Stakeholder Interviews to understand and document the strategic goals of NCRM and to inform its plan for admissions and relationship management. Interviews included a comprehensive cross section of staff representing nine (9) functional areas including Senior Staff, Marketing/Communications, Education, Development/Membership, Finance, Operations, Retail, IT, Admissions and Community Outreach.
- *Needs Assessment* –
  - Systems Assessment included overview of goals and objectives, stakeholder interviews, system requirements, observations and recommendations, and marketplace review.

- o Requirements list that was developed is included as a supplement. – *Please see Supportingdoc2.pdf*
- o ***It is important to note that this JCA process broadened NCRM staff thinking of ticketing requirements beyond the original two to a more comprehensive system that would service the total organization building the capacity and professional management of the NCRM now and for future sustainability.***
- *Vendor Evaluation Grid –*
  - o Prioritize a systems requirement list (309 were determined) based on the NCRM Systems Assessment and including JCA's standard bank of requirements specific to museums and attractions best practices. Weights were established for each requirement to provide a numeric grade that reflects the functionality of the product, the quality of the vendor, and costs.
  - o Systems broad evaluation covered prioritized functional areas of Application Usability, Constituent Relationship Management, Guest Services/Ticketing, Group Sales, Membership, Finance, Business Intelligence. Other functional areas included: Communications/Marketing, Interpretive/Education (for program registration), Facility Rental, Retail, Database Administration and Vendor Support.
- ***RFP Development and Selection Assistance***
  - o **RFP document development**
  - o **Demonstration scripts**
  - o **Vendor demonstrations** –
    - ▪ Out of eight (8) invited vendors, seven (7) responded: Accesso Siriusware, The Assistant Manager, DoubleKnot, Ticketure/TixTrac, Counterpoint, Centaman (NCRM current system), Gateway Ticketing, Tessitura. After review of the responses, the last three vendors listed were selected for Zoom demonstrations. Of the three, **Tessitura and Gateway Ticketing** scored 81.40 and 79.73 respectively (weighted scores of 100).
    - ▪ At first, NCRM's Retail staff were included in the entire process but after the demonstrations, Retail decided to stay with their current system configuration.
  - o **Selection advice**
    - ▪ Both companies have long served in the museum/cultural arts space. Each system affords NCRM the opportunity to enhance business processes, grow its patron base, adapt to evolving customer needs, support future integration needs, and NCRM's future needs as our overall strategy grows and changes.
    - ▪ **JCA reports in the Return on Investment section: "It is important to note that the system itself does not generate revenue for NCRM; however, it affects the organization's overall ability to drive and predict future revenue. A more functional, connected software affords the opportunity to grow or enhance multiple areas of operations."**
  - o **Due diligence** –
    - ▪ **Reference checks** included conversations with staff at other museums.

- **Cost analysis – projected over five years.** This discussion covered **sustainability** as the selected system costs far exceed expenses of the current ticketing software. New systems will better enable the NCRM to continue the new business model of online ticketing established during the pandemic. Most visitors now purchase tickets online. On Sep. 1, 2021, NCRM instituted a $1 fee per transaction as a trial. As NCRM moves towards a new system, that fee may be increased or replaced with a fee per ticket purchased that would offset the increased cost of ownership - the annual subscription. The number of visitors per day is limited by the physical space of the Lorraine Motel with galleries of different sizes and shapes, that currently present the story of the American civil rights movement from 1619 to the present. One cannot predict when the pandemic will wane if it ever does.

  However, a major renovation of the NCRM is planned that will increase the institution's visitor capacity and serve to attract a younger demographic. The expansion of the Legacy/Boarding House directly across from the Lorraine will also include all new exhibits that can be updated periodically to interpret today's issues of social justice and systemic racism. For the Lorraine Motel (the permanent exhibits on the history from 1619 to the present), entrance/egress will facilitate visitor accessibility, as well as the expansion and addition of new space for changing exhibits and programs/facility rental.

- **NCRM Selection of Tessitura over Gateway**
  The weighted scores were close. Both systems would support strategic alignment, business process improvement, and IT architecture. Tessitura became the vendor of choice because:
    - The demonstration answered requirements more fully than Gateway's
    - 700+ cultural partners
    - Met all requirements with standard system or slight modification
    - Integrated email marketing
    - 200+ standard reports and client report-sharing
    - Return on Investment is expected relative to
      - Increased sales – through more targeted marketing and data analysis
      - Increased revenue – through use of upgrade and add-on functionality
      - Growth of constituent base – through increased online sales and marketing
      - Increased membership retention
      - Reduced staff and operational frustration
- **The Business Case** for the purchase and implementation of the Tessitura system was first presented to the Finance Committee and then Executive Committee that approved moving forward with the presentation to the NCRM Board meeting on November 18, 2021.

**<u>The timing of the purchase and implementation of the Tessitura system would
be in the next fiscal year, FY2022-23 (July 1-June 30) contingent upon securing
the costs for the system:</u>**

<u>Tessitura</u>
 Annual Fee $50,577
 Implementation $213,288 ($177,288 for system+$36,000 for retail integration)
<u>JCA Consulting</u>
 Project Manager $45,000-$60,750 estimate

**Due to current staffing time constraints, JCA will be contracted to project manage
implementation on behalf of the museum with Tessitura.** This will ensure continuity with the
JCA Project Manager who worked closely and effectively with NCRM for the duration of the
intensive systems search process. NCRM staff has been impressed with the professionalism,
knowledge of systems and best practices, the quality of the guidance and support provided, the
ability to adjust the schedule when needed* and to work with NCRM's diverse group of staff to
come to a successful conclusion. In every way, JCA met and exceeded our expectations.

> *Also unplanned was the departure of the NCRM President Terri Freeman on Feb. 3,
> 2021 after six years. Tee Jones, CFO, served as Interim President, a role that she has
> capably performed three times before. A national search for Freeman's replacement
> resulted in Dr. Russ Wigginton becoming President on Aug. 1, 2021. He is aware of the
> process and approves of the decisions made. Please note that Dr. Wigginton has served
> on the NCRM Board for ten years and has a depth of institutional knowledge and far-
> reaching vision for the NCRM.

PROJECT WORK PLAN –

- <u>NCRM Contracts</u> – (2 months) NCRM will negotiate and define contracts with Tessitura for the
ticketing system and with JCA for project management of installation.
- <u>Scope</u> – JCA will provide project management services to NCRM's project team, keeping NCRM
focused on key objectives and priorities. As with the Selection Systems process, JCA and NCRM
identified Project Team will meet on a regular schedule. *Please see Supportingdoc1.pdf*
- <u>Project Planning</u> – (1 month) will work with chosen vendor to develop an overall systems
implementation plan that identifies key project objectives, timeline constraints and staffing
resource requirements. JCA will serve as an organizational resource for implementation
planning, ensuring that NCRM's requirements and goals are incorporated into the vendor's
implementation strategy.
- <u>Implementation Guidance</u> – (5 months) includes system configuration consulting and data
conversion guidance along with testing and integration oversight. JCA will:
  - Use its deep knowledge of NCRM's requirements to provide guidance for new business
  processes tied to function areas.
  - Help NCRM think critically about its business process requirements and make
  recommendations based on industry best practices.

- o Work with NCRM staff to communicate functional needs from the end users and will recommend reports and other outputs that result from new designs and business processes.
- o Assist with data mapping translations and may guide testing sessions or conduct follow-up meetings to test solutions, as needed.
- o Assist in working with NCRM staff to test use cases, coordinate system integrations, document new workflows, and assist with go-live of new applications.

SCHEDULE OF COMPLETION – Eight months from defining contracts to initiating the installation process. *Please see Scheduleofcompletion.pdf*

PROJECT RESULTS

The final result for this project is a new, more efficient ticketing system that allows guests the flexibility to manage their online reservations, make member reservations, and redeem complimentary coupons and gift cards, while also providing information to museum staff about our guests and how they experience the museum. Data points include demographic information about each guest, frequency of visits, retail purchases, and how many exhibits or programs they attend at each visit. This data will benefit museum departments including finance, development, education, retail, and operations. We anticipate that the system will continue to benefit the museum's future plans by providing more data that can be used to advertise programs, exhibits, fundraisers, and more. While the majority of the benefit will be for museum staff, museum guests will also benefit from a more streamlined and efficient user experience. While we do not have enough resources to develop specific user experience metrics for guests at this time, we expect that adding a new staff member to the IT department will allow us to integrate more performance measures into our processes after the grant period. We also expect that a more efficient system could increase the flow of guests through the museum and potentially allow us to increase our capacity without compromising quality or safety.

JCA will be the project manager responsible for overall project management and its successful completion. The JCA consultant will report to and work in concert with the NCRM Project Director, Tee Jones, the CFO and primary lead staff for this project. As with the systems selection process, staff from all functional areas will be a part of this installation process. *Please see Perfmeasurement.pdf.*

JCA will:
- Manage the project team and resources, participating in regular meetings with NCRM and the vendor to monitor and control the project.
- Monitor and control project budget and timeline, coordinating NCRM resources to meet key project objectives.
- Formally request any changes to the project in accordance with the change management plan, implement the approved changes, and participate in project status meetings.
- The NCRM Project Director will appoint other staff who will participate in monthly JCA budget and status meetings and to serve as an escalation point for decisions that affect JCA budget, scope, schedule, and resources.

BEYOND THE INSTALLATION, the Senior Leadership Team (department leads: Operations, Finance, IT, Marketing/PR, Education/Collections/Interpretation, Community Outreach/DEI Initiatives, Development) discussed the shared concern of current staff's ability to maximize the new admissions system given staff's focus responsibilities. NCRM has started the process to add a new position. The Technical Business Analyst (reporting to the IT Director) will manage business systems functionality, customer requirements and vendor solution delivery. This position must work with teams of *Subject Matter Experts* identifying, researching, building, implementing, and supporting business software products. Expectations are to analyze different administrative processes and assess the scope and impact of each on business in respect to the organization's vision and strategy.

SUSTAINABILITY of the annual fee for Tessitura - $50,577. As a trial, NCRM instituted a $1 fee per online transaction. This will be evaluated as the system goes live with consideration for either an increased fee per transaction or online fee per ticket purchased. Research has shown this is a model for some museums across the U.S. Since instituting online ticketing July 2020, visitors have demonstrated their acceptance of this method of purchase opposed to in-person purchases.

- To ensure museum capacity and safety, NCRM set a specific number of tickets that can be purchased every 15 minutes throughout the day. This is now set at 50-60 with an allowance of 10 tickets that can be purchased in person. This has successfully managed our in-person purchasers.
- Even under the limited attendance of COVID: Jul. 1-Oct. 21, 2021 - <u>75,850</u> compared to the same period pre-COVID Jul. 1-Oct. 2019 – <u>115,476,</u> this business model would support the increased annual fee.

It is important to note that prior to COVID, NCRM had dramatic earned revenue growth following the 2013-2014 $27.5M comprehensive renovation of the Lorraine Motel building exhibitions/facility and added exterior interpretation on the campus. Strategically, this preceded MLK50, April 4, 2018, the 50th commemoration of Dr. King's assassination. Earned revenue grew to generate 60% of revenue needed for operations, with fundraising generating the balance.

The increasing number of visitors to the National Civil Rights Museum at the Lorraine reflects the desire of the public for the history of the American civil rights movement as presented at this historic site. **12-month totals**:   <u>FY2019 – 330,223</u>   <u>FY2020 – 204,056</u>   <u>FY2021 – 115,212</u>
The FY2022 budget is built on an aggressive attendance of 247,624.

The new admissions system will prepare the NCRM for the next stage of its impact. With the new President, Dr. Russ Wigginton, NCRM is strategically looking ahead. The planned renovation of the museum's Legacy Building (the former Boarding House from where the alleged killer fired the shot at Dr. King), additional renovation of the Lorraine Motel building, plus far-reaching institutional initiatives are anticipated to increase attendance to 500,000, making the cost for this ongoing project reasonable and sustainable with this expected growth.

IMLS African American History and Culture
Lorraine Civil Rights Museum Foundation, DBA National Civil Rights Museum
Attachment 5: Schedule of Completion

Schedule of Completion: July 1, 2022-June 30, 2023

	July	August	September	October	November	December	January	February	March	April	May	June
Contract Negotiation	███	███										
Project Planning			███									
Project Implementation				███	███	███	███					
Data Analysis & Reporting								███	███	███	███	███