

PENNSYLVANIA TRAVEL COUNCIL
2001-2 STRATEGIC PLANNING

Strategic Plan Report

I. PLANNING OVERVIEW

A. Introduction

This report encapsulates the outputs of a special Board meeting of the Pennsylvania Travel Council conducted at The Penn Stater, University Park, Pennsylvania on June 1, 2001. A supplementary planning session was held with the PTC's professional staff on August 15th, 2001, during which time an Action Plan for 2001-2 was developed. In addition, the Draft Strategic Plan was reviewed with Bob Jones and Gary Thirkell and their suggestions have been included in this document. The purpose of the planning meetings was to update the Council's previous strategic plan developed in 1997 and to create a shared focus and direction for the PTC. Those participating in the first planning session included both incumbent Board members as well as a group of incoming Board members whose terms officially begin on July 1, 2001, and included:

Vance Booher	Linda Burney
Dennis Burrell	Gregg Confer
Jack Craver	Paul Decker
Nick Hadgis	Michel Hollenbeck-Bowers
Barry Kidd	Bruce Koppenhaver
Fran Levin	Kathy Morrison
Gloria Schleicher	John Showers
Conrad Wangeman	

Representing the PTC: Barry Wickes, President

The professional staff who participated in the second planning session on August 15th included:

Eric Adams

Nancy Flint

Jennifer Mroczkowski

Rick Strunk

Chris Weidenhammer

Barry Wickes

Skip Lange, President and Managing Principal of The Touchstone Partnership of Media, Pennsylvania, led both of the planning meetings.

This document captures all of the key thoughts, perspectives and outputs discussed at the planning sessions; only minor editorial changes have been made to enhance the plan's readability.

B. Strategic Planning as a Management Tool

Strategic planning has been used as a management tool by large organizations since the middle of the twentieth century. The purpose for strategic planning is to provide a framework for decision making and accountability; a comprehensive strategic plan will provide clarity as to what the organization does, how it chooses to do the things it does—its values—where it wants to go, and how it plans to get there.

Strategic planning is also a very effective tool for smaller organizations which possess limited resources and yet have bountiful opportunities. A comprehensive strategic plan will identify which opportunities the organization wishes to pursue and how it intends to take advantage of them. The strategic planning process encompasses looking at the past, creating a “snapshot” of the present, and creating a strategy on how to achieve a ‘chosen future’. The process is not about making decisions in the future but making decisions today that will enable the organization to get to where it chooses to be—tomorrow.

A comprehensive strategic plan is a tool that will help an organization's leaders to get to where they want to be, but like any tool, it must be used on a consistent basis and kept current. The organizations that are most successful have three outstanding attributes: *conviction* that what they are doing is best and right; *commitment* to getting it done; and, the *discipline* to stay the course. The Council's Board and staff seem to embody these attributes and most definitely have the capabilities necessary to ensure that the PTC will achieve its chosen future.

II. PTC: 1998—2001

A. Introduction

The planning participants reviewed the past five years and discussed the highlights, lowlights and key learnings for that time period. Then the planning team discussed the status of the Pennsylvania Travel Council as it exists today.

B. Highlights

The highlights for from 1998 to 2001 include:

- Successfully lobbied to increase the state’s tourism budget
- Successfully developed the workforce development initiative (TLC)
- Developed and maintained higher level relationships with government officials
- Increased membership
- Developed a new standing committee on heritage/culture
- Innkeeper Rights Act
- Developed a new business model by taking over the Pittsburgh hotel association providing additional resources

- Substantially improved the annual conference
- Management of a new logo/signage program
- Renovated the office
- Successful capital campaign to fund capital improvements
- Played a role in improving workers comp
- Successfully lobbied against the computer tax on reservations at hotels
- Our technological capacity
- Pennsylvania Tourism Day
- Extended room tax legislation to all counties
- Our most effective annual meeting ever
- Provided leadership to the growing sector of B&Bs/country inns, including a marketing guide
- Implemented the mentor program
- Participation in DC Legislative Action Summit
- Marked improvement in PACVB relationship
- AH&LA recognition of Barry
- Significant improvement in our financial stability
- Maintained the bi-partisan nature of our legislative support
- Professional sales effort

C. Lowlights

These are the lowlights for the past five years.

- Failure to repeal the amusement tax
- Lack of diversity in the organization and the board
- Perceived as a hotel vs. a hospitality association
- Lack of a diverse mix in the membership
- The room tax
- Stagnant membership base
- Inability to overcome PLCB bureaucracy

C. Key Learnings

These key learnings from the past five years were discussed and the planners endeavored to use them in the creation of the new Strategic Plan.

- The system is still very, very political
- We can lobby the federal government successfully
- Taxes are easy to levy and hard to repeal
- We can work well with the state
- We need to educate the gubernatorial candidates
- A dedicated funding source for tourism promotion will be a very hard sell
- Today, people's most precious commodity is time and we must be sensitive to how we use it
- Two sales reps – east and west – have substantially increased our visibility
- Meetings must be fulfilling and productive and truly add value
- Holding meetings consecutively is beneficial
- E-mail is an effective means to communicate

E. The PTC Today

The Board described the PTC today as:

- It takes a leadership role (information source) for the lodging, hospitality and tourism industries and our members in general
- Provides operations and legal support and resources
- Recognized by government as an effective, outgoing organization
- Conveys the success and value of the industry
- We are not communicating as well as we can to the industry as a whole
- The perception of many is that it is still a hotelier organization
- A strong board of directors
- The committee structure has enhanced efficiency, effectiveness and a sense of ownership
- There is apathy among hotel owners and members
- High turnover in the lodging industry is a big challenge for PTC
- A committed, dedicated staff

III. WHAT IS THE PTC?

A. Introduction

The Board began the discussion of what the PTC is by identifying its stakeholders and their needs. Next, they refined the mission statement of the PTC and articulated its core values. The final step of this phase of the planning was to conduct a SWTO assessment.

B. Our Stakeholders

A stakeholder is an individual or group who has an interest in or is affected by a specific organization. The PTC has stakeholders who are its members as well as other stake-holders who are not.

Member Stakeholders

- Hotels and motels
 - B&Bs and Country
 - AH&LA
 - Amusements
 - Other associations
 - Ski areas
 - Campgrounds
 - Professional Association of Innkeepers International
 - Convention and visitors bureaus
 - Educators
 - Suppliers (associate)
 - Attractions
 - Museums
 - Retailers: malls and outlets
- Lodging:
- Owners
 - Managers
 - Staff

Non-member Stakeholders

- State government (Executive & Legislative)
- Non-members
- County government
- Gas/service stations
- Economic development agencies
- Tour operators
- Travel agents
- Golf courses
- PTC staff
- Retailers
- Financial institutions
- Restaurants
- Other associations
- Member State Associations

- Our Stakeholders' Needs

The group discussed the needs of PTC's stakeholders and determined that for both members and non-members, the needs in the lodging and other areas were the same whether the stakeholder was a member or not.

Lodging:

- Owners:
 - A collective voice
 - ROI/profitability
 - Ego satisfaction/recognition
 - Selection and management of general managers
- Managers:
 - Workforce
 - Information/resources; e.g., legislation
 - Professional growth/education
 - Lobbying
- Staff:
 - Professional growth/education
 - Recognition
 - Representation
 - Safe, secure workplace
 - Answers to operations question
 - Ever-improving standards of operation and service

Other areas:

- Government:
 - Information, especially on industry issues
 - Education re: the industry
 - Tax revenues
 - Direction: assistance in setting priorities
 - Financial support to individual members
- PTC Staff:
 - Fair and consistent treatment
 - Recognition
 - Alignment of vision, mission, tactics
 - Professional development
 - Competitive compensation and benefits
 - Appropriate tools and support
 - Challenges: interesting work

C. PTC's Mission

The Board reviewed the original mission of the PTC and felt that it was important to re-frame it so that it more accurately describes the purpose of the Pennsylvania Travel Council.

PTC's Mission Statement

The Pennsylvania Travel Council exists to advocate, support, promote and enhance the lodging and tourism industry within the Commonwealth of Pennsylvania. We seek to be inclusive and provide lobbying, education and professional development opportunities, information and other resources as well as value-adding services to our members to ensure their—and the industry's—ongoing growth and success.

D. PTC's Core Values

An organization's core values define and describe *how* it does its work and how people are expected to behave and interrelate with others. The Council's Board developed the following core values to define how the PTC will perform its work and interrelate with its stakeholders.

Member-focused: our organization exists to serve our members and we will continually seek ways to identify and satisfy their needs by providing value-adding services and solutions.

With integrity: we will be ethical, honest and trustworthy with others and in all that we do.

To be the industry authority: as the unified voice of the travel and tourism industry in Pennsylvania, we will continually work to develop our professionalism and capabilities to serve our members while being an advocate for the industry.

Accountable: the Council is accountable to its members and our industry for fulfilling its obligations and commitments and maintaining financial stability to support its responsibilities and aspirations.

E. SWTO Analysis

The Board assessed the Council's strengths and weaknesses and identified threats confronting the PTC and opportunities available to it.

1. Our Strengths

Strengths are positive factors, qualities or assets that enable your organization to do what it does best. Strengths are a source of power and encouragement. Primary strengths can serve as the foundation to build upon for the future. Brainstorming was used to identify the Council's strengths (as well as its weaknesses, threats and opportunities) and a multivoting technique was then employed to identify what were primary in each area. The number of votes received is included in the parentheses.

Primary Strengths

- Effective lobbying (19)
- Dedicated and committed staff (12)
- Our president/executive director (7)
- Annual conferences (7)

Other Strengths

- A good image (5)
- Excellent relationship/alliance with Barb Chaffee (5)
- A strong board (3)
- A well-established and recognized organization (2)
- PTC publications (2)
- Financially stable (1)
- Our educational capabilities (1)
- We own our building (0)
- We're a resource to our members (0)
- Good track record (0)
- Our newsletter (0)
- Computerized office/technological capabilities (0)
- Our website (0)
- Preferred Supplier Program (0)

2. Our Weaknesses

A weakness is an internal factor, fault or liability that needs to be addressed as it can negatively affect the organization. Weaknesses are within the organization's control and can be improved or eliminated.

Primary Weaknesses

- Stagnant membership base (15)
- Perception that we're a hotel vs. a hospitality association (13)
- Membership apathy (13)
- Marketing and promoting itself (9)

Other Weaknesses

- Small staff (5)
- Individual non-chain owners don't understand or appreciate what the PTC does (4)
- Lack of diversity on the board (2)
- Lack of money/fiscal resources (1)
- Infrequent planning with a lack of follow-through (1)
- Mission statement not known (1)
- Barry's availability/accessibility (0)

3. Our Threats

Threats are external factors or circumstances over which the organization has no control (e.g., the economy, competition, weather) that can negatively impact its ability to achieve its purpose, objectives and goals. As an organization grows larger, threats and the external environment become increasingly important and they must be taken into account in the organization's planning and growth. A threat can become an opportunity if there is an appropriate response.

Primary Threats

- Changing administration and political environment (17)
- State tax structure (14)
- Labor issues: liability, minimum wage, etc. (12)
- The economy (7)
- Lack of time for people to serve and volunteer (5)
- September 11, 2001 terrorist attacks
- Uncertain economic conditions after September 11, 2001 terrorist attacks

Other Threats

- Generation X not understanding associations and their role (2)
- Consolidation in the industry (2)
- Changes in technology (2)
- Changing nature of AH&LA (1)
- PA road systems (1)
- Health care (1)
- Rolling blackouts (0)
- Gas prices (0)

4. Our Opportunities

Opportunities can be strengths to leverage, weaknesses to overcome, threats to address or competitive, technological, marketplace or other opportunities. Opportunities represent situations or conditions favorable for achieving your purpose, vision, objectives and goals. Opportunities sequentially address the strengths, weaknesses and threats previously identified and can be the basis for building future goals.

Primary Opportunities

- A huge, untapped market of potential members (12)
- Proactive education and courting of candidates in the upcoming election (10)
- Increase tourism budget funding (5)
- Integration and unification of travel and hospitality-related groups with PTC (5)
- Creating more value for our membership (5)
- Member benefit programs (5)
- Restructuring PTC to have subsidiary councils to address their specific needs (5)
- September 11, 2001 terrorist attacks
- Uncertain economic conditions after September 11, 2001 terrorist attacks

Other Opportunities

- Workforce development/TLC program (2)
- Continued enhancement of the website (2)
- Provide internet reservation access to our members (1)
- Educate members on more effective business practices (1)
- Changing our name to more accurately reflect our mission (1)
- Provide benefits/perks to our members' employees (1)
- Overall enhancement of education (1)
- Legislative golf tournaments (1)
- Publishing our mission statement and values (1)
- Persuade more hotel owners to join PTC (1)
- Driving people to the website (0)
- Support of work/life balance initiatives; e.g., website (0)
- Use of strategic alliances to augment our revenues (0)
- Increasing visibility within Convention and visitors bureaus and TPAs (0)
- Solicit PAC monies (0)
- Managing other city hotel associations (0)
- More regional training opportunities (0)
- Regional roundtable (0)
- Cost-saving programs for members (0)
- PTC-delivered healthcare insurance (0)
- Best practices roundtables among members (0)
- Expose non-members to our roundtables (0)

IV. 2001-2004

A. Introduction

The Board determined what are the primary challenges to address over the next three years and how the PTC can add value to its members. That information was used to develop strategic objectives that will provide focus to the PTC and identify potential goal areas for 2001—2002. The team also discussed a possible name change, to develop a name that more effectively depicted what PTC does.

B. Primary Challenges: 2001 – 2004

PTC will continually focus its efforts, energies and resources on building its membership and enhancing the value it provides to its members. In addition, over the next three years, PTC will need to address these challenges:

- Workforce development initiatives
- To positively influence key candidates in the upcoming gubernatorial election
- Be a legislative advocate (bulldog)
- Evaluate our organizational structure to ensure it most appropriately adds value to our members
- Developing a statewide presence and marketing and promoting the Council and our mission
- Address the AH&LA restructuring and our role in the association
- September 11, 2001 terrorist attacks
- Uncertain economic conditions after September 11, 2001 terrorist attacks

C. How PTC Can Add Value to Its Members

- Education: expand PTC's educational capabilities via partners (e.g., AmEx) and explore other opportunities and venues
- Beef up the membership benefits (e.g., bulk purchasing) to enable our members to be more competitive. (For example, retirement, health insurance, etc.)
- Education II: regional roundtables and networking (in concert with Convention and visitors bureaus)
- Added value for members: discount programs for member employees
- Provide consolidated/comprehensive reservations on the PTC website
- Data sharing: share visitor profiles
- More collateral provided to non-members selling the value of PTC

V. Strategic Objectives

Strategic objectives are broad areas that describe key things to focus upon and provide focus and direction. The following were developed by the Board to provide a focus for the PTC over the next three years.

Government Relationships: to develop and continually enhance the PTC's relationship with key members of the executive and legislative branches and to support, promote and be an advocate for the industry and the interests of our members

Membership: to build the quantity, quality and diversity of our membership.

Organizational Structure: to ensure that the PTC is optimally structured to fulfill its mission and add value to its members.

Presence: to create a positive and ever-growing presence for the PTC statewide and to proactively market and promote the Council, its mission, objectives and goals.

Workforce Development: to be a leader in the development of the Commonwealth's workforce so that it can add value to our members and the industry.

The staff felt that a Strategic Objective was needed to address the needs of the PTC's members and added the following:

Member Services: to continually explore, develop and implement services, initiatives and programs that will add value and be of benefit to PTC's members.

VI. Specific Goals/Areas

The Board felt that these were specific goal areas to focus upon in the development of the PTC's goals and action steps for 2001—2002.

- Gubernatorial election
- Tourism Week
- Repeal of the amusement tax
- Work with CVB's and county commissioners regarding room tax
- Labor Day school opening issue (uniform school opening)
- State budget
- Increase membership net 5% a year
- Launch WOW campaign
- Explore member benefits programs
- Evaluate our organizational structure
- Develop an education curriculum for evaluation
- Evaluate the use of a marketing firm to expand PTC's presence
- 10 school districts using TLC

F. Alternative Names

- PA Tourism Association (1)
- PA Tourism Council (0)
- PA Hospitality and Tourism Association (2.5)
- PA Association of Travel and Hospitality (0)
- PA Lodging and Tourism Association (7.5)
- PA Travel Council (1)
- PA Travel Council with a tag line (1)
- PA Hospitality and Tourism Partnership (0)
- PA Travel Association (1)
- PA Hospitality Association (0)
- PA Hospitality and Lodging Association (1)
- Other (2)

G. Next Steps

- | | |
|-------------------------------------|--------------------|
| 1. Skip to return plan to Barry W. | June 8, 2001 |
| 2. Send to planning team for review | June 11, 2001 |
| 3. Modify as appropriate | June 15, 2001 |
| 4. Schedule second planning session | June 15, 2001 |
| 5. Conduct second planning session | August 15, 2001 |
| 6. Board of Director Approval | September 20, 2001 |

H. Parking Lot

- Consider a marketing firm to help us “get the message out”
- Send newsletter to non-members
- B&B track at the Annual Educational Conference
- Strategic alliances with other associations, yielding a stronger voice
- Banks to only finance PTC members