
The Kentucky Center for the Arts

IT Strategic Assessment Report

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Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

Table of Contents

1.	Executive Summary	4
2.	History and Purpose	4
2.1	History of the Kentucky Center for the Arts	4
2.2	Purpose of the Kentucky Center for the Arts	5
3.	Management and Business Processes.	6
3.1	Event Management	6
3.1.1	Event Data Entry	7
3.1.2	Communication	7
3.2	Ticketing	8
3.3	Fundraising	8
3.3.1	Donations	8
3.4	Marketing	9
3.4.1	Traditional Marketing	9
3.4.2	Social Media	9
4.	Current IT Environment	9
4.1	Hardware	9
4.2	Software	10
4.3	Staff IT Skills/Training	10
4.4	IT Budgeting and Spending	10
5.	Envisioned IT Capabilities	10
5.1	Leadership's Vision	10
5.2	Top 10 Technology Issues	11
5.2.1	Maximized Space	11
5.2.2	Fraudulent Ticketing	12
5.2.3	Unified Database	12
5.2.4	Proper Use of Electronic POs	13
5.2.5	Legacy Information Lost	13
5.2.6	Unified Reporting	13
5.2.7	Improved Intercommunication	13
5.2.8	Patron Demographics	13
5.2.9	Lack of IT Staff	14
5.2.10	Increased Social Media Exposure	14
6.	Closing the Gap	14
6.1	Commit to Retargeting Social Media	14
6.2	Evaluate Data Collection Points	15
6.3	Reengineer Website	15
6.4	Invest in Bridging the Gap between Softwares	15
6.5	Hire new IT Staff	16
7.	Conclusions	17
8.	Appendices	17

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

8.1	Basis of Analysis	17
	8.1.1 Porter's Five Forces	18
8.2	Strategy	19
8.3	Internet Enabled Business Model (IEBM)	20
	8.3.1 Profit Site:	20
	8.3.2 Customer Value:	20
	8.3.3 Scope:	20
	8.3.4 Pricing:	20
	8.3.5 Revenue Sources:	21
	8.3.6 Connected Activities:	21
	8.3.7 Implementation:	21
	8.3.8 Capabilities:	21
	8.3.9 Sustainability:	21
	8.3.10 Cost Structure:	22
8.4	Technology Inventory	22
8.5	Top 10 Technology Issues	23
	8.5.1 Maximized Space	23
	8.5.2 Fraudulent Ticketing	23
	8.5.3 Unified Database	24
	8.5.4 Proper Use of Electronic POs	24
	8.5.5 Legacy Information Lost	24
	8.5.6 Unified Reporting	24
	8.5.7 Improved Intercommunication	25
	8.5.8 Patron Demographics	25
	8.5.9 Lack of IT Staff	25
	8.5.10 Increased Social Media Exposure	25
8.6	Strategic Planning/Visioning Documents	25
	8.6.1 Strategic Plan 2106-2017	26
8.7	IT Budget/Spending Documents	27
9.	Works Cited	27

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

1. Executive Summary

The Kentucky Center for the Performing Arts project is an important element to expand the reach of art, education and entertainment for continued community to meet their strategic goals. The purpose of this project is provide insight on how potentially the arts can be incorporated with technology or vice versa. The Kentucky Center has a stable IT environment with excellent, well trained staff. They are looking to move into the future to provide our region with increased exposure to new forms of artistry. In today's technology laden society the Pew research demonstrated with an overwhelming 81% stating that the internet is very important in promoting the arts to increase audience engagement, identify new sources of funding and utilize organization "economies of zero" more efficiently (Rainie, Purcell, & Thomson, 2013). In order to maximize these efficiencies the IT department needs to grow with staff, software and hardware to accommodate the ever-evolving digital technology.

2. History and Purpose

2.1 History of the Kentucky Center for the Arts

The Kentucky Center is a multi-venue performing art center non-profit (501c3) is the leading performing arts facility in the Commonwealth. The Kentucky Center for the Performing Arts (Kentucky Center) was officially dedicated to promote state culture and tourism and provide a home for Louisville's prominent performing arts groups.

Developed from \$6M raised by the business community of Louisville and \$24M provided by through state funding and an idea by Governor Carroll, the Kentucky Center for the Performing Arts was born. Designed by Caudill, Rowlett & Scott with assistance by Wendell Cherry, co-founder of Humana, the Kentucky Center provides the community with tenants like Broadway Across America®, Kentucky Opera, Louisville Ballet,

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

StageOne Children’s Theatre, Louisville Theatrical Association and the Louisville Orchestra to provide education and exposure of the arts for young and old alike. The Kentucky Center manages various theaters, venues and outreach programs in Louisville as well as throughout the state. The Kentucky Center is comprised of currently four theaters with a new \$28M installation of Paristown Pointe in 2018 to bring the total to 5 theaters in Louisville - Robert S. Whitney Hall; Moritz von Bomhard Theater and features a M1D Meyer Sound system; Boyd Martin Theater; The Brown Theatre located eight blocks away from the Kentucky Center and the much anticipated Paristown Pointe to be built in Germantown as a “reinvestment” into the older neighborhoods and extend the arts reach into the community. Not only are there theaters but the Kentucky Center invests in the community through the Kentucky Center for the Arts Foundation in the youth of Louisville and the State of Kentucky through the ArtsReach to provide school art programs like Kentucky Institute for Arts in Education a professional development seminar, Governor’s School for the Arts a summer exploration program, and the Gheens Great Expectations Project to present young classical musicians to communities. It is clear that the Kentucky Center’s history is steeped rich in Louisville’s history that is far reaching to bring the community exposure to the arts through several facets to all of Commonwealth of Kentucky. The Kentucky Center plays a significant role not only in the enrichment of the Commonwealth but is an economic success contributing to increased tourism dollars for the Louisville Community.

2.2 Purpose of the Kentucky Center for the Arts

According to their mission, The Kentucky Center for the Arts is a non-profit (501c3) organization dedicated to “lead and enrich the artistic, educational and economic vitality of the region by providing unparalleled programming and cultural events” (www.kentuckycenter.org). Home to 6 of Kentucky’s major performing arts groups, The

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

Kentucky Center supports Louisville Ballet, Kentucky Opera, Louisville Orchestra, Stage One Children's Theatre, Broadway Across America and Louisville Theatrical Association as well as a host of other companies Necessary, Walden, Pleiades, and Louisville Repertory. With the constant changing palette of the arts, the Kentucky Center provides a wide variety of performance forums that reflect the expanding diversity of cultures in our world. Their purpose presents a multifaceted approach to introduce art through music, dance, theater, and even the art collection located within the walls of the Center itself to further complement the patron involvement in the arts.

The Kentucky Center also places great importance on presenting arts through education. The Kentucky Center promotes art education throughout the Commonwealth by establishing at least one of the programs in each of the 120 counties in Kentucky with either the Governor's School for the Arts, public school programs like "Art Academies", Arts in Healing, and/or ArtsReach. Each of these programs is further supported by hiring practicing artists to mentor young and aspiring students of the arts to encourage artists of all disciplines throughout Kentucky.

3. Management and Business Processes.

This section provides an overview of the business process currently performed by The Kentucky Center. At its heart the Kentucky Center is entertainment venue provided by endowments that house performance companies and space for the educational practices provided to the community.

3.1 Event Management

Venue rentals is the bulk the Kentucky Center revenues earning \$4.5M in 2014 from facilities rental based on the annual report (The Kentucky Center, 2015). There are nine venues available for rent.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

On site Venues	Off Site Venues
Whitney Hall	The Brown Theater
Bomhard Theater	Paristown Pointe
Mex Theater	The Belvedere
Tom Clark-Todd Hall	The Belvedere Conference Room
Mary Anderson & Conference Room	
East Room/KC Bar	

The booking process begins with an estimate. Once the estimate is confirmed and becomes a contract, the contract is entered into the USI system. Each venue has its own specifications in regards to furniture, labor costs, availability. Each venue is managed by the Production Manager. All of the information correlated with each venue is managed through the USI system prompting electronic purchase orders (POs) that require approval. However, due to tacit knowledge, staff still prefers paper POs leading to employees ordering items without prior approval.

3.1.1 *Event Data Entry*

To book a venue, either a patron or touring company books an appropriate space by providing and negotiation of the project requirements. For each event, there are several departments that are necessary to create the final product, "a production". Any given event has to be entered into 2 different systems, the Ungerboeck (USI) event management and if the event requires tickets, then the ticketing software, Tessitura, must have the duplicate information entered for ticket production.

3.1.2 *Communication*

Since each production has different requirements, the communication between the production company and the venue to accommodate for ongoing changes or last minute requirements is less than perfect. The consideration between the executive committee of the IT requirements for any incoming production is not considered but an after fact. The current infrastructure meets the requirement for shows and many traveling productions

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

bring their technical equipment. There currently is minimal consideration for the presence of IT within an art environment.

3.2 Ticketing

Not every event requires a ticket but ticketing nonetheless is a revenue source as for each ticket issued there is a processing of \$3 fee. All ticketing is done through the Kentucky Center Box Office. Ticketing is currently provided through the www.kentuckycenter.org for multiple venues listed above. The revenue of the tickets sold goes to the production company. Therefore the only funds that the Kentucky Center receives from ticket sales is via the processing fee which is only applied if tickets are purchased online or over the phone.

Tickets can be purchased online, over the phone or in person at the box office on site. After completing the purchase tickets can be mailed to the patron, placed in will call or can be printed at the patron's expense and brought to the show to gain entry. Currently there isn't a mobile option for scanning tickets.

There is a concern regarding fraudulent ticket sales as several patrons have experienced a scam with a misleading website to purchase tickets they thought were the Kentucky Center. There is recognition that this remains an issue.

3.3 Fundraising

3.3.1 Donations

At the heart of any non-profit is the ability to fundraise monies to maintain current programs and continuing of funding to perpetuate the mission. The Kentucky Center Foundation which manages the \$21M dollar arts fund that provides grants, program funding, education, and community art centers. The management of funds and data allows for continued success. The current system Tessitura controls the donation collection with a web API to control the web environment and user experience.

There are several ways to donate to the Kentucky Center – online, through the mail, in

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

person which provides a membership for the patron and receive perks. Perks are dependent upon the amount of the gift and include no processing fees, discounts on season tickets and local restaurants as well as printed recognition in the magazine, BackStage Pass.

3.4 Marketing

3.4.1 Traditional Marketing

The Kentucky Center provides in house advertising through plasma screens throughout the facility that advertise upcoming events as well as client advertisements during a rental experience. Outdoor billboard displays upcoming events. Traditional print branding to derive a clear image to the community about who the Kentucky Center is.

3.4.2 Social Media

The Kentucky Center has an online presence with Facebook, Instagram, YouTube, Twitter and flickr social media sites. Currently their social media is a forum to share experiences with the community and a way to allow patrons to share their experiences with the Kentucky Center.

4. Current IT Environment

4.1 Hardware

The Kentucky Center has a very stable and secure network support by a small IT Department.

Hardware Item	Quantity
Surface 3	9
Credit Card Swipers	10
NSCAN Ticket Scanners	50
iMac	1
Mac Computers	2
iPhones	50
Android Phones	10
Konica Print/Scan	12

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

Quantum Superloader Tape Backup	1
HP Thinclients	10
Servers	27
Routers	1
Maraki Firewall	1
Switches	20
Access Points	53

4.2 Software

Current software in use throughout the Kentucky Center is:

Ungerboeck Software International (USI) – a Event Business Module System (EBMS)

Tessitura – a ticketing and donation management system

SpiceWorks – a help desk ticketing system

Square – a POS purchasing system

Huddle –

Sitefinity

Full Control

Vantive – Credit card processing for Tessitura

4.3 Staff IT Skills/Training

The current IT staff is well trained and specialized in the following fields:

- CTO
- Network Administrator
- Database Administrator
- Information Systems Specialists

However the current staff and location is at capacity. To support any further initiatives

stated in the strategic plan would require an increase in IT staff.

4.4 IT Budgeting and Spending

According to the CTO, the IT budget is approximately \$826,000 with 80% of the cost dedicated to licensing software.

5. Envisioned IT Capabilities

5.1 Leadership's Vision

Like everything else the Kentucky Center does, the envisioned IT Capabilities is to move forward and allow the IT to help move progress of continued education and patronage continues to endow the great city of Louisville. The vision for the 2016-2017 strategic imperative is to be a nationally recognized performing arts center and create an

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

atmosphere for complete, robust patron experience. There are no specific details mentioned in the strategic plan of how to accomplish this task other than the current expansion of the Paristown Pointe venue.

The President expressed a vision into more incorporated online presence to create new and upcoming programming. Some of these new programs to include “YouTubers” and new discoveries. She likened the progress to being like “Austin City Limits” a television show and venue to showcase new music featuring Texas like music wanting to create a showcase like environment to bring new music, art and elements to Louisville. The Paristown Pointe may be the answer for that vision.

In connecting with today’s new technology laden crowd, it may be difficult to bring the stuffiness of the performing art center down to the millennial through technology.

Revitalizing the online presence to be incorporated throughout the education process by creating learning elements in person or online. Showcasing YouTube talent or festivals to invigorate the youth to experience the Kentucky Center.

However, the CTO expressed a vision where the communication disconnect between the new expansion projects without the consideration of IT input and expense. Further growth online and throughout the Commonwealth also needs to build in a new IT budget with new staff to deliver on the promises made in the initiatives. In a perfect world, the software licensing fees would be waived for non-profit allowing for continued growth. The Kentucky Center needs to bridge the databases to maximize the data available and minimize the data input. One vision for one system that has information that flows through collecting data along the way.

5.2 Top 10 Technology Issues

5.2.1 Maximized Space

The Kentucky Center administration offices are at capacity. There is no more room new staff nor room for hardware expansion if necessary. As the Kentucky Center continues to

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

grow to meet the expanding art community, space must be considered for IT. Either a reengineering of the network architecture design committing funds to adding new hardware, cloud service and/or services should be evaluated.

5.2.2 *Fraudulent Ticketing*

A mutual concern from both the IT department and the President's office is fraudulent ticketing. After Googling a search for the Kentucky Arts Center, the first "Ad-Google" link is to a kycenter.boxofficetickets.com which would appear legitimate to an inexperienced web personnel. This site states that they sell tickets at a highly inflated price, 3x the face value. If the tickets are purchased, the patron attends the event only to find out that there are no seats available as they never really purchased tickets. This creates a mistrust between the patron and the venue that can lose a permanent customer let alone the thievery. The Kentucky Center has made steps to correct this issue but the issue continues.

5.2.3 *Unified Database*

The Kentucky Center currently utilizes two separate systems to manage both the venues and event management with catering and staffing and the ticketing software system for the box office duties and donor care. Their general ledger system is Ungerboeck Software International (USI) with added features for venue management, registration, accounting, and reporting. USI The ticketing and donations software is Tessitura with features to manage box office operations, fundraising, sponsorships and analysis tools. Both software systems contain their own databases effectively creating a dual entry system. The largest challenge is to bring the information into a central data point. Currently there is no middleware to bridge the data between the two systems. There has been a request to create a bridge module but either one or both software companies are not cooperating citing proprietary knowledge to avoid revealing their code for a solution to exist.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

5.2.4 *Proper Use of Electronic POs*

There is an amount of over ordering occurring from refusal to recognize the electronic PO. The tacit knowledge associated with the current PO process perpetuates even though there is a more efficient .option available eliminating the possibilities of errors. Acceptance of the new technology is critical to its success

5.2.5 *Legacy Information Lost*

Much of the current information of the quirks within any given system can most likely be found with the person who has been at the organization the longest. They have all the legacy knowledge. Manuals written to extract information and have available for reference instead of constantly interrupting or potentially losing that knowledge to retirement.

5.2.6 *Unified Reporting*

With dual tracking systems, there isn't any communication between the systems therefore creating a gap.

5.2.7 *Improved Intercommunication*

The main focus of the "imperative initiative" focused on attracting and impacting the broadest community possible and the fastest way to do it is to maximize the online presence. To manipulate the online presence it helps to have the IT support staff to develop new strategies to incorporate with the artistic vision.

5.2.8 *Patron Demographics*

While data is collected from the sale of the ticket, the data collected is only about the person who purchased the tickets, not the people who attend the venue. One patron can purchase 10 tickets for the family that could reasonably four more adults in the mix that the Kentucky Center could reach out for donations, new art exhibitions or concerts. The opportunity loss of potential sales or donations could be profound if there was another way to gather information from the attendees. There is also a potential loss

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

from the patrons who attend events that don't require tickets.

5.2.9 Lack of IT Staff

With an IT staff of 5 maintaining and trying to expand at the same time, it is clear that new staff is necessary to meet the demands of the new age. With only a staff of five the cross training is minimal and if there is a loss of one entity, it places the entire information at risk. Redundancy is a critical element especially when there potentially be legacy knowledge on existing systems.

5.2.10 Increased Social Media Exposure

Advancing into the 21st century with open arms to find new ways to incorporate technology into the artistic experience and extend the presence utilizing a new presence to bring elements of the performing to all of the Commonwealth.

6. Closing the Gap

6.1 Commit to Retargeting Social Media

An internet presence today is becoming more all-encompassing learning extravaganza.

People create learning moment from using their phones when questions arise during discussions to finding out a little history on who all the performers are. An app for the Kentucky Center wouldn't be out of line to offer one more avenue for advertisers from sponsorships and connecting with an audience on their level and perhaps even save a little money on printing. An app can also allow for another point of contact to receive gifts through text donations or through the app directly.

In addition the world loves to share their experiences and happy times while out exploring new experiences and they love to share them on line through Facebook, Instagram, Twitter, YouTube and the list goes on. Developing a new presence within the new enveloping internet, pushing out podcasts or creating discussion groups to locate new and upcoming talent. Continuing the YouTube craze and presenting what youth can identify with. Eliciting information through new online webinars with new exhibits or

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

learning to “How To” with a virtual performer. The list is endless and the technology is already available. Potentially there could be costs for production but it’s likely that the Kentucky Center already has several of the items it already needs. New intern staff could help produce and develop a YouTube channel.

6.2 Evaluate Data Collection Points

Currently there are two points that data is being collected about patrons. The first point is at the website with memberships and donations. The second point is the box office. Both of these points come up short in delivering accurate information about who is actually attending the events.

RADAR is a technology developed by Clear Channel Outdoor that has partnered with AT&T, to aggregate data from the billboards outside to target people walking or driving to maximize the space they already own. The plasma screen inside the lobby could help determine the scope of patrons that attend events without ticketing to give a broader spectrum of ho actually attends their events. Ultimately bringing in a collection of usable data to develop the next set of new performers.

6.3 Reengineer Website

The website is cumbersome and difficult to find elements that were specific to any given question. With the concern of fraudulent ticketing, there was minimal education regarding the website telling the viewer that this was the only place to buy tickets for the Kentucky Center. The information I did find was pushed to the bottom or two pages deep into the site buried. Educating the public regarding ticketing scams is the first defense. The website needs to be clearer the word “official” doesn’t create enough trust by the viewer. The information needs to be on multiple fronts and on multiple pages to ensure the message gets across.

6.4 Invest in Bridging the Gap between Softwares

Data collection provides a unique glimpse into any business. Data collection in a non-

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

profit is crucial and leads to more donations which leads to more programs. With 2 data entry points, there's a failure to see cross over information. There is a competitive advantage of providing a custom solution that can address the tailored needs of the Kentucky Center. A bridged solution will allow for interoperability between applications by supplying new reporting features and creating single entry point for data. Minimizing data error and failures can prove to be fatally inefficient.

The Kentucky Center is a multifaceted venue that needs the software support to combine all of the elements provided to the public. With the Kentucky Center having multiple locations, a middleware solution could provide real-time processing and minimize the point of contact to gather event information during any productions. Then ultimately an analysis to allow for better understanding of what the Center did well and areas that can be improved.

6.5 Hire new IT Staff

Expanding and growing brings new revenues and new burdens. Escalating the online presence isn't without a cost. While costs maybe sunk, the expanded functionality of the technological requirements becomes streamlined. Technology is often forgotten until it's gone and then everyone wants it back. With each new expansion project, planning and development adventure IT can bring new light into what can be but there needs to be enough people to support the dreams to reality. Information technology will never save money but it can enable a non-profit to work more effectively by doing more work of higher quality.

An antiquated IT system presents more problems in cost for maintaining nonstandard configuration proving to spend more in support and ongoing maintenance. To reach further into the future, an IT reinvestment to reach around all of the venue locations can take the Kentucky Century to the 22nd Century creating benchmarks along the way.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

7. Conclusions

The Kentucky Center is on an upward spiral reaching out into new areas to elevate the experience for all. A reinvestment in the IT structure and staffing not unlike renovating a building requires attention. Reaching out with new programs to foster the continued education of the arts, technological capabilities can only bring this to fruition faster with less man power.

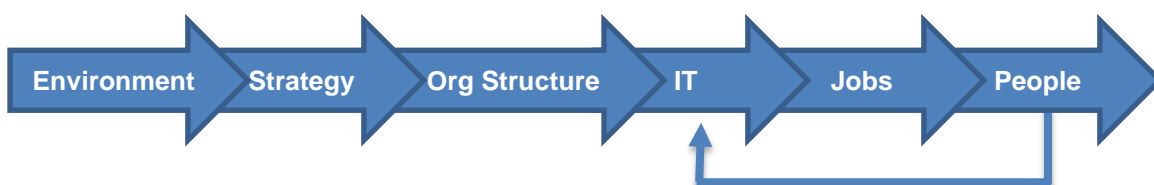
Overall, the Kentucky Center is in fine shape and have found success but bring the Center to the next level and reach their imperative goals, the infrastructure is maxed and requires reengineering to meet the needs that will be very present in 2018 after the new venue arrives. With a new reinvestment into the IT structure, the capacity of the reach will multiply exponentially into more homes and schools to provide a top tier performing art center.

The Kentucky Center needs to meet the desires and needs of the changing cultures in the area and continue to broaden their reach into new channels. Creating new avenues into the performing arts like a virtual choir and see the art that is not there yet is an opportunity to cultivate new realms of art that we never knew existed.

8. Appendices

8.1 Basis of Analysis

The basis of analysis for the Kentucky Center for the Performing Arts initiated within the Barker Cycle. With a basic understanding of Maslow's hierarchy of needs, this cycle shows that if the all other elements are functional and successful the IT portion needs to reevaluate the needs of the jobs and people to find the improvements necessary to continue forward.



Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

8.1.1 Porter's Five Forces

8.1.1.1 Competitive Rivalry: High

The Kentucky Center the venue is competing with other venues in the Louisville area like the Mercury Ballroom, the Palace Theater and even music festivals on the front lawn. The Kentucky Center is unique that it is a non-profit center operating in a for profit world with the same competition minus the profit margin.

8.1.1.2 Threat of New Entrants: Low

With state funding and a solid fundraising constituency, there are entry barriers to create another performing arts center within Louisville. Entry barriers that include for new locations and funding to compete with the 30 year experience that the Kentucky Center has to offer.

8.1.1.3 Threat of Substitutes: High

The Kentucky Center has substitutes seen by any venue in the area that can hold a performance. There is competition in the convention center, local hotels, and other theaters in the area. The Kentucky Center differentiates itself through funding the arts to always provide a home but they also welcome new and edgier acts to bring in revenue.

8.1.1.4 Bargaining Power of Suppliers: High

The majority of funding for the Kentucky Center is through donations so it must continue bring in new acts to reach new audiences. Not only is the Center competing for tickets sales they are also competing for donation dollars. By adding in an app and extending their online reach through YouTube for donations, the site touches patrons that may never make it to Louisville.

8.1.1.5 Bargaining Power of Customers: High

There are several choices for entertainment in the Louisville area from casinos to small productions to other large venues. The Kentucky Center can reduce the bargaining power of the customer by remaining differentiated.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

8.2 Strategy

The generic strategy of the Kentucky Center is differentiation. While they are a non-profit and focus on donations, they still provide a service in the entertaining arena that requires that they differentiate from other for profit venues and offer unique services to garner the discretionary funds.

The Kentucky Center structure is functional hierarchy steeped in bureaucracy. While few things in the event business can be routine the structure is top down with decisions established by the Board of Directors and executed by the executive staff.

The IT architecture is stable environment but left behind and out of any optional upgrades. The IT is an afterthought. The IT architecture should be used to increase the likelihood of positive outcomes (Cash, 1999). Systems are built around what's valuable.

The Kentucky Arts Center's largest focus is on maintaining the center availability for continued programming. There is a mismatch and devalued element of the IT structure.

By investing the time to reengineer the IT structure to accommodate future growth, there must be a consideration in the McFarlan-McKinney 4 stage Model of Technology

Assimilation. Requiring the input from the employees to understand the current needs of each department since the IT department has maintained stability through rapid growth

from 17 people to a staff of 93 in a span of several years. With a re-evaluation the 3 constituencies' triad of IT, Users, and Management can truly understand the problem to

develop requirements and implement features. Bridging the gap between the software entities will influence enhance the revenue stream and potential cut costs through

eliminating redundancy. For an IT restructure to be a success then we must consider increasing the skill variety for each of the departments and minimizing legacy

knowledge. Increase training for each department to maximize the features from the combined software entity. Increase the chance of success by providing autonomy,

mastery and contribution for each employee by presenting them with the potential to

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

learn a new skill, think outside the box, and redevelop what has only “just” worked.

8.3 Internet Enabled Business Model (IEBM)

8.3.1 Profit Site:

According to *Internet Business Models and Strategies*, the profit site is the relative advantage of a firm to its suppliers, customers, rivals, complementors and virtually the same strategic information that *Porter’s Five Forces offers* (Afuah and Tucci). It compares the position of the company in terms of the current market. Overall, the Kentucky Center is maneuvering within a highly competitive arena with several options for customers.

8.3.2 Customer Value:

The customer value is defined by how the company offers something distinctive or at a lower cost. The Kentucky Center is moving in the right direction by acknowledging the need for expansion into a more complete presence in social media. The customer value lies in their interpretation of the experience at the performing art center.

8.3.3 Scope:

The scope of the Kentucky Center would be the arts service mix that supports differentiation. Currently the demographic is assumingly an older generation with more disposable income however, the demographic far surpasses age and integrates into the society through vigilant rebirth. They don’t only exist on one market through one channel. They can target teens with the Governor’s School, present to children with Stage One productions and create cultural diversity by offering Broadway Across America®.

8.3.4 Pricing:

The Kentucky Center has a two-pronged pricing strategy. In selling tickets to the public, the Kentucky Center utilizes menu pricing. The ticket price most likely is set by the production company and the Kentucky Center processes the item and takes a fee.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

Conversely, the venue negotiation is a one-to-one bargaining for any venue as established by the employee on behalf of the venue. Many items are negotiable depending on which items are most important to the client.

8.3.5 *Revenue Sources:*

The largest source of revenue are the facilities rental to not only the tenant companies but new shows to expand their product mix and bring in new customers. They could also expand online to find donors and advertisers through YouTube, podcasts and potential data collection to pinpoint the patron needs.

8.3.6 *Connected Activities:*

“Activities should reinforce each other”, the continued promotions establishing the branding of the Kentucky Center should be followed into the social media and online presence. Take advantage of the kinetic force through interactivity in reaching to the customer on their level and how they consume information (Afuah & Tucci, 2003).

8.3.7 *Implementation:*

According to Afuah, the Kentucky Center might closely resemble the functional organizational structure. The Kentucky Center Board of Directors and executive staff decide the future goals of the organization and then provide the communication dissemination through to the departments.

8.3.8 *Capabilities:*

Afuah states, “to perform activities [...], firms need resources” (Afuah and Tucci). The resources for the Kentucky Center stream through the patrons, the state funding, and potential grants available as well as continued facility rental venue. To maintain a competitive advantage, the Kentucky Center keeps moving forward to continually seek the newest, brightest and best and bring them to Louisville.

8.3.9 *Sustainability:*

There are three strategies for sustainability – block, run and team-up. To “maintaining a

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

competitive advantage” there optimally should be a combination of all three strategies. As shown in class, the Complementary Asset Model should determine the sustainability of survival. The theory is based on how imitable an asset is and whether or not it’s freely shared or closely guarded. The Kentucky Center’s sustainability is highly imitable and free demonstrating that their sustainability should be “Run”. The business model enables the Kentucky Center to break new ground in constantly redefining boundaries. Blocking isn’t considered because the firm must create barriers to protect its market. Being a non-profit, the barrier portion is designed to partner and make both elements better. Fried’s strategic positioning stands has previously been at “adopter” and using off the shelf products but with new goals they are moving to adapter, to “make technology an essential element of their value-based planning” (Fried, 1995).

8.3.10 Cost Structure:

Kalakota states that “it costs six times more to sell to a new customer than to sell to an existing one” (Kalakota and Robinson). The cost structure according to Afuah expresses the relationship between its revenues and the costs” but if it costs six times each new customer because there so few existing customers then exploitation of the operations and customer are going to have to compensate (Afuah and Tucci). The Kentucky Center needs to continue to engage patrons to return to donate so in turn they can fulfill their mission through arts education in new ways to more parts of Kentucky.

8.4 Technology Inventory

The Kentucky Center has a very stable and secure network support by a small IT Department.

Hardware Item	Quantity
Surface 3	9
Credit Card Swipers	10
NSCAN Ticket Scanners	50
iMac	1

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

Mac Computers	2
iPhones	50
Android Phones	10
Konica Print/Scan	12
Quantum Superloader Tape Backup	1
HP Thinclients	10
Servers	27
Routers	1
Maraki Firewall	1
Switches	20
Access Points	53

8.5 Top 10 Technology Issues

8.5.1 *Maximized Space*

The Kentucky Center administration offices are at capacity. There is no more room new staff nor room for hardware expansion if necessary. As the Kentucky Center continues to grow to meet the expanding art community, space must be considered for IT. Either a reengineering of the network architecture design committing funds to adding new hardware, cloud service and/or services should be evaluated.

8.5.2 *Fraudulent Ticketing*

A mutual concern from both the IT department and the President's office is fraudulent ticketing. After Googling a search for the Kentucky Arts Center, the first "Ad-Google" link is to a kycenter.boxofficetickets.com which would appear legitimate to an inexperienced web personnel. This site states that they sell tickets at a highly inflated price, 3x the face value. If the tickets are purchased, the patron attends the event only to find out that there are no seats available as they never really purchased tickets. This creates a mistrust between the patron and the venue that can lose a permanent customer let alone the thievery. The Kentucky Center has made steps to correct this issue but the issue continues.

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

8.5.3 *Unified Database*

The Kentucky Center currently utilizes two separate systems to manage both the venues and event management with catering and staffing and the ticketing software system for the box office duties and donor care. Their general ledger system is Ungerboeck Software International (USI) with added features for venue management, registration, accounting, and reporting. USI The ticketing and donations software is Tessitura with features to manage box office operations, fundraising, sponsorships and analysis tools. Both software systems contain their own databases effectively creating a dual entry system. The largest challenge is to bring the information into a central data point. Currently there is no middleware to bridge the data between the two systems. There has been a request to create a bridge module but either one or both software companies are not cooperating citing proprietary knowledge to avoid revealing their code for a solution to exist.

8.5.4 *Proper Use of Electronic POs*

There is an amount of over ordering occurring from refusal to recognize the electronic PO. The tacit knowledge associated with the current PO process perpetuates even though there is a more efficient .option available eliminating the possibilities of errors. Acceptance of the new technology is critical to its success

8.5.5 *Legacy Information Lost*

Much of the current information of the quirks within any given system can most likely be found with the person who has been at the organization the longest. They have all the legacy knowledge. Manuals written to extract information and have available for reference instead of constantly interrupting or potentially losing that knowledge to retirement.

8.5.6 *Unified Reporting*

With dual tracking systems, there isn't any communication between the systems

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

therefore creating a gap.

8.5.7 Improved Intercommunication

The main focus of the “imperative initiative” focused on attracting and impacting the broadest community possible and the fastest way to do it is to maximize the online presence. To manipulate the online presence it helps to have the IT support staff to develop new strategies to incorporate with the artistic vision.

8.5.8 Patron Demographics

While data is collected from the sale of the ticket, the data collected is only about the person who purchased the tickets, not the people who attend the venue. One patron can purchase 10 tickets for the family that could reasonably four more adults in the mix that the Kentucky Center could reach out for donations, new art exhibitions or concerts. The opportunity loss of potential sales or donations could be profound if there was another way to gather information from the attendees. There is also a potential loss from the patrons who attend events that don’t require tickets.

8.5.9 Lack of IT Staff

With an IT staff of 5 maintaining and trying to expand at the same time, it is clear that new staff is necessary to meet the demands of the new age. With only a staff of five the cross training is minimal and if there is a loss of one entity, it places the entire information at risk. Redundancy is a critical element especially when there potentially be legacy knowledge on existing systems.

8.5.10 Increased Social Media Exposure

Advancing into the 21st century with open arms to find new ways to incorporate technology into the artistic experience and extend the presence utilizing a new presence to bring elements of the performing to all of the Commonwealth.

8.6 Strategic Planning/Visioning Documents

The Kentucky Center Events Department Policy & Procedure Manual (PDF)

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

8.6.1 Strategic Plan 2106-2017

8.6.1.1 Strategic Imperative 1: **Be a nationally recognized performing arts center**

Goals:

- a. Develop KC campus of venues business plan
 - i. Pursue building design and construction plan for Paristown Pointe; develop business and operational plan; pending agreements and financing.
 - ii. Determine Kentucky Center's position as it relates to the Brown Theatre, regarding ownership potential and management.
 - iii. Establish KC Campus of Venues Brand
- b. Create an atmosphere for a complete, robust patron experience.
 - i. Provide a quality food and beverage program for our patrons
- c. Ensure a comprehensive security plan is in place that is supported and understood by all
- d. Ensure that the Center is accessible and inviting, attracting and impacting the broadest community possible
 - i. Develop an organizational inclusiveness plan and create a strategy to support that plan.
- e. Be the partner of choice locally, regionally and nationally

8.6.1.2 Strategic Imperative 2: **Achieve long term financial sustainability and growth.**

Goals:

- a. Develop a facilities and programmatic master plan.
 - i. Develop and prioritize a ten year capital, facility and IT needs assessment.
 - ii. Develop a comprehensive capital campaign plan for both current use and endowed funds to support the facilities and programs prioritized in the master plan.
- b. Increase and diversify funding streams
- c. Invest in strong and collaborative relationships with our residents, stagehands, and other important stakeholder groups
 - i. Successfully negotiate union contract in support of Center's long-term strategies
 - ii. Update resident and rental contracts and rates; supporting institutional strategies.

8.6.1.3 Strategic Imperative 3: **Serve as a catalyst and leader for arts education and community arts experience in Louisville and throughout the Commonwealth.**

Goals:

- a. To further develop and/or produce education and community outreach programs so they are recognized as national models

Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

- i. Develop a sustainability model for the individual education and community arts programs
- ii. Develop marketing and branding program to educate external audiences.

8.6.1.4 Strategic Imperative 4: Achieve highest level of employee and board effectiveness and innovation.

Goals:

- a. Expand and implement excellent internal communications processes
 - i. Develop a comprehensive onboarding process and structure to support that process
- b. Ensure staff has the support needed to excel in their positions
 - i. Fully utilize KC software programs and applications
- c. Ensure board structure supports strategic plan on an ongoing basis.
 - i. Increase opportunities for board involvement

8.7 IT Budget/Spending Documents

The Kentucky Center for the Arts Annual Report 2014 (PDF)

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Kentucky Center for the Arts	Version: <2.0>
IT Strategic Assessment Report	Date: 12/6/16

CLASS PARTICIPATION FORM

I feel that I deserve the following participation score:

___95___ out of 100.

Rationale: (Failure to complete invalidates the above score)

Besides attending every class, I was mostly prepared by reading the requested chapters if not completely honest when I failed and complementing it with common knowledge. There was significant participation verbally in class to further understand the concepts and apply them to everyday knowledge.