

## Accountability Report Transmittal Form

Agency Name: Patriots Point Development Authority

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# SECTION I — EXECUTIVE SUMMARY

## 1. MISSION AND VALUES

The Authority's legislatively mandated mission emphasizes several bold aspirations:

1. Fostering patriotism and pride in the American nation and its military legacy in our local, regional and national communities;
2. Establishing Patriots Point as an attractive destination for national and international travel, thereby stimulating the economy of South Carolina in general and the Lowcountry in particular;
3. Creating a unique environment for historical and maritime studies by preserving our country's material heritage through creation of a national ship museum and such other museums and exhibits as may lead future generations to a better understanding of the service and sacrifice of their forebears;
4. Providing a focus for the life of the local and regional community through ongoing opportunities for recreation, education, entertainment and public assemblies.

To meet the demands of this ambitious mission, the Authority has identified the following as core values:

- **Fiscal Responsibility.** Supporting all other values and strategic goals through sound fiscal policies which will allow Patriots Point to continue operating as an "enterprise agency" without any operating appropriation from the state's general funds.
- **Preservation and Conservation.** Preserving the inheritance of the past for our future heirs by careful stewardship of the assets of the Patriots Point Naval & Maritime Museum and sound management of the lands under the Authority's care.
- **Education.** Promoting life-long learning in all sectors of the population, fostering a deeper understanding of critical historical, scientific and environmental issues as well as military heritage of South Carolina and the United States as a whole.
- **Professionalism.** Sustaining the highest level of professionalism and ethical behavior in all areas of the Authority's mission.

## 2. MAJOR ACHIEVEMENTS OF FY 2008:

- Selection of a new Executive Director for the Patriots Point Development Authority after an extensive nationwide search.
- Implementation of a new ticketing, scheduling and membership system to improve control of the Authority's primary income streams.
- Acquisition of an F/A18 Hornet aircraft from the Navy to augment the aviation exhibits on the flight deck of USS YORKTOWN.

- Complete redesign and construction of several exhibits aboard USS LAFFEY, including renovation of the crew's mess, restoration of the DASH drone hangar and a major new historical exhibit and "mini-theater" devoted to USS LAFFEY DD724.
- Renovation of three compartments aboard USS YORKTOWN to house a significantly expanded historical exhibit on the design and combat history of the escort aircraft carriers which served during World War II.
- Surface repair and painting of a substantial portion of the starboard side of USS YORKTOWN by Patriots Point staff.
- Implementation of high profile "living history" events to enhance the museum experience with interactive historical re-enactments aboard USS CLAMAGORE and USS LAFFEY as well as in the Vietnam Advance Tactical Support Base landside.
- Completion of design and planning phases for a major new Marine Education Center to be housed aboard USS YORKTOWN.
- Reopening the Captain's and Admiral's quarters of USS YORKTOWN for expanded docent-led guided tours.
- Complete renovation of the Executive Office areas aboard USS YORKTOWN.

### **3. KEY STRATEGIC GOALS**

- Creation of a comprehensive Master Plan for the land under the Authority's purview, incorporating designs for landside exhibit space, administrative office space, expanded parking availability, etc.
- Significant expansion of income derived from tourism, marketing and business development, including aggressive marketing of all aspects of the Patriots Point experience to the regional and national travel industry.
- Development of a more robust special events program which will allow the museum to host regional and national conferences in addition to militarily themed events.
- Installation of updated fire and smoke alarm systems throughout the exhibit and administration areas of the museum ships.
- Increased community involvement in the museum and other activities at Patriots Point resulting in a generally more positive perception of the Authority locally and regionally.
- Completion of a comprehensive hull survey of the historic ships at Patriots Point.
- Renovation of narrative exhibits to modern museum standards, including expansion of the interactivity in the Congressional Medal of Honor exhibit to other areas of the museum.
- Establishment of more comprehensive metrics to measure the social, economic and educational impact of activities at Patriots Point.

#### **4. OPPORTUNITIES AND BARRIERS**

- The sudden resignation of David P. Burnette as Executive Director in October, 2007, presented Patriots Point with an unanticipated challenge. Royce W. Breland, who had served as Chief Financial Officer of Patriots Point for more than 25 years, filled in ably as Acting Executive Director, maintaining ongoing operations and improving the overall financial situation of the agency. However, the inevitable period of uncertainty during the nationwide search process for a new Executive Director did have a negative impact on the progress of long-term strategic planning and process development. On the other hand, the appointment of Hugh B. Tant III as Executive Director in June, 2008, offered exciting opportunities for new perspectives on agency strategy and tactics.
- The location of Patriots Point on Charleston Harbor is, as has been often noted before, both an opportunity and a challenge. While it is essential to Patriots Point's success as a tourist destination, it also exposes the museum and lease properties to the vagaries of weather, particularly during hurricane season. FY 2008 once again offered minimal disruption of the normal business at Patriots Point, but the Authority could be physically and financially devastated by a single severe weather event.
- Funding is an ongoing challenge, as Patriots Point is an "enterprise agency" receiving no operational funding from general state revenues. Operational budgets have been kept in balance through tight financial management, but capital maintenance requirements currently outstrip resources available from the landside revenues allocated to support capital projects. The Authority conserves resources where possible by performing maintenance tasks in house rather than outsourcing them. However, projects which are time-sensitive and/or require specialized skills often must be outsourced. When the project is the result of unforeseen standards modifications or system failures, as is the case with the upgrades to the existing alarm systems, funding outsourcing becomes vital.
- Staff shortages at the Budget and Control Board and consequent delays in approval of pending contracts, requests for proposal and/or capital improvements continued to exact a toll on the Authority, both in the direct cost of projects and in the amount of time spent by Patriots Point staff in liaison and oversight activities rather than actual work on smaller but equally critical maintenance projects. Procurement issues are a perennial issue with larger capital projects, with the ongoing problems with the low bidder for the critical museum alarm project being only the most recent example.

#### **5. USE OF ACCOUNTABILITY REPORT**

Unfortunately, management has found that the Accountability Report as currently constituted has added little to the process of improving organizational performance at the Authority. A majority of the financial and statistical metrics were being collected and used by staff for long-term and short-term planning and operational control long before the Accountability Report was recast according to the guidelines for the Malcolm Baldrige National Quality Award. Many of the additional process metrics have proved either counterintuitive or irrelevant to the day-to-day management of a non-industrial non-profit operation.

## **SECTION II — ORGANIZATIONAL PROFILE**

### **1. PRIMARY PRODUCTS AND SERVICES**

- The Patriots Point Naval & Maritime Museum, featuring four museum ships (USS YORKTOWN CV-10, USS CLAMAGORE SS-343, USS LAFHEY DD-724, USCGC INGHAM WHEC-35) and a replica Vietnam-era Advanced Tactical Support Base.
- Youth camping programs on USS YORKTOWN which allow organized youth groups to stay in crew's berthing, experience varied educational programs and visit educational partners in the Charleston area such as Fort Sumter or the South Carolina Aquarium.
- Museum field trips and educational outreach programs offered to local and regional schools and other educational partners.
- Lease functions at museum venues for veterans' groups, educational groups, other non-profits and private entities.

### **2. KEY CUSTOMERS/SEGMENTS**

- Individual and group visitors to the Patriots Point Naval & Maritime Museum.
- Local and regional schools and school districts.
- Participants in organized youth camping and educational programs.
- National and regional veterans' groups, reenactment organizations and military units and attendees at lease function events held Patriots Point.
- Visitors to the National Park Service site at Fort Sumter who utilize parking, gift shop and other convenience facilities provided by the Museum.
- Local citizens and tourists from the United States and abroad who utilize the public golf facilities of the Patriots Point Links, the Charleston Harbor Resort Hotel, the Patriots Point Marina and the athletic and recreational facilities of the College of Charleston and Town of Mount Pleasant at Patriots Point.

### **3. KEY STAKEHOLDERS**

- The people of the State of South Carolina.
- Individual and organizational donors who have supported the museum financially and with gifts in kind, including the U.S. Navy, Coast Guard and other military entities that have provided the museum ships and hundreds of historical artifacts to Patriots Point.
- An active group of volunteers who provide thousands of man-hours of time to museum programs.

- The Town of Mount Pleasant which derives secondary tourism income from visitation to the property.
- Conservation and environmental groups supporting the Authority's program of planned development to preserve green space at Patriots Point.

#### **4. KEY SUPPLIERS AND PARTNERS**

- The Congressional Medal of Honor Society whose national museum is co-sited aboard USS YORKTOWN at Patriots Point.
- The Town of Mount Pleasant which co-sponsors annual Fourth of July fireworks and other events at Patriots Point and maintains major athletic facilities on the property.
- The College of Charleston which maintains baseball, soccer, tennis and sailing facilities at Patriots Point under a long-term lease with the Authority.
- Several master lease holders for the resort facilities, including the Patriots Point Links and the Charleston Harbor Resort and Marina.
- Service franchisees for catering and other support operations at the Patriots Point Naval & Maritime Museum.
- Fort Sumter Tours – Spiritline Cruises operating boat tours and dinner cruises of Charleston Harbor in addition to transporting visitors to historic Fort Sumter.

#### **5. OPERATING LOCATIONS**

The Authority has a single operating location at Patriots Point. The museum has exhibits aboard the four museum ships and in a replica Vietnam Advance Tactical Support Base landside. Retail operations are located in a landside gift shop pavilion which hosts ticket sales for the museum and Fort Sumter Tours as well as customer convenience services. Museum offices are divided between USS YORKTOWN, the Gift Shop Pavilion and a temporary structure landside. The remainder of the Authority's property is leased to tenants selected for their ability to carry out specific elements of the of the Authority's mission as mandated in the enabling legislation. (See Key Suppliers and Partners above.)

#### **6. EMPLOYEES**

Full-time permanent employees include the Executive Director (agency head) and 74 classified employees and 4 contract employees. Approximately 25 temporary/part-time employees are added to this number as needs arise, particularly during the summer tourism season. (Temporary employees are largely comprised of seasonal employees fulfilling direct customer service roles in the museum and gift shop at peak periods.) In addition, the active volunteer program at the Patriots Point Naval & Maritime Museum provides hundreds of unpaid man-hours each month.

## **7. REGULATORY ENVIRONMENT**

The primary features of the regulatory environment at Patriots Point, apart from the mission requirements set by the enabling legislation, relate to safety and security. Given the nature of the museum ships, despite the fact that the primary activity at Patriots Point is museum-related there are extensive OSHA requirements for safety training and accident prevention as well as marine requirements imposed by the Coast Guard and the Department of Natural Resources for protection of the fragile coastal environment around Patriots Point. In addition, Patriots Point works closely with the Town of Mount Pleasant Fire Department and the State Fire Marshal to set and meet appropriate safety standards for the on-ship youth camping programs and other events.

## **8. KEY STRATEGIC CHALLENGES**

- Maintaining a consistent operating income in a period of generally declining visitation at attractions in the Charleston area coupled with a greater number of attractions providing more competition.
- Funding repairs to the museum ships and other essential portions of the infrastructure at Patriots Point as well as urgent upgrades to safety and support systems such as fire alarms.
- Raising funds to provide long-term endowments for maintenance of the museum ships and support of ongoing museum programs.
- Updating exhibits, educational programs and museum services to meet the needs of a new generation without alienating long-term museum supporters of an older generation.
- Replacing the vanishing pool of World War II, Korea and Vietnam War veterans who have formed the core of the volunteer program at Patriots Point since its foundation.
- Expanding educational programs without concomitant increases in funding for additional staff.
- Retaining key employees with highly marketable skills within a constrained operations budget and the restrictions of state personnel regulations.

## **9. PERFORMANCE IMPROVEMENT SYSTEM**

Patriots Point uses a variant of the standard state EPMS program with a fixed annual evaluation date in January of each year.

## 10. ORGANIZATIONAL STRUCTURE

- Overall governance is vested in a Board of Directors which meets regularly to approve revisions to development plans and contracts, long-term leases, amendments to the strategic plan and other issues with budgetary implications. Three members of the Board, including its chairman, are selected by the governor, one by joint recommendation of the Chairman of the House Ways and Means Committee and the Speaker of the House and one by joint recommendation of the Chairman of the Senate Finance Committee and the President Pro Tempore of the Senate. The mayor of the Town of Mount Pleasant is also an *ex officio* member of the Board.
- The Executive Director, reporting to the Board of Directors and working closely with its chairman, has overall responsibility for both long-term planning and day-to-day management for all Authority activities, including the museum and landside development.
- Each functional division (Administration, Operations, Education, Communications, etc.) has a department head who reports directly to the Executive Director. Organizational structures within each department vary according to the scope and complexity of their function.
- In cases where functional responsibilities involve more than one division, the Executive Director may establish specialized planning committees of qualified staff from different departments to participate on an advisory basis in strategic and tactical planning. Such committees do not normally replace the normal “chain of command” for daily operations.



**11. EXPENDITURES/APPROPRIATIONS**

**Accountability Report Appropriations/Expenditures Chart**

**Base Budget Expenditures and Appropriations**

Major Budget Categories	FY 06-07 Actual Expenditures		FY 07-08 Actual Expenditures		FY 08-09 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$2,520,768	\$0	\$2,674,810	\$0	\$2,898,300	\$0
Other Operating	\$3,410,715	\$0	\$3,746,340	\$0	\$3,750,000	\$0
Special Items	\$0	\$0	\$0	\$0	\$0	\$0
Permanent Improvements	\$0	\$0	\$0	\$0	\$0	\$0
Case Services	\$0	\$0	\$0	\$0	\$0	\$0
Distributions to Subdivisions	\$0	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	\$737,872	\$0	\$821,623	\$0	\$850,000	\$0
Non-recurring	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$6,669,355</b>	<b>\$0</b>	<b>\$7,242,773</b>	<b>\$0</b>	<b>\$7,498,300</b>	<b>\$0</b>

**Other Expenditures**

Sources of Funds	FY 06-07 Actual Expenditures	FY 07-08 Actual Expenditures
Supplemental Bills	\$0	\$0
Capital Reserve Funds	\$0	\$0
Bonds	\$0	\$0

## 12. MAJOR PROGRAM AREAS

Program Number and Title	Major Program Area Purpose (Brief)	FY 06-07 Budget Expenditures	FY 07-08 Budget Expenditures	Key Cross References for Financial Results*
1312 Operations /Maintenance	Address maintenance & repair needs of all Museum facilities, buildings & grounds. Included is the maintenance and preservation of ships, exhibits & piers/mooring facilities.	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$2,537,229 <b>Total:</b> \$2,537,229 <b>% of Total Budget:</b> 35.47%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$2,643,612 <b>Total:</b> \$2,643,612 <b>% of Total Budget:</b> 36.5%	7.3.1; 7.3.5 7.3.7; 7.3.8 7.3.9; 7.3.10
1313 Retail Operations	Manages the day-to-day operation of the retail gift shop and admission /ticket sales for the Museum.	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,423,764 <b>Total:</b> \$1,423,764 <b>% of Total Budget:</b> 19.90%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,448,555 <b>Total:</b> \$1,448,555 <b>% of Total Budget:</b> 20%	7.3.1; 7.3.4 7.3.9
1314 Education/ Overnight Camping	Operates an overnight camping program aboard USS YORKTOWN for schools, youth groups and scouts.	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,081,639 <b>Total:</b> \$1,081,639 <b>% of Total Budget:</b> 15.12%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,086,416 <b>Total:</b> \$1,086,416 <b>% of Total Budget:</b> 15%	7.3.1; 7.3.3 7.3.9
1317 Administration	Provides leadership, policy development/ review, financial services, facilities management, information services, communication/marketing and other related services.	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,038,049 <b>Total:</b> \$1,038,049 <b>% of Total Budget:</b> 14.51%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$1,086,415 <b>Total:</b> \$1,086,415 <b>% of Total Budget:</b> 15%	7.3.1; 7.3.2 7.3.3; 7.3.4 7.3.5; 7.3.6; 7 7.3.7; 7.3.8 7.3.9; 7.3.10
1316 Visitor Services	Manages admissions, guest relations, public safety and all other aspects of the customer experience other than those specifically noted above.	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$926,093 <b>Total:</b> \$926,093 <b>% of Total Budget:</b> 12.94%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$869,133 <b>Total:</b> \$869,133 <b>% of Total Budget:</b> 12%	7.3.1; 7.3.2 7.3.9

**Below: List any programs not included above and show the remainder of expenditures by source of funds.**

1315 - Collections Management (Responsible for care and management of all objects, books, archives and other materials in the Museum's collections)

<b>Remainder of Expenditures:</b>	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$145,526 <b>Total:</b> \$145,526 <b>% of Total Budget:</b> 2.03%	<b>State:</b> \$0 <b>Federal:</b> \$0 <b>Other:</b> \$108,642 <b>Total:</b> \$108,642 <b>% of Total Budget:</b> \$1.5
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## **SECTION III — BALDRIDGE AWARD CRITERIA**

### **CATEGORY 1 — LEADERSHIP**

#### **1. How do senior leaders set, deploy, and ensure two-way communication for: a) short and long term direction and organizational priorities, b) performance expectations, c) organizational values, and d) ethical behavior?**

Senior leadership, with the assistance of the Board of Directors where appropriate, formulates strategic and tactical plans and appropriate implementation initiatives. Management then communicates implementation plans with underlying goals on a departmental basis to team managers who relay to their work group all aspects of the action plan affecting their team.

One-on-one sessions between team managers and line staff historically have created a strong sense of organizational values, tasks and performance expectations for individuals and work groups. Informal techniques parallel to those used in the military for promoting team consciousness and shared responsibility for meeting goals for quality, timeliness and productivity within the work group have worked well in many departments, particularly in Operations where many work groups consist largely of former enlisted personnel and non-commissioned officers.

Members of management from the Executive Director down to the leader of the smallest work group “lead by example”. This has worked particularly well in inculcating professional, ethical and “best practices” standards in line staff and middle managers.

#### **2. How do senior leaders establish and promote a focus on customers and other stakeholders?**

All managers regularly emphasize to staff that the primary task of every employee at Patriots Point, no matter what their formal job description, is to “delight the customer”. Experience has demonstrated that leading by example has also been highly effective in that regard. When a junior staff member sees the Executive Director picking up litter or answering a visitor’s questions, it is difficult for them to say that a customer-oriented task “isn’t in the job description”.

#### **3. How does the organization address the current and potential impact on the public of its products, programs, services, facilities and operations, including associated risks?**

Management automatically considers current and potential benefits and risks to the public when planning new programs or services. For instance, staff evaluate new museum exhibits for their relevance and accessibility to the primary demographic elements of our visitor base (e.g., general visitors, veterans, schoolchildren, handicapped visitors, non-English-speaking visitors). Compromises are often necessary when implementing such new programs. For example, the designation of the museum ships as National Historic Landmarks places limits on modifications to increase wheelchair accessibility in some areas. However, senior management insists that plans include every effort to accommodate as wide a segment of the general public as possible. In all cases, the safety of the general public is a primary consideration.

#### **4. How do senior leaders maintain fiscal, legal, and regulatory accountability?**

The Executive Director, the Chief Financial Officer and the Director of Operations in conjunction with the Board of Directors review financial data monthly, adjusting budgeted expenditures to meet changes in anticipated income. They follow similar procedures to ensure legal accountability, particularly liability and contractual issues involving the Authority's customers and leaseholders. As many of the regulatory issues the Authority faces involve occupational safety or environmental issues, the Authority employs a full-time OSHA compliance officer responsible not only for staff training but also for monitoring compliance to safety regulations and for assisting the Director of Operations in meeting the environmental requirements of state and federal entities, such as the Department of Natural Resources and the Coast Guard.

#### **5. What key performance measures are regularly reviewed by your senior leaders? (Actual results are to be reported in Category 7).**

The Board of Directors, the Executive Director and senior management regularly review key financial metrics and attendance statistics, such as overall revenue, revenue for the Capital Fund, overall expenditures, budget versus actual figures for revenue and expenditures, overall attendance and attendance by type (e.g., general visitation, lease functions, camping, etc.).

The Executive Director and relevant department heads also review expenditures by department, project progress and completion by department and department-specific statistics such as number of media placements, employee compensation and turnover, etc.

#### **6. How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness, the effectiveness of management throughout the organization including the head of the organization, and the governance board/policy making body? How do their personal actions reflect a commitment to the organizational values?**

Senior management has frequently found it difficult to translate "up the line" feedback into improved leadership and management effectiveness, perhaps because it tends rather in most cases to be generalized or relate to areas which may not be fully under the control of management (e.g., hiring freezes or lack of general raises due to budgetary circumstances outside their control). In addition, given the high proportion of staff at all levels with military backgrounds, many employees feel more comfortable with "top down" leadership on the military model which has often tended to limit concrete suggestions for structural modifications of the organization, particularly at its upper management levels. However, since senior management has for some years stressed the "lead by example" approach to inculcating organizational values, such as customer service, educational outreach, fiscal management, etc., personal actions reflecting organizational values is a daily reality even in small matters like picking up litter and courteously assisting a museum visitor to find the nearest rest rooms.

#### **7. How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?**

Given the small size of many departments and workgroups, succession planning and promotion from within is something of a challenge for the Authority. Senior management coaching assists middle managers in fostering initiative and leadership to allow promotion of line staff to middle

management positions from within the Authority. However, the small number of those positions which fall open in any give period means that those who would be natural organizational leaders at the middle management level frequently leave the Authority before an appropriate opening occurs. Similarly, the professional and technical requirements for the relatively small number of senior management positions and the limited number of professional and technical job slots available to the Authority tends to militate against internal promotion and compel widespread external job searches when one of the professional senior management slots falls open.

**8. How do senior leaders create an environment for performance improvement, accomplishment of strategic objectives, and innovation?**

Senior leadership determines priorities and implementation plans and communicates these on a departmental basis to team managers who are responsible for communicating all aspects of the initiatives to their work group. The entire “doing more with less” environment at Patriots Point tends to encourage innovation at all levels and members of senior management often find themselves compelled less to encourage innovation than to validate the feasibility of the innovations proposed by staff.

**9. How do senior leaders create an environment for organizational and workforce learning?**

Organizational and workforce learning is incorporated as an integral part of strategic plans and tactical projects at Patriots Point. General informational presentations are included in monthly “All Hands” meetings led by the Executive Director and members of senior management. Senior management also provides the resources for general and specific workforce training within the context of OSHA training and recertification classes. However, inevitably, the small size of most workgroups and the specialized technical nature of many skills required by staff at all levels compels a majority of workforce learning to be implemented by middle management and line managers.

**10. How do senior leaders communicate with, engage, empower, and motivate the entire workforce throughout the organization? How do senior leaders take an active role in reward and recognition processes to reinforce high performance throughout the organization?**

Senior leadership regularly includes motivational presentations as components of the monthly “All Hands” meetings and recognizes superior performance by individuals and workgroups as part of those meetings. While state personnel requirements and budgetary constraints restrict the sort of bonuses and rewards for achievement that are common in the for-profit world, senior managers are encouraged to provide written and verbal feedback to high performing individuals within and across departments.

**11. How do senior leaders actively support and strengthen the communities in which your organization operates? Include how senior leaders determine areas of emphasis for organizational involvement and support, and how senior leaders, the workforce and the organization contribute to improving these communities.**

Patriots Point is firmly rooted in its community and many of its activities are geared towards serving the immediate community and drawing the community into the Patriots Point “family”. Senior leaders generally emphasize activities of special relevance to the mission of the museum

(e.g., veterans memorials, local educational initiatives, etc.), activities involving core customers and stakeholders (e.g., sports events on the Patriots Point properties) or co-operative efforts with other local and state entities. Notable recent activities include the annual Fourth of July celebration in conjunction with the Town of Mount Pleasant, annual commemorations in memory of those lost on 11 September, 2001, and special Memorial Day and Veterans Day programs coordinated with the Charleston County School District.

Patriots Point institutionally supports a number of professional organizations, including the American Association of Museums, the Southeastern Museums Conference, the South Carolina Federation of Museums, the Historic Naval Ships Association, the Charleston Archives, Libraries and Museums Council, the South Carolina Information Technology Directors Association, the South Carolina Public Records Association, the Southeast Registrar's Association, the South Carolina Archival Association and the Charleston Area Convention and Visitors Bureau, with senior staff in many cases serving as officers in these organizations.

Institutionally, Patriots Point also supports numerous non-profit organizations through the United Way as well as directly aiding a number of other organizations. Members of senior management and staff are active in local, regional and national veterans' organizations, benevolent and fraternal groups and church and educational organizations. Such activities are strongly encouraged within the restrictions imposed by state personnel policies

## **CATEGORY 2 — STRATEGIC PLANNING**

- 1. What is your Strategic Planning process, including key participants, and how does it address: a. your organization's strengths, weaknesses, opportunities and threats; b. financial, regulatory, societal and other potential risks; c. shifts in technology regulatory, societal and other potential risks, and customer preferences; d. workforce capabilities and needs; e. organizational continuity in emergencies; f. your ability to execute the strategic plan.**

The formal strategic planning process generally involves the Board, the Executive Director and senior management. These groups are responsible for overall consideration of the institutional strengths and weaknesses, opportunities and barriers, and potential risks confronting the Authority. Subcommittees of the Board and individual members of senior management acquire and summarize relevant inputs from customers, franchisees, architects, financial analysts, legal counsel, suppliers, human resource specialists and museum planners. Depending on the nature of the issues and the inputs required, this may be done through a formal advisory or survey process, but is frequently done on a relatively informal basis, particularly when rapid response to an emerging issue is required. They are also responsible for researching and presenting suggested action plans to meet specific risks, such as interruption of business from weather or other emergency, modifications in technology or regulatory requirements, and modifications to the ability to execute strategic initiatives through unanticipated changes to personnel or financial resources. When time and confidentiality issues allow, major initiatives are discussed with relevant members of middle management and representatives of line workers as well.

- 2. How do your strategic objectives address the strategic challenges you identified in your Executive Summary?**

All current objectives fall under one of the four primary strategic goals identified in the Executive Summary and, since those goals are closely associated on both a strategic and tactical level with the specific challenges confronting the Authority and its component parts, these objectives do as well. The Board of Directors and senior management evaluates all objectives for relevance to these goals and challenges before they are adopted and they are regularly reviewed for continued applicability as implementation plans are developed and modified en route to completion.

**3. How do you develop and track action plans that address your key strategic objectives, and how do you allocate resources to ensure the accomplishment of your action plans?**

Management creates action plans for the implementation of strategic objectives as an inherent part of the design process. Except in the case of landside development, where Board participation is generally fairly intense, senior management and key staff directly involved in the implementation process create the actual implementation plan. This not only increases “buy in” on the part of the relevant staff, but also ensures the feasibility of the implementation plan from a technical, financial and human resources standpoint.

**4. How do you communicate and deploy your strategic objectives, action plans and related performance measures?**

As with all other aspects of strategic and tactical planning, senior leadership communicates the objectives, implementation plans and performance goals to team managers who then relay to their work group all aspects of the action plan which will affect their team.

**5. How do measure progress on your action plans?**

Milestones and criteria for evaluating performance are built into each action plan and are regularly reviewed over the course of implementation by the Executive Director and senior management and, where appropriate, by the Board of Directors.

**6. How do you evaluate and improve your strategic planning process?**

The Board and Executive Director have been largely responsible for fine-tuning the strategic planning process in recent years. This has been done through Board retreats, subcommittee working sessions and *ad hoc* discussions at Board meetings, particularly with regard to Master Planning.

**7. If the agency’s strategic plan is available to the public through the agency’s internet homepage, please provide an address for that plan on the website.**

The Authority’s strategic plan is not currently available on the web page. When it is available, it will appear at [www.patriotspoint.org](http://www.patriotspoint.org).

<b>Strategic Planning</b>			
<b>Program Number and Title</b>	<b>Supported Agency Strategic Planning Goal/Objective</b>	<b>Related FY 07-08 Key Agency Action Plan/Initiative(s)</b>	<b>Key Cross References for Performance Measures</b>
Operations	Preservation of Museum Ships and Expansion of Museum Exhibits	Acquisition of an F/A18 Hornet.  Redesign and construction of several exhibits aboard USS LAFHEY and USS YORKTOWN.  Hull maintenance on starboard of USS YORKTOWN.	7.3.7 7.3.8 7.3.9 7.3.10
Education	Expansion of Youth Education Programs	Increase participation in education programs.  Expanded “living history” program.  Design enhanced Marine Education Center..	7.1.2 7.1.3 7.1.4 7.2.1 7.3.3 7.3.6 7.5.1
Administration /Retail Operations	Improved Financial Management of Museum Income Streams	Maintenance of overall positive cash flow.  Implementation of a new ticketing, scheduling and membership system.	7.1.1 7.1.2 7.1.3 7.1.4 7.3.1 7.3.2 7.3.3 7.3.4 7.3.5 7.3.6 7.3.7 7.3.8 7.3.9 7.3.10
Executive	Strengthen Agency Leadership.  Expanded Capital Funding.	Search for and selection of Executive Director.  Increase revenue from lease holdings designated for capital projects.	7.3.7 7.3.8



### **CATEGORY 3 — CUSTOMER FOCUS**

#### **1. How do you determine who your customers are and what their key requirements are?**

The statutory mission of the Authority defines its key customers. During the strategic planning process, the Executive Director and senior management review all relationships to determine their relevance and identify any significant changes. Identifying key requirements has been more problematic as the demographics of our customer base have changed radically in recent years. Management fine tunes information on visitors to the Museum and participants in its various programs using customer satisfaction and demographic surveys.

#### **2. How do you keep your listening and learning methods current with changing customer/business needs and expectations?**

When travel budgets allow members of the professional staff from marketing, administration, collections management and other departments attend periodic conferences not only to hone professional skills in their particular fields, but also to network with other professionals and update techniques for creating and measuring customer satisfaction. Using the techniques derived from this ongoing learning process, they periodically revise customer satisfaction metrics, including detailed queries on questionnaires and surveys, goals for focus groups, etc.

#### **3. What are your key customer access mechanisms, and how do these access mechanisms enable customers to seek information, conduct business and make complaints?**

Customers access most commonly comes through one of three modes of interaction: a physical visit to the Patriots Point campus in Mount Pleasant, South Carolina, a telephone call to one or more departments at Patriots Point or computer interaction at the Patriots Point web site at [www.patriotspoint.org](http://www.patriotspoint.org). All three mechanisms allow customers to purchase individual or group tickets, make scout camping reservations, purchase items from the museum gift shop, acquire information on the museum and other activities at Patriots Point or contact individuals or departments at the Authority to conduct other business or make a complaint. Toll-free numbers for ticket purchases, event scheduling and youth camping facilitate the most frequent telephone interactions as do telephone autoattendants and an extensive voice mailbox system. Email addresses for all key departments are published and are available through hot links on the Patriots Point web site.

#### **4. How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?**

#### **5. How do you use information from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?**

The techniques used to measure customer/stakeholder satisfaction and the use of the information to improve services and programs are so tightly integrated that these questions really must be answered together. While certain departments work more directly with our customers and therefore bear greater responsibility for measuring satisfaction, staff members in all departments are expected to gather customer/stakeholder feedback and use it to formulate plans for improvement.

For instance, comprehensive surveys to which overnight camping participants respond provide a direct measure of satisfaction with educational programs and materials, accommodations and catering, as well as concrete suggestions for enhancing the experience for future campers. Management circulates these responses among relevant departments with a deadline for remediation plans to address negative comments. Weekly planning meetings of camping and lease function staff also review suggestions and discuss trends in questionnaire commentary.

Guest relations staff, volunteers and other staff with direct one-on-one contact with the public informally survey visitors daily not only to gauge visitor satisfaction in their own areas, but also to measure satisfaction with other aspects of the visitor experience, including exhibits, facilities and informational materials. They then forward the results to the appropriate department heads and/or the Executive Director for appropriate action.

Marketing staff periodically conduct “exit surveys” of visitors to the museum, internally or in conjunction with the Charleston Convention and Visitors Bureau, to determine their general level of satisfaction with the visit, what led them to visit Patriots Point, what portions of the museum experience they enjoyed the most and least, etc. They then use the results not only to fine tune marketing for the museum and other attractions at Patriots Point but also forward them to appropriate department heads for use in revising existing programs and planning new ones.

The Executive Office and Communications staff measure the community view of Patriots Point and its various operations by maintaining “clipping books” of local, state and national media, letters to the editor and general mailings and correspondence, allowing the Board and senior management to take the “pulse” of public opinion. Such information has in the past provided invaluable insights for the strategic and tactical planning process.

**6. How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between different customer and stakeholder groups.**

This can sometimes be difficult as the Authority often has only a single opportunity to create a positive response in a visitor and must do so in only a few hours, sometimes without even meeting the customer, as is the case with visitors to our web site. Usually the same methods of doing so will apply to all customer groups.

The Patriots Point approach to building positive relations is to “delight the customer”, whenever possible. All departments are aware that “the visitor comes first” at Patriots Point. The Authority considers the only valid situations in which to make a distinction between different customer groups the rare cases where doing so would create a safety or security hazard or involve a violation of generally accepted professional or ethical standards.

**CATEGORY 4 — MEASUREMENT, ANALYSIS, AND KNOWLEDGE MANAGEMENT**

**1. How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to strategic objectives and action plans?**

The Board of Directors and senior management select strategic “dashboard” processes to monitor monthly or quarterly based on e priorities set during the strategic planning process.

**2. How do you select, collect, align, and integrate data/information for analysis to provide effective support for decision making throughout your organization?**

The Executive Director and the Chief Financial Officer use financial metrics, such as actual income and attendance to adjust financial expectations and operational expenditures throughout the fiscal year. The Board of Directors and senior management also utilize indicators for income from areas of landside development which have been dedicated to capital expenditures in determining the feasibility of short-term and long-term capital projects. Automated “alarm buttons” based on survey results and other key indicators notify senior management of potential problems which may require program modifications

**3. What are your key measures, how do you review them, and how do you keep them current with organizational service needs and direction?**

Key metrics for development, marketing, preservation and visitation programs are year-to-year attendance in various programs, comparative income and expenditures for operational needs, capital projects and retail operations, and budget versus actual financial figures. Other metrics on the strategic “dashboard” include “alarm lights” provided by negative customer satisfaction surveys, increased employee turnover or absenteeism, etc.

The Chief Financial Officer provides a monthly compilation of financial reports and operational statistics with financial implications (e.g., attendance) at each monthly Board meeting, with interim reports as required by Board subcommittees or senior staff. “Alarm” indicators such as negative customer satisfaction surveys are immediately circulated to relevant staff as noted above. The Executive Director and Chief Financial Officer review all metrics quarterly to make sure they are still fully relevant to the Authority’s strategic plans and operational initiatives.

**4. How do you select and use key comparative data and information to support operational and strategic decision making and innovation?**

Experience has demonstrated that the most useful metrics for operational and strategic decision making are diachronic comparisons (e.g., annual attendance figures and comparative income and expenditures) or measures of performance against pre-determined desiderata (e.g., budget versus actual figures). For diagnosis of nascent problems management has also found useful such peripheral metrics such as negative customer satisfaction surveys, increased employee turnover or absenteeism, decrease in the proportion of resources devoted to program-related activities as opposed to administration, etc.

**5. How do you ensure data integrity, timeliness, accuracy, security and availability for decision making?**

Management derives most key metrics directly or indirectly from computer-based systems located on the Authority’s secure local network. Key computer systems during FY 2008 included an accounting system integrated into the S.T.A.R.S. system for financial and personnel management, a Windows-based system for ticket sales, a Windows-based point of sale system for retail operations in the gift shop, and a collections management system that not only allows close inventory control of historical artifacts, archives and library volumes but also handles the details of loan relationships with major stakeholders. Data quality and reliability in these systems are guaranteed by standardized data entry procedures and audit trails.

Information Systems staff manage password-protected access to data based on need as determined by senior management. Redundancy in network planning and data recovery systems guarantee high availability of all systems linked to key metrics. Data is centrally stored on mirrored network drives and is backed up and verified daily to ensure completeness and availability of data on a long-term basis. The information systems disaster preparedness plan allows for relocation and recreation of all critical systems to an alternate business location within twenty-four hours, if necessary. Information Systems staff review both software performance and departmental procedures annually and modify them where necessary and feasible.

**6. How do you translate organizational performance review findings into priorities for continuous improvement?**

The Board of Directors and senior management set new priorities for improvement of staff performance and systems function as part of the overall strategic planning process. Feedback from surveys and other external feedback mechanisms are an integral part of strategic and tactical planning so no separate “translation” is necessary.

**7. How do you collect, organize and maintain organizational and employee knowledge (knowledge assets)? How do you identify and share best practices?**

Methods used vary according to the nature of the knowledge and the area in which it will be used. The Authority’s computer network is used to circulate and store operational directives, regulatory information, employee policies and procedures through centrally stored files, public folders on the internal Exchange server and emails circulated on a departmental or “all employees” basis. Best practices in some areas are also literally programmed into the software used on a day-to-day basis. For instance, state accounting policies as practiced in S.T.A.R.S. are incorporated into the accounting software and the collections management software requires the use of standard nomenclature as defined by museum best practices. Formal training in policies and best practices is also provided by the Safety Department which not only provides new employee orientation but training in best practices on a monthly basis throughout the year. Additionally, in some areas, particularly among the trades workers in Operations, mentoring programs serve to pass on detailed technical knowledge and specialized best practices. When possible, professional staff attend conferences and training workshops to assist in identifying changes in best practices for their area of expertise, although such training has been somewhat impeded in recent years by state restrictions on employee travel.

## **CATEGORY 5 — WORKFORCE FOCUS**

- 1. How does management organize and manage work to enable your workforce to: 1) develop to their full potential, aligned with the organization’s objectives, strategies, and action plans; and 2) to promote cooperation, initiative, empowerment, teamwork, innovation and your desired organizational culture?**

Informal techniques for promoting team consciousness and shared responsibility for meeting goals for quality, timeliness and productivity within the work group have proved far more effective in most departments than theory-based formal training. The most effective approach for organizing and managing workgroups has been for team managers to hold regular one-on-one sessions with line staff to encourage and motivate them to excellence in all areas of their job function.

In addition, all members of management from the Executive Director down to the leader of the smallest work group are tasked with “leading by example”. This has been particularly effective in inculcating an organizational culture which fosters professional ethical and “best practices” standards for line staff and middle managers.

- 2. How do you achieve effective communication and knowledge/skill/best practice sharing across departments, jobs and locations?**

Patriots Point uses a four-pronged approach for communication and knowledge sharing. Email communication is used extensively to communicate agency policies, interdepartmental planning and activities and time-destruct information with all staff and volunteers. Overall policy and best practice issues are also covered at monthly “All Hands” meetings run by the Executive Director and senior management. Monthly training sessions held under the auspices of the OSHA training officer are also used to promulgate best practices, particularly in the safety and personnel management area. Finally, within each department and work group, apprenticeship and mentoring relationships are used to impart needed job skills, relevant best practices and “corporate mememory” to junior members of the staff.

- 3. How does management recruit, hire, place and retain new employees? Describe any barriers you may encounter.**

Patriots Point uses the on-line job posting facilities of the Office of Human Resources at [www.jobs.sc.gov](http://www.jobs.sc.gov) as a primary mechanism for recruiting and hiring new permanent staff. In addition, in an effort to facilitate internal promotion all positions are posted internally for at least one week before or at the beginning of the external application period. Some seasonal temporary positions are also advertised through local media as well as through internal postings. Retention is occasionally problematic since the workforce at Patriots Point is relatively small, thus offering limited opportunities for promotion, and the very specific technical skills required for many positions, particularly in the operations sphere, are highly marketable in the Charleston area at a salary level that neither state job descriptions nor the agency’s budgetary restrictions allow us to match.

- 4. How do you assess your workforce capability and capacity needs, including skills, competencies and staffing levels?**

The annual budget process includes a comprehensive review of current workforce capability and capacity and an analysis of agency needs on a department-by-department basis. During this process each department head presents a summary of the current skills, competencies and staffing levels in each workgroup within his department and requests adjustments in the composition of the personnel in his department, including promotions, training and hiring of additional staff as required. Such requests are then reviewed and approved or disapproved in the context of the overall needs of the agency and available budgetary resources.

**5. How does your workforce performance management system, including feedback to and from employees, support high performance and contribute to the achievement of your action plans?**

The Authority continues to try and improve the level of feedback to and from employees as part of the EPMS process. Within the past three fiscal years management has rewritten almost every position description to bring the “paper duties” for employees in line with the actual responsibilities of the position. The Operations Department in particular has integrated formal EPMS reviews of both line staff and middle managers into its tactical planning and reallocation of personnel to meet new priorities.

**6. How does your development and learning system for leaders address the following: a. development of personal leadership attributes; b. development of organizational knowledge; c. ethical practices; d. your core competencies, strategic challenges, and accomplishment of action plans?**

Twice-weekly “leadership meetings” between the Executive Director and the top level of agency management focus not only on day-to-day management issues and accomplishment of action plans but also transfer of knowledge regarding organization history, core competencies and strategic planning initiatives as well as practical suggestions for enhancing their leadership role within the evolving agency structure. Senior management generally conducts leadership training of middle managers on a department-by-department basis with a heavy emphasis on the specific characteristics required for each middle management position. Additionally, senior management incorporates leadership training components, including requirements for ethical professional practice and state regulatory compliance, into specific project action plans.

**7. How do you identify and address key developmental and training needs for your workforce, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation, and safety training?**

Identification of training needs occurs on both a bottom-up and top-down basis. Frequently, individuals or their managers will express a need or desire for training to middle management, senior management, the personnel department and/or personnel responsible for specialized training in the areas of computer skills or safety procedures. Additionally, an interdepartmental Safety Committee which meets monthly also identifies areas of particular concern for safety training. Senior management or the personnel department may also identify a problem area through analysis of regular reports, including key metrics, or may note a new training program provided by the Office of Human Resources or some other entity that would be relevant for the Authority’s staff and arrange training for the appropriate employees.

Detailed skills training is generally managed on a departmental basis. However, a dedicated Safety Officer perform routine training in all areas of environmental and occupational safety, certifying or recertifying staff on an annual basis in skills relevant to their job descriptions. Information Systems also administers a budget for end-user computer skills training, providing training materials and one-on-one training by help desk staff to remedy observed gaps in required computer knowledge.

All new employees attend two-to-three day orientation classes conducted by representatives of all departments under the auspices of Human Resources and the Safety Officer. This program includes an introduction to the history, mission and values of Patriots Point, orientation to key locations at Patriots Point including the historic ships, general familiarization with the employee procedures and sources for further information on all aspects of state employment, and, where required by the individual's job description, basic training in access to the computer network and email and/or appropriate safety training classes and issuance of protective equipment.

#### **8. How do you encourage on-the-job use of new knowledge and skills?**

Management, particularly at the middle management level, follows up with individual trainees to determine their absorption of training materials, their level of "buy in" to the underlying goals of each training module and the degree to which they implement the lessons learned through training. Where managers find that specific members of the workforce have not made the transition from theoretical knowledge to actual on-the-job practices, they discuss with them the reasons for failure to implement the new knowledge and skills and counsel them on ways to remove barriers to success and/or fulfill the implementation expectations of management.

#### **9. How does employee training contribute to the achievement of your action plan?**

Improvements in safety and technical training have contributed directly to the conservation and improvement of the infrastructure at Patriots Point by improving required technical skills and reducing the time lost due to workplace accidents. Computer training has also contributed significantly to employee productivity, particularly where email, computerized scheduling, word processing and spreadsheet use has improved internal communications, reduced lost time due to lack of project co-ordination and allowed better interdepartmental collaboration.

#### **10. How do you evaluate the effectiveness of your workforce and leader training and development systems?**

Senior management evaluates the overall effectiveness of training by careful examination of safety and productivity metrics, by analysis of performance improvements on an individual and workgroup basis and, where appropriate, by post-training debriefing of staff.

#### **11. How do you motivate your employees to develop and utilize their full potential?**

Middle managers regularly meet one-on-one with members of their staff to review informally performance issues and discuss opportunities for further training, both in directly job-related skills and more general areas for which employees have demonstrated an aptitude. Particularly among the trades workers, managers of work groups frequently foster an informal apprenticeship system to allow employees to become proficient in technical areas without expensive external training courses.

**12. What formal and/or informal assessment methods and measures do you use to obtain information on workforce well being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances? How do you use this information?**

Given the small size of the employee base, the Authority continues to use one-on-one interaction between each employee and his managers and co-workers as a primary mechanism for measuring how employees feel about their jobs, their managers, their fellow employees and Patriots Point as a whole. These procedures have often served in the past to reduce employee turnover and have definitely provided an outlet for resolution of issues that would otherwise have resulted in an employee grievance. They also serve as a very direct mechanism for not only determining but also discussing with affected employees priorities for improvement.

Additionally, employee suggestion boxes allow anonymous suggestions for improvement and/or comments on various aspects of life at Patriots Point. Human Resources personnel occasionally circulate surveys to solicit inputs on various topics of interest to the Authority's employees (e.g., training needs, potential group discounts, etc.). As response to these surveys is purely voluntary, Human Resources feels that they produce more authentic opinions on issues of concern.

**13. How do you maintain a safe, secure, and healthy work environment? (Include your workplace preparedness for emergencies and disasters.)**

The Authority has a full-time Safety Officer dedicated to ensuring safety in the workplace through aggressive worksite inspection and establishment of safety procedures that meet OSHA and other industry standards. He also provides recurring safety training in each area required by an employee's job description.

Where necessitated by an employee's job duties, the Authority provides appropriate safety equipment (e.g., work boots, hard hats, hearing and eye protection) at no expense to the employee. Additionally, outreach programs managed by Human Resources provides staff with opportunities to participate in free or low-cost health screening and remediation programs as well as training sessions in wellness-related areas.

The Authority has fully articulated emergency protocols for fires, hurricanes and other foul weather, environmental emergencies and other situations which could provide major threats to employees and visitors or to the fabric of the historic ships and other museum assets. These not only include evacuation procedures but also appropriate measures for securing ships and structures and limiting environmental impacts in the case of disaster.



## CATEGORY 6 — PROCESS MANAGEMENT

### **1. How do you determine, and what are your organization's core competencies, and how do they relate to your mission, competitive environment, and action plans?**

Core competencies are determined very directly by the Authority's mission as outlined in the enabling legislation and consequently are strongly related to the Authority's ability to construct and carry through action plans to implement that mission. Core competencies specific to the education and conservation missions include military history research and education, development and implementation of museum exhibits, naval ship conservation and repair and management and preservation of historical objects and artifacts. As the Authority is an "enterprise agency" reliant on its own resources to support its operations, marketing of the educational, memorial and tourism aspects of Patriots Point as well as property development and general fiscal management are also essential core competencies.

### **2. How do you determine and what are your key work processes that produce, create or add value for your customers and your organization and how do they relate to your core competencies? How do you ensure that these processes are used?**

Key process categories include development, administration, education, visitor relations, maintenance, exhibits, information technology, communications and museum collections. Each of these processes entails at least one of the core competencies noted above. In some cases, these categories involve only a single functional department, but more often personnel from more than one department are involved in the design and implementation of processes, either as members of standing committees or *ad hoc* committees created for a specific project which are dissolved when that project is complete. In the latter case, one or more members of senior management and a specified middle manager are responsible for ensuring adherence to the protocols created for a particular process.

### **3. How do you incorporate organizational knowledge, new technology, cost controls, and other efficiency and effectiveness factors, such as cycle time, into process design and delivery?**

During the annual budget process management reviews all long-term projects and programs, modifying them as required by changing customer or mission needs. They incorporate necessary changes in information systems or other technology, cost controls and changes in allocation of staff for efficiency and effectiveness at that time. Within the fiscal year senior managers and line managers periodically review factors which may affect deliverable requirements, project completion and personnel allocation and revise project timelines to retain the most efficient critical path towards strategic and tactical goals. When necessary, they will then advise the Executive Director and Board of Directors of the necessity of reallocating resources or modifying project criteria to better meet the Authority's needs.

### **4. How does your day-to-day operation of these processes ensure meeting key performance requirements?**

The original design and any modifications include performance metrics as part of the project parameters and these are modified annually during the budget process as noted above. Procedures for monitoring performance depend on the nature of the process and the department responsible for

monitoring its progress. Computerized reports allow the Chief Financial Officer and his staff to monitor key financial indicators, including attendance, gift shop sales, and income and expenditures in other areas on a day-to-day basis when necessary and reports are provided to senior management as needed. Education, information systems and museum collections staff also monitor and adjust key processes in their areas using computer systems analysis. Process management in maintenance and operations, guest relations and other manpower-intensive and frequently less quantifiable areas, although computer assisted, tends to be organized more on a work group basis with specific team members being responsible for monitoring and reporting on one or more key processes.

**5. How do you systematically evaluate and improve your key product and service related work processes?**

The methodologies used are identical to those outlined above for development and day-to-day monitoring of production and delivery processes.

**6. What are your key support processes, and how do you evaluate, improve and update these processes to achieve better performance?**

Key support areas include administration (including finance and personnel), communications (including marketing and public relations) and information technology. The methodologies used in those areas are identical to those used elsewhere for development and day-to-day monitoring of production and delivery processes.

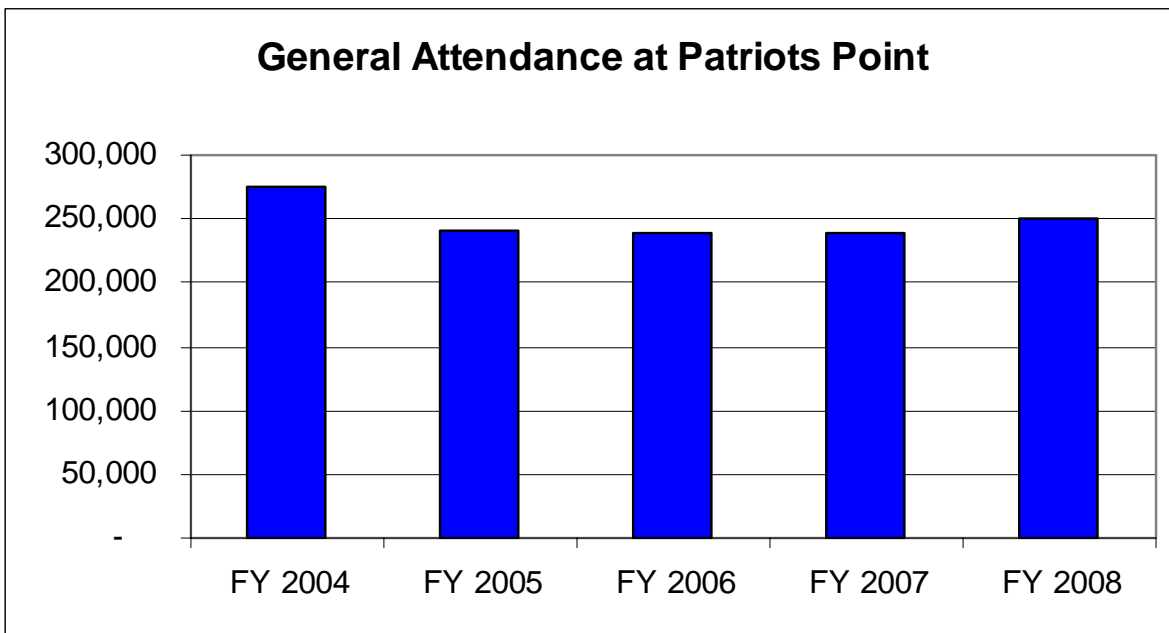
**7. How does your organization determine the resources needed to meet current and projected budget and financial operations?**

During the annual budget process the Board of Directors and senior management review all operational and capital areas to determine personnel and financial requirements, based on past performance and anticipated new needs as analyzed by the Chief Financial Officer and the relevant members of senior management. Within the fiscal year senior managers and line managers periodically review factors which may affect resource allocation and advise the Executive Director and Board of Directors of the necessity of reallocating resources or modifying project criteria to better meet the Authority's needs.

**CATEGORY 7 — RESULTS**

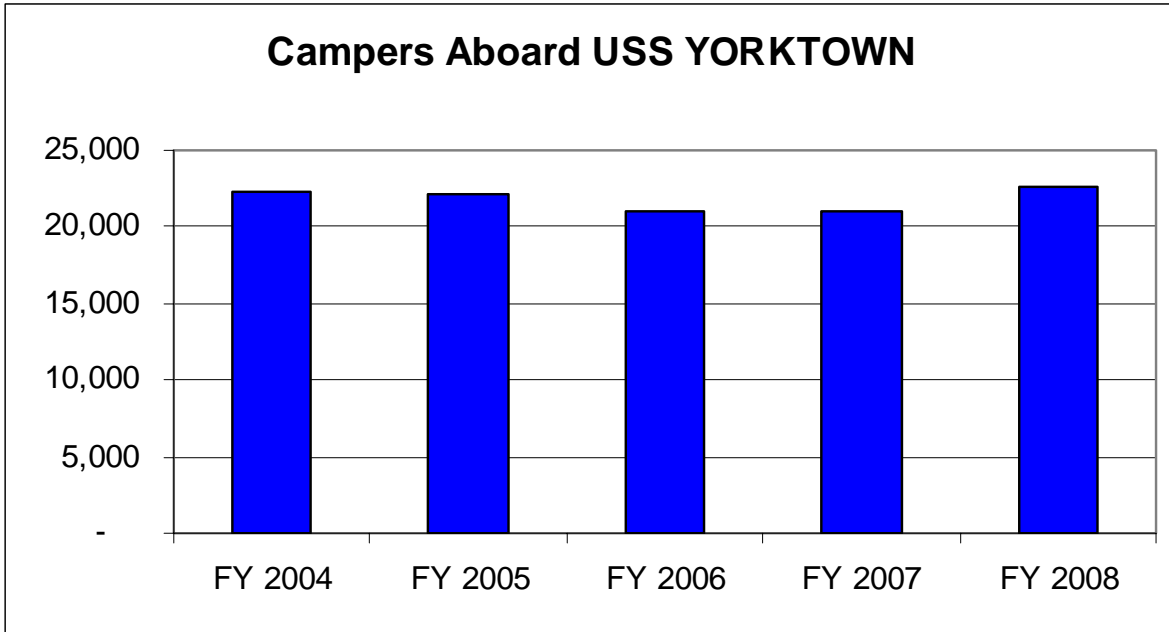
**7.1 What are your performance levels and trends for the key measures of mission accomplishment/product and service performance that are important to your customers? How do your results compare to those of comparable organizations?**

Patriots Point has always considered attendance a major measure of effectiveness in mission fulfillment. Overall attendance for attractions in the Charleston area dropped significantly over the past four years thanks in large part to fuel costs, economic uncertainty and weather concerns. During the same period Patriots Point maintained visitation at a relatively constant level with 241,622 in FY 2005, 239,721 in FY 2006 and 238,406 in FY 2007. In FY 2008 visitation actually increased by more than 5% to 250,652 at least in part due to the drawing power of the new Congressional Medal of Honor Museum aboard USS YORKTOWN.



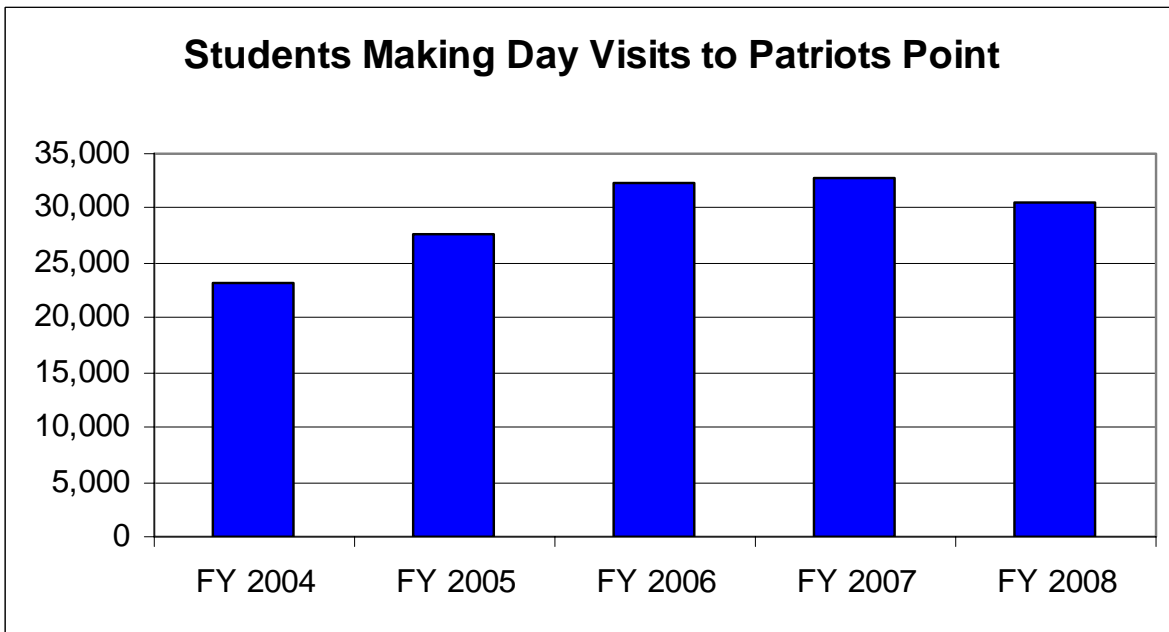
7.1.1

Similarly, attendance for the youth camping program aboard USS YORKTOWN, while never matching the record numbers set in FY 2003, has remained high with demand for many weekends exceeding available space. Indeed, despite rapidly rising fuel costs and the generally poor economic outlook during FY 2008, camping attendance actually rose to 22,556, an increase of more than 7% over FY 2007.



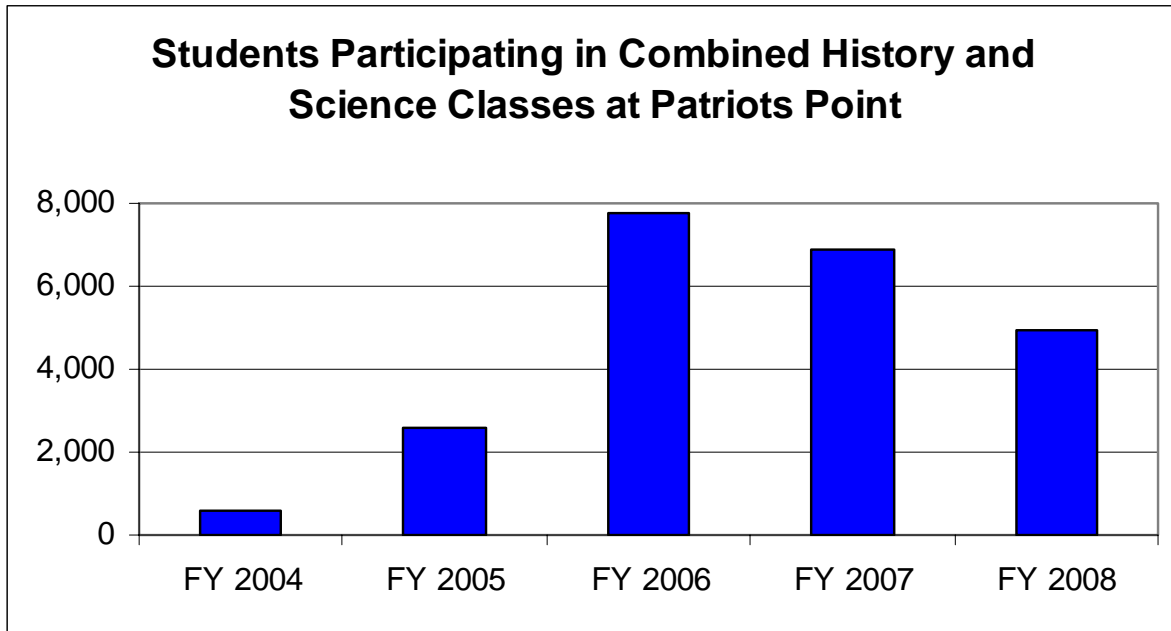
7.1.2

Unfortunately, the number of students making day visits to Patriots Point dropped slightly to 30,586, a decrease of some 7% from FY 2007. This drop is directly attributable to the funding constraints experienced by the Charleston County School District in FY 2008 which compelled the district to cancel the co-operative program which had brought all fifth-grade students in the district to Patriots Point for standards-based history and science classes.



7.1.3

Late changes to school calendars in a number of school districts and the resultant scheduling issues added to general budgetary constraints and escalating fuel costs also reduced the numbers of students exposed to the museum’s innovative programs offering hands-on history and marine science in the context of Charleston’s unique coastal ecology. While 4,936 students participated in these programs during FY 2008, this was a significant reduction in total attendance from the program’s peak in FY 2006.

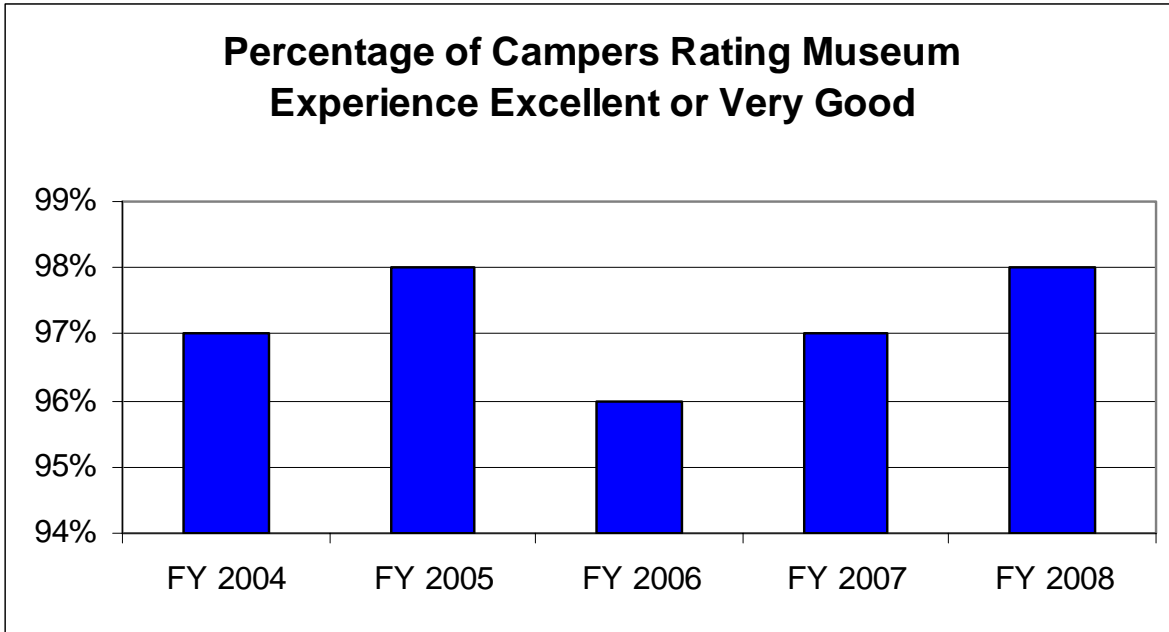


7.1.4

**7.2 What are your performance levels and trends for your key measures on customer satisfaction and dissatisfaction (a customer is defined as an actual or potential user of your organization’s products or services)? How do your results compare to those of comparable organizations?**

Patriots Point has experimented with various survey models, both independently and in conjunction with the Charleston Area Convention and Visitor Bureau, but the surveying methodology has not so far provided sufficiently detailed demographic data or adequately granular evaluations of the museum experience to allow graphical representation of the casual visitor’s satisfaction levels beyond the generally positive. Such surveys routinely show that Patriots Point is considered to provide comparable value and customer satisfaction to those of other historic sites and tourist attractions in the Charleston area. Assessment of customer satisfaction in comparison to other naval and maritime museums, particularly larger multi-ship institutions such as Battleship Cove in Massachusetts, Mystic Seaport in Connecticut or the South Street Seaport in New York, is difficult because of the geographic separation, variation in demographics and accessibility of relevant data.

On the other hand, youth camping program surveys have been fairly consistent for nearly a decade and have a high rate of return so are quite reliable, though the graphical representation represents a variance of no more than three or four percentage points over the past five years.

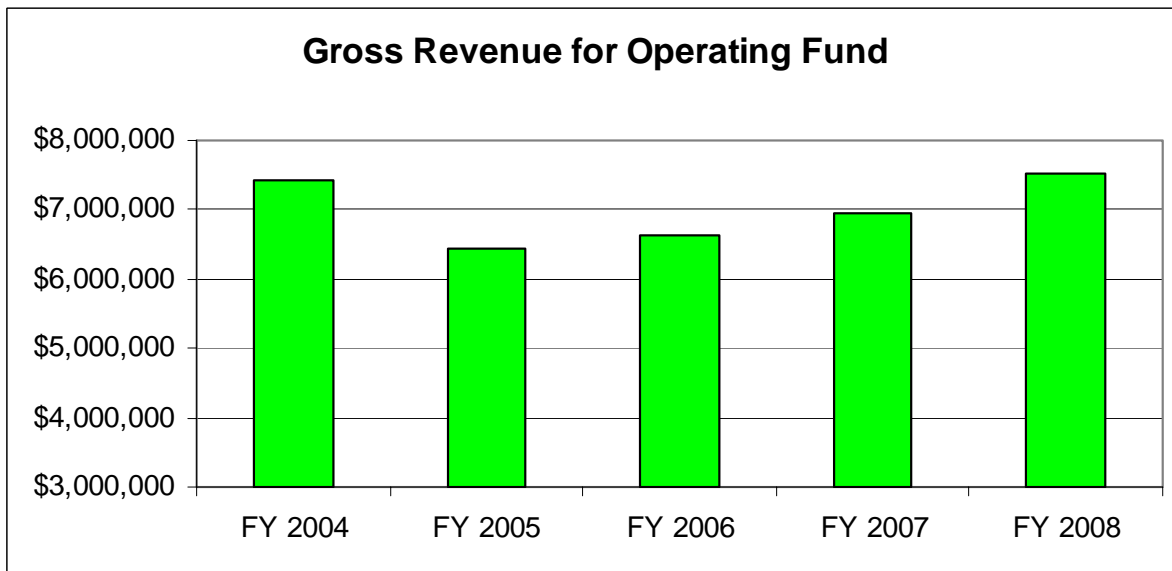


7.2.1

Traditionally management has considered attendance levels an important measure of general customer satisfaction, but the external pressures upon visitation over the past several years have made this a less reliable tool than it was in the preceding decade.

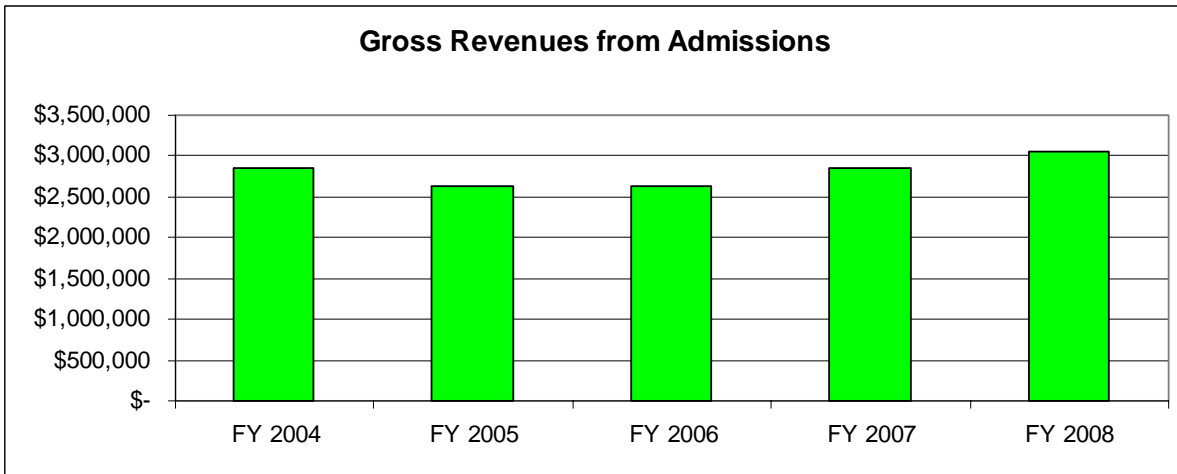
**7.3 What are your performance levels on your key measures of financial performance, including measures of cost containment, as appropriate?**

Key financial metrics measure income from various revenue streams, track operating and capital expenditures and compare budget versus actual figures for both income and expenses.

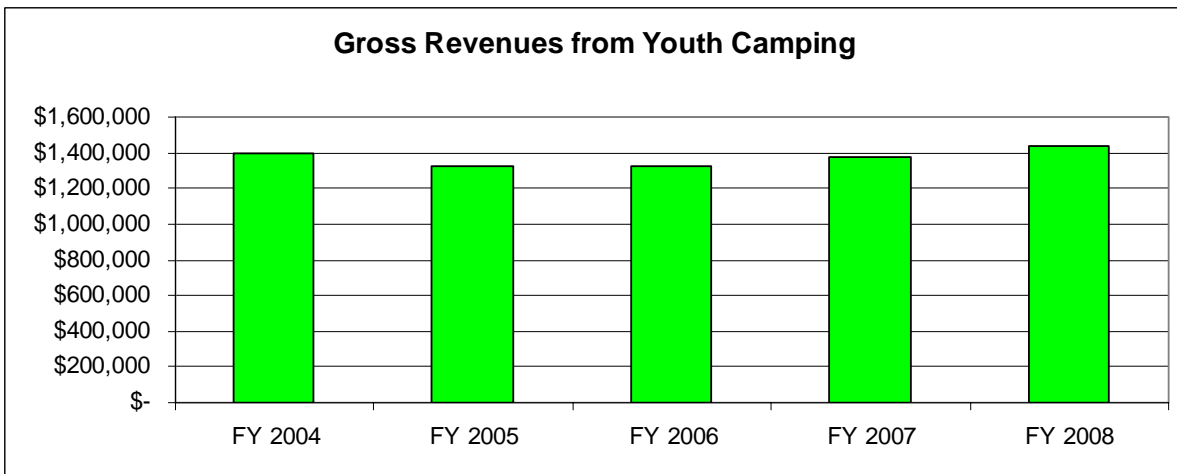


7.3.1

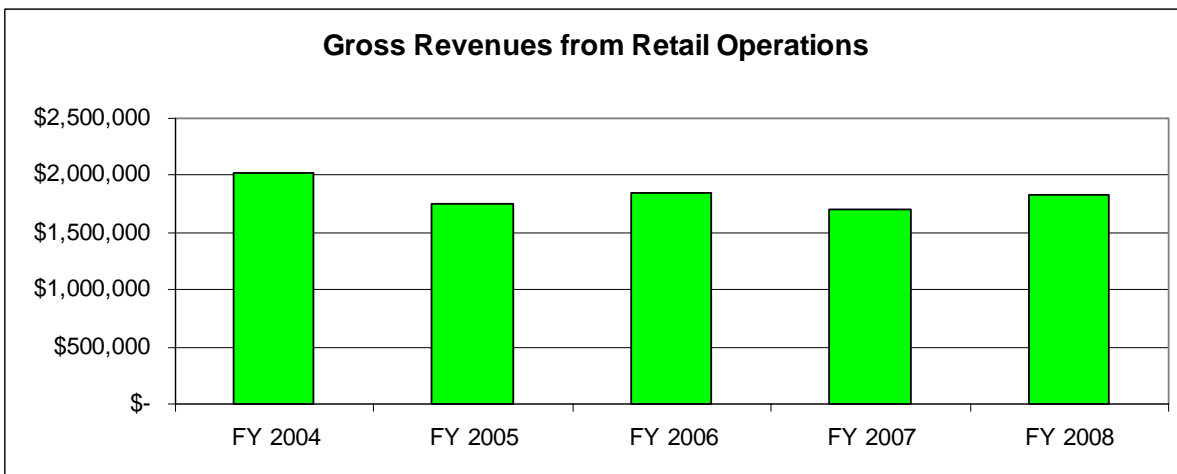
Thanks to prudent adjustments to the prices of general admission tickets, youth camping fees and other components of the revenue stream, operating revenues increased by nearly 8% to \$7,512,254 in FY 2008. Indeed, all six primary operating revenue sectors showed increases over FY 2007.



7.3.2

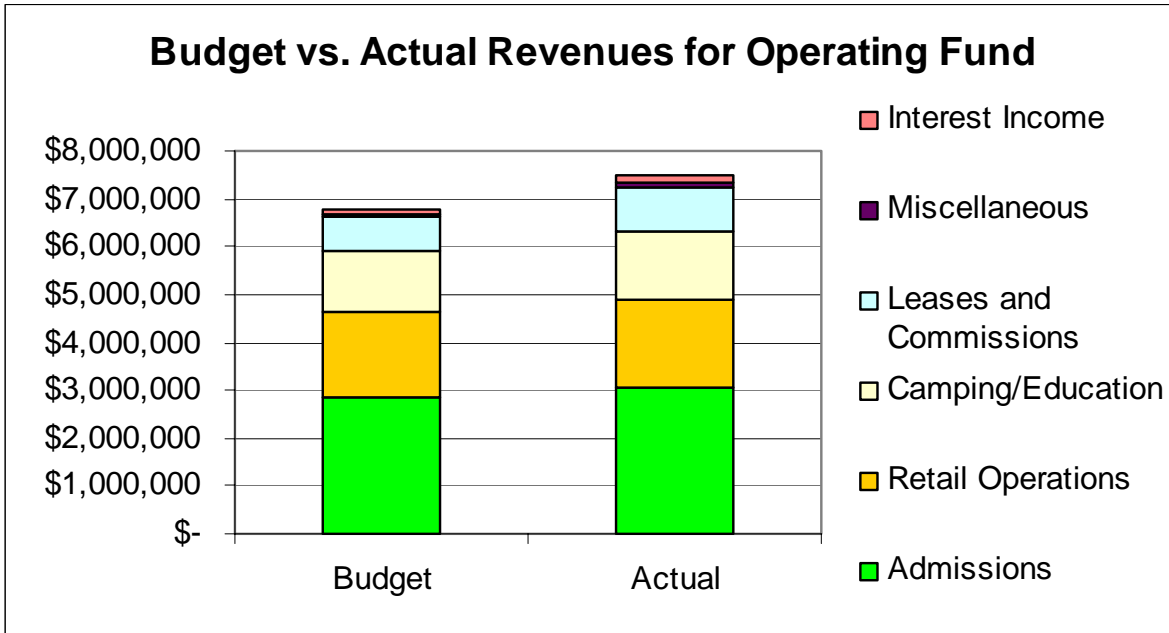


7.3.3

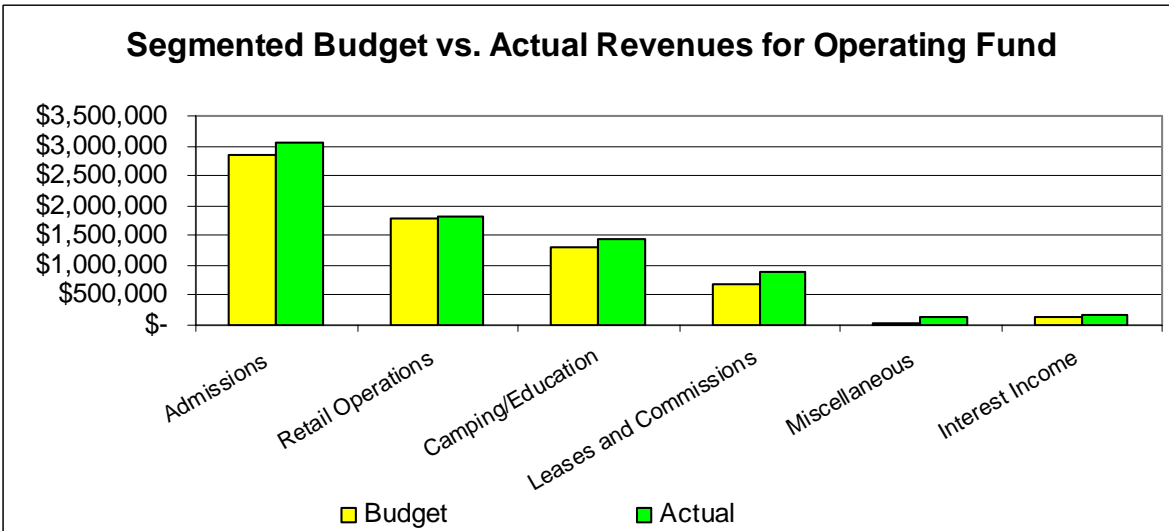


7.3.4

Overall operating revenues exceeded budgeted amounts by \$737,254 or nearly 11% with every major component of the operating revenue stream exceeding its budgetary target.



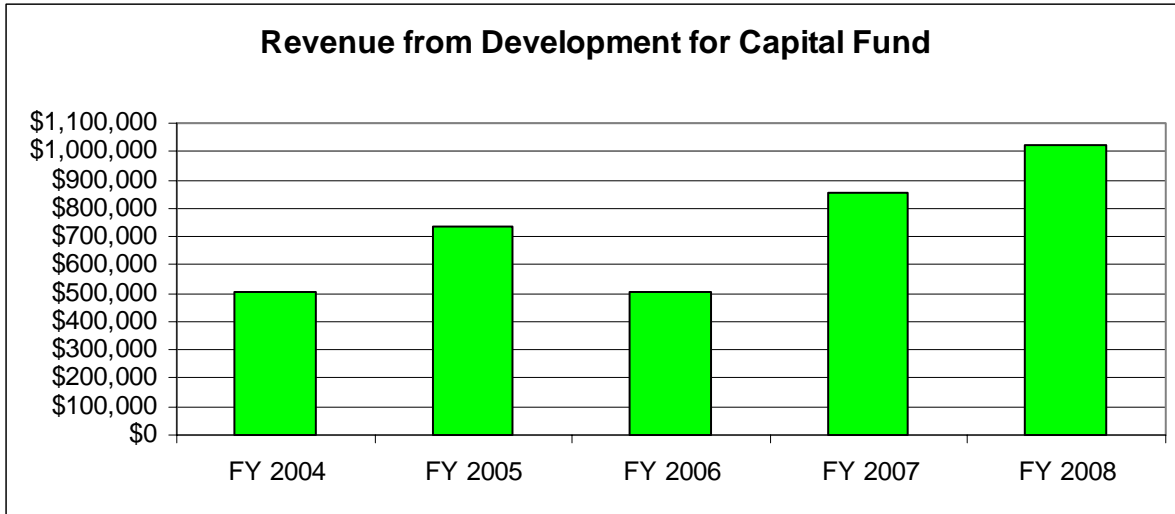
7.3.5



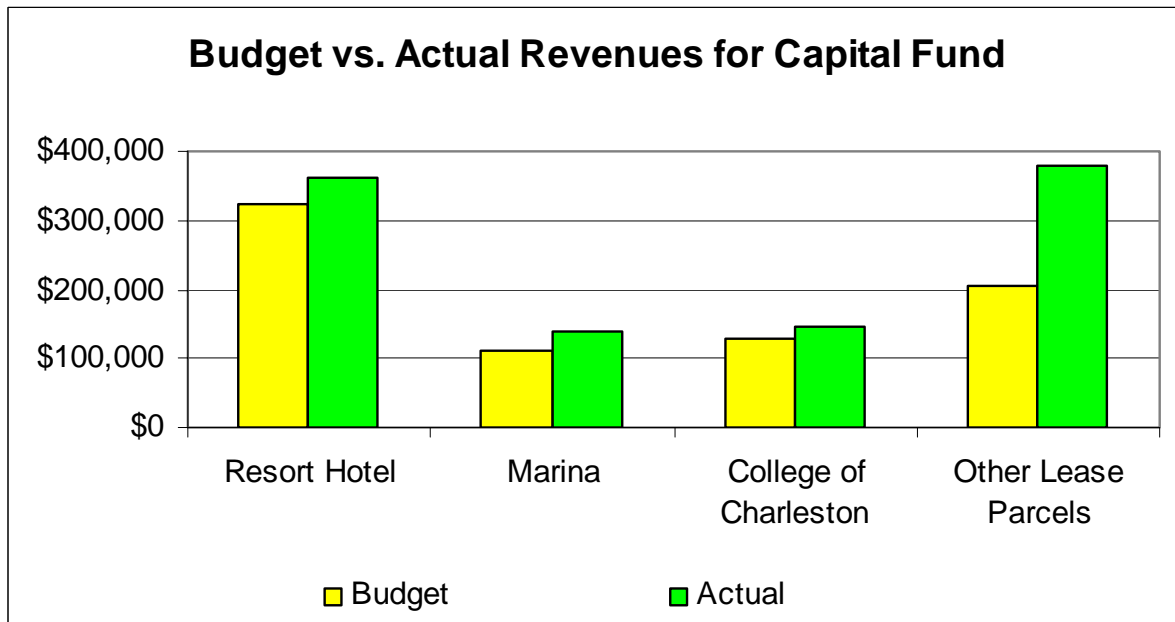
7.3.6



Some years ago the Patriots Point Board of Directors designated several major development revenue streams for support of capital projects, including preservation of the four museum ships. Despite the troubled development economy in the Lowcountry of South Carolina, the gross proceeds from these revenue streams increased by \$253,456 or some 33% over the amounts realized in FY 2007. All development revenue sources exceeded their budget targets, though the bulk of the increase can be attributed to contract renegotiation and the start of construction on previously undeveloped parcels.



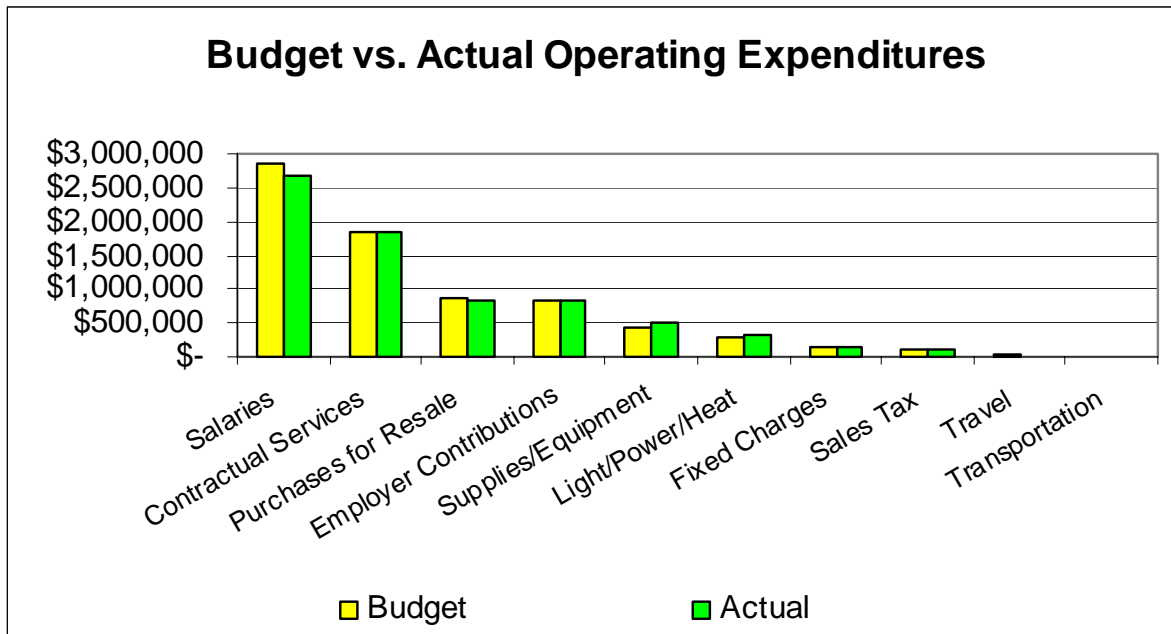
7.3.7



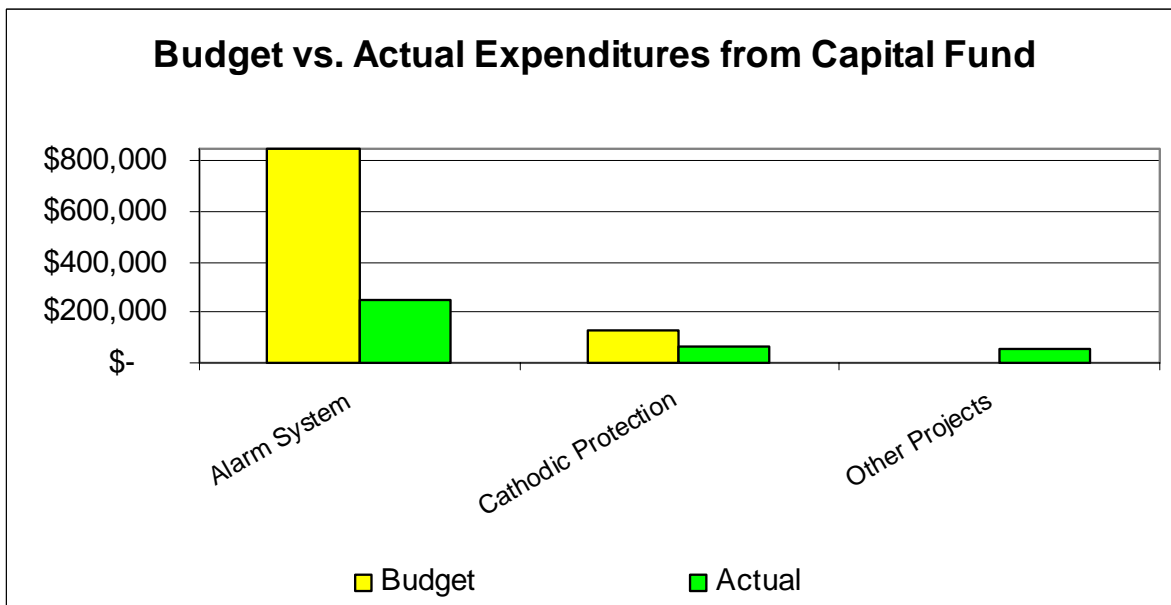
7.3.8

Note that the charts above include only income from development dedicated to the Capital Fund. They do not include grant funding or funds received directly or indirectly from donors in support of museum projects.

Careful monthly evaluation and adjustment of expenditures kept overall operating expenditures more than 2% below budgeted amounts, despite significant petroleum-related increases in the cost of maintenance supplies, light, power and heat. Salaries and employer contributions were cut by lengthening hiring cycles for open positions while smaller savings were realized by reducing the amount of inventory on hand in the museum gift shop and slashing travel by approximately 65%.



7.3.9



7.3.10

Below-budget expenditures on the major alarm system project reflect ongoing performance issues with the low-bidding contractor rather than intentional postponement of this critical project. The unbudgeted “Other Projects” involve work on USS CLAMAGORE, the Patriots Point pier and the handicapped elevator as well as design work for the new Marine Education Center.

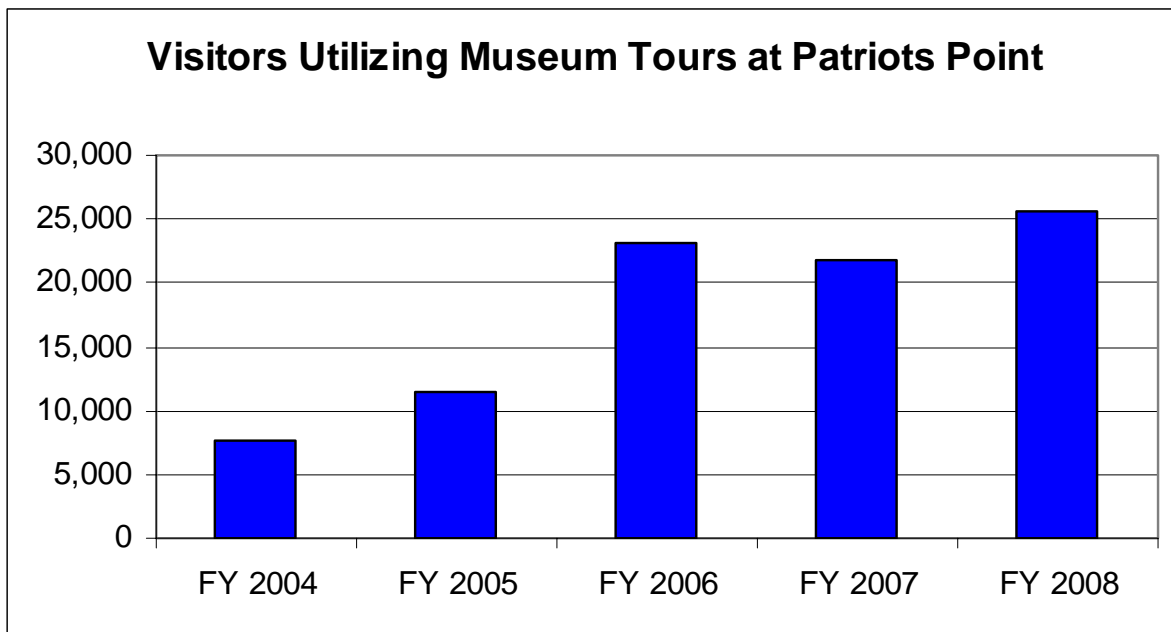
**7.4 What are your performance levels and trends for your key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?**

As noted above, Patriots Point is a small agency with a strong tradition of one-on-one interaction for evaluating performance, satisfaction and training needs. With some departments and most workgroups consisting of no more than two or three employees, it is difficult to use graphical metrics meaningfully to express workforce results. Management feels that typical graphs representing employee turnover, number and type of employee grievances, number and type of promotions or internal transfers provide little useful information when the numbers involved are so low. While management does monitor turnover in key departments and uses exit interviews to try and improve retention, particularly in the case of skilled workers where pay and working conditions are key motivators, the information so provided does not lend itself to graphical trending.

**7.5 What are your performance levels and trends for your key measures of organizational effectiveness/operational efficiency, and work system performance (these could include measures related to the following: product, service, and work system innovation rates and improvement results; improvements to cycle time; supplier and partner performance; and results related to emergency drills or exercises)?**

Most performance level and trending measurement beyond the attendance and fiscal analyses noted above occurs on the workgroup level and frequently does not lend itself to graphical analysis. For instance, emergency drills and exercises tend to be performed on a “pass-fail” basis with many drills being so dissimilar that they cannot usefully be quantitatively compared.

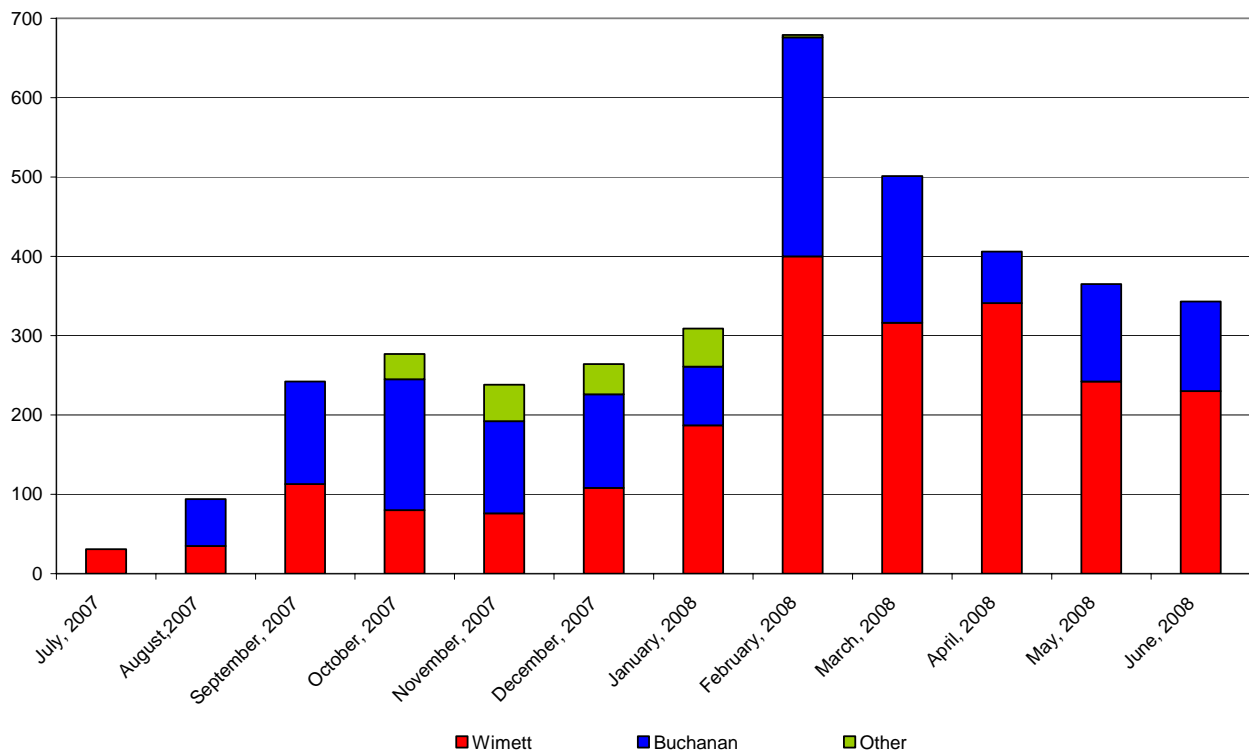
On the other hand, certain areas, particularly in direct museum support, better lend themselves to quantitative analysis of productivity. For instance, the education department not only measures the number of campers and students served (see charts 7.1.2, 7.1.3 and 7.1.4 above), but also the number of visitors participating in museum tours led by professional staff and volunteer docents.



7.5.1

Similarly, the museum collections department not only monitors the average time required to respond to research requests from educational professionals and the general public (two days during FY 2008), but also tracks on a monthly basis the number of items processed into the collections management system by each staff member. By analyzing the nature of items being processed, the number of non-accessions tasks required each month and the percentage of such tasks that are performed for other departments, management can get a clear picture of the impact of shifting priorities and/or staff availability on museum collections productivity.

### Collections Accessions by Month - FY 2008



7.5.2

### 7.6 What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?

The major areas of regulatory compliance for Patriots Point relate to safety and security. The goal is to meet all OSHA requirements for safety training and accident prevention and to meet all marine requirements imposed by the Coast Guard and the Department of Natural Resources for protection of the fragile coastal environment around Patriots Point. Virtually all metrics in these areas are “alarm button” metrics triggered by negative events such as oil leaks, hazardous materials violations, etc. As such, they do not lend themselves to useful graphical representation.

Patriots Point generally treats community support as a facet of customer satisfaction and measures it by the same mechanisms used to monitor customer feedback. (See section 7.2 above.)