

# MUSEUM STORE ASSOCIATION KNOWLEDGE STANDARDS

The Museum Store Association's Knowledge Standards represent skills that are at the core of MSA learning programs and are designed to support a member's professional development. They are a comprehensive summary of what today's nonprofit retail professionals need to know in order to perform their work successfully and advocate for their in-house retail operation. Knowledge Standards can help a member advocate for their current role within an in-house retail operation, guide their institution's understanding of a nonprofit retail enterprise, and serve as a road map to furthering their professional success.

**The eight Knowledge Standards are Merchandise Planning, Customer Relations, Operations, Financial Management, Human Resources, Marketing and Communications, Technology, and Strategic Management. Below is a complete list of the critical elements of each skill.**

## 1. MERCHANDISE PLANNING

**Merchandise Planning is creating a plan for the purchase, development, and display of merchandise.**

**SKILL 1** *Sources and selects appropriate merchandise that supports the institution's mission*

- Identifies the retail operation's mission and its connection to the institution's mission
- Identifies and determines new trends to introduce into the product mix – such as FairTrade, green, new materials, color, etc. – as they relate to the merchandise plan
- Explores and identifies channels and methods of purchasing
- Sources product that relates to the institution's mission
- Plans the merchandise assortment to ensure optimum return on investment
- Develops and maintains vendor relationships that support merchandising strategies

**SKILL 2** *Creates and executes a product development strategy*

- Plans product development in accordance to museum goals and mission
- Develops new and custom products that promote the institution's collections, programs, and brand
- Works collaboratively with institutions, vendors, artists, representatives, and other related agencies
- Secures rights and reproduction approvals per copyright laws

**SKILL 3** *Prices merchandise to maximize gross margin*

- Understands and implements pricing theories and strategies
- Is aware of and utilizes competitive market pricing trends and best practices

**SKILL 4** *Implements a buying plan that maximizes return on investment*

- Maintains appropriate on-hand stock levels to maximize sales and inventory turnover
- Implements and manages an electronic or manual inventory system
- Understands and controls inventory shrinkage factors

- Recognizes all factors that can impact the valuation of inventory such as consignment goods, shrinkage, and other inventory movement activities

**SKILL 5** *Analyzes sales in order to adjust the buying plan*

- Understands and applies open-to-buy (OTB)
- Creates sales projections and monitors sales results annually / monthly / weekly, by key categories
- Understands and plans purchasing based on stock availability factors
- Makes informative projections based on relevant data

**SKILL 6** *Creates and executes a visual merchandising plan to maximize sales*

- Understands and applies basic visual merchandising principles
- Creates visually exciting displays
- Ensures that store configuration meets applicable Americans with Disabilities Act (ADA) requirements
- Incorporates institutional goals and branding into store design, retail packaging, signage, and merchandising
- Identifies and sources merchandise display needs such as lighting, shelving, fixtures, and other physical elements that contribute to the visual impact of the store
- Creates a plan to maximize revenues per square foot
- Plans special exhibition and pop-up stores

**SKILL 7** *Trains and educates staff about merchandise*

- Provides regular information sessions and materials regarding new products, product features and their relation to the institution and its collection
- Trains staff on product knowledge for dissemination to customers and the public
- Works with related departments on merchandise education and awareness

## **2. VISITOR RELATIONS**

**Visitor Relations is the development and implementation of strategies, policies, and procedures to manage how a nonprofit retail enterprise will engage with its visitors to enhance and extend the visitor experience.**

**SKILL 1** *Develops and implements policies and procedures that ensure excellence in service and mutually beneficial relationships between the visitor, the staff, and the institution*

- Develops and implements a Customer Service Policy
- Responds to immediate visitor needs and promotes long-term relationships
- Ensures staff is up to date on institution's and retail operation's policies and procedures
- Ensures staff is well versed on institution's mission, collections, programs, and services
- Develops and implements customer loyalty strategies and programs

**SKILL 2** *Identifies and meets the unique needs of all visitors. Implements policies that ensure all staff:*

- Are accessible, available and responsive to all visitors
- Greet and engage visitors in a friendly and welcoming manner

- Identify visitor objectives or needs in order to provide product recommendations
- Complete the sale and strive to exceed visitor expectations
- Reinforce the sale and invite the visitor to return
- Promote the benefits enjoyed by members of the institution
- Are trained in best practices for welcoming and serving visitors with disabilities

**SKILL 3** *Seeks visitor feedback to improve service levels*

- Establishes a plan or survey to assess visitor satisfaction
- Implements recommendations arising from plan or survey data
- Diplomatically manages the visitor's needs, complaints and expectations

**SKILL 4** *Models and reinforces positive visitor service behavior*

- Establishes visitor service expectations for the retail operation's staff
- Trains and educates staff on customer service competencies and sales techniques
- Ensures visibility of management in the store and throughout the retail operation

**SKILL 5** *Enhances the visitor's total experience in the retail operation, the institution, and the community*

- Ensures a quality visitor experience in the store and retail operation
- Connects the visitor shopping experience to the institution
- Extends the museum and cultural experience beyond the institution
- Is knowledgeable about the local community – related venues, transportation, restaurants, etc.

### **3. OPERATIONS**

**Operations includes the ongoing management of the retail operation and its related sales outlets.**

**SKILL 1** *Supervises the sales floor*

- Ensures fluid daily sales operation with adequate coverage at all times during open hours
- Implements approved cash and electronic payment handling procedures, including opening activities, closing activities, securing deposits, cash drawer reconciliation, and sales reporting
- Counsels, coaches, and disciplines retail operation sales staff. Drives, motivates, and encourages staff to meet daily sales targets.
- Is knowledgeable on principles and techniques for staff training and conflict resolution

**SKILL 2** *Oversees merchandise receiving, fulfillment, and inventory tracking for all outlets*

- Manages receipt of deliveries
- Creates and implements a plan and policies for safe, accessible, and organized merchandise storage
- Develops and implements merchandise fulfillment processes and policies to ensure timely fulfillment of all web sales, phone orders, and in-store orders
- Monitors and tracks inventory on a consistent basis

**SKILL 3** *Conducts periodic physical inventory and reconciliation*

- Plans for physical inventory in accordance with the needs of the finance officer or department

- Executes physical inventory with minimal disruption to the retail operation
- Establishes processes for reconciliation that reflect best practices
- Reports results in accordance with fiscal rules and requirements

**SKILL 4** *Maintains the physical condition and appearance of the store and the merchandise*

- Creates a plan for cleaning and maintenance of the store, and ensures it is implemented by staff on a daily basis
- Ensures replenishment of stock levels routinely and periodically throughout the day
- Ensures store visual merchandise displays and signage are well-maintained
- Recommends and implements physical upgrades to the retail operation as required
- Manages and responds to larger facilities management issues as they impact the retail operation

**SKILL 5** *Ensures the security of customers, personnel, inventory, fixtures, and equipment*

- Provides a safe environment for visitors and staff
- Trains staff on institution's emergency procedures to ensure adequate implementation as needed
- Knows and implements loss prevention practices

## 4. FINANCIAL MANAGEMENT

**Financial Management is a comprehensive system of controlling, measuring, and maximizing fiscal performance.**

**SKILL 1** *Develops and implements sales and expense budgets to ensure a profitable enterprise*

- Assesses institutional and economic impacts on budget planning
- Understands and evaluates retail operation and institution budget needs and resources
- Develops and monitors retail operation budget throughout the fiscal year and responds appropriately to actual results
- Works collaboratively with institutional accounting personnel to ensure timely payment to vendors

**SKILL 2** *Maximizes revenues and margins while controlling inventory*

- Understands impact of revenues and margins on financial goals
- Applies effective retail pricing policies
- Evaluates and determines optimal inventory levels
- Liquidates inventory as necessary to ensure fiscal responsibility

**SKILL 3** *Applies IRS Unrelated Business Income Tax (UBIT) guidelines*

- Understands objectives and compliance legislation regarding UBIT
- Monitors compliance of merchandise stock within UBIT guidelines
- Tracks, documents, and reports unrelated sales

**SKILL 4** *Controls and monitors cash and electronic payment procedures*

- Knows and understands institutional and retail operation policies and procedures related to security of cash and electronic payment handling
- Ensures PCI compliance and other legal compliance requirements

**SKILL 5** *Quantifies and analyzes financial results*

- Comprehends retail financial concepts, terminology, ratios, and formulas
- Knows and understands Key Performance Indicators (KPI) such as Cost of Goods Sold (COGS), Conversion Rate, Gross Margin (GM), Gross Margin Return on Investment (GMROI), Inventory Turnover (Turn), Open-to-Buy (OTB), Sales per Square Foot, Sell-Through, Year-Over-Year Sales
- Uses KPIs to measure successes and weaknesses
- Compares KPIs to those of similar size/type institutions for additional insight

## **5. HUMAN RESOURCES**

**Human Resources involves skillful management of personnel, both paid staff and volunteers.**

**SKILL 1** *Effectively recruits and hires personnel*

- Is knowledgeable in standard local, state, and federal hiring practices
- Determines appropriate skill sets and experience needed for positions
- Assesses current needs and structure of the department periodically
- Develops and maintains job descriptions for all personnel

**SKILL 2** *Assimilates volunteers into the workforce (when institution policy requires or allows)*

- Creates a volunteer program
- Facilitates integration of volunteers and paid staff

**SKILL 3** *Implements a training program for personnel*

- Develops training modules geared to specific job levels. Includes appropriate modules related to the customer service standards of the institution, retail operations, point of sale system, merchandise/vendors, an introduction to the institution and collection, emergency procedures, accessibility, etc.
- Sets schedule for training and assessing progress level of trainees
- Reviews performance on a regular basis as it relates to institutional policy

**SKILL 4** *Ensures that all personnel comply with institutional and departmental policies*

- Ensures that all personnel comply with state and federal regulations
- Fully understands and communicates regulations and policies as they pertain to departmental staff
- Ensures that new staff and volunteers are provided with documents and training on policies
- Ensures staff meets conduct expectations and applies discipline standards according to institutional policy

**SKILL 5** *Encourages professional development and growth to achieve the retail operation's goals*

- Establishes a professional development plan
- Creates a "team" environment and approach for the operation
- Develops rewards and incentive programs for staff, both individually and as a team
- Develops and implements career paths and succession plans

**SKILL 6** *Conducts timely and productive performance evaluations*

- Establishes processes for employee evaluation as they relate to institutional guidelines and needs of department
- Reviews performance of each employee or volunteer, and sets goals
- Revisits and assesses goals after appropriate time frame
- Provides compensation recommendations with supporting documentation

## **6. MARKETING AND COMMUNICATIONS**

**Marketing is the range of activities undertaken by a nonprofit retailer to promote the sale of the retail operation's product and the awareness of the institution.**

**Communication is the exchange of information for successful outreach to all internal and external audiences.**

**SKILL 1** *Communicates the features and benefits of the retail operation internally and externally*

- Develops and implements positive and engaging communication about the retail operation
- Collaborates with other departments to communicate the role of the retail operation, how the retail operation relates to the mission of the institution, and how the retail operation benefits the institution and its visitors
- Supports collaborations within the institution to drive visitation to the store
- Understands institutional communication protocols

**SKILL 2** *Maintains ongoing communications within the nonprofit retail department*

- Actively seeks feedback and promotes open dialogue within the department
- Provides and shares information as needed to staff on a consistent basis

**SKILL 3** *Actively markets the institution's retail operation to the retail operation's stakeholders and community*

- Works with institution's marketing team to create a marketing and communications plan promoting the retail operation that incorporates institutional programs and priorities
- Collaborates with institution's marketing team to implement the marketing and communications plan, including press outreach, digital and print collateral, and social media
- Defines a message that conveys the importance of nonprofit retail within the institution
- Participates in and supports programs that enhance the awareness of retail operation's role and mission, such as Museum Store Sunday
- Maximizes the institution's corporate partnerships with opportunities for collaboration with the retail operation to provide gifts for their employees or top customers

**SKILL 4** *Sources or creates text and images necessary for marketing and sales*

- Provides copy for product provenance cards, store signage, and other marketing activities
- Provides copy for online store product descriptions
- Provides product images for online store, signage, and press

**SKILL 5** *Maintains ongoing networking and communications with nonprofit retail colleagues*

- Networks with individuals and groups throughout the nonprofit retail community
- Attends MSA FORWARD, MSA Chapter meetings, and regional round tables
- Participates in ShopTalk, blogs, conferences, and networking events

**SKILL 6** *Develops special events and promotions*

- Plans and executes special events and promotions to maximize sales and outreach
- Aligns events and promotions with the institution's mission and priorities
- Supports the institution's brand by providing a comprehensive understanding of the institution's mission and objectives

## 7. TECHNOLOGY

**Technology in cultural nonprofit retail involves sourcing, implementing, and managing the appropriate technologies to support the retail operation.**

**SKILL 1** *Sources and implements new technology tools and systems to as benefits the institution*

- Sources and implements technological tools as benefits the institution, including: scheduling software, presentation software, communication platforms (such as Trello, Microsoft Teams, Slack) digital print-on-demand programs, 3D printing, product photography tools and software, web apps, and retail integration to various programs used by the larger institution

**SKILL 2** *Investigates and implements improved Inventory Management and Point of Sale systems*

- Selects and implements appropriate Inventory Management and Point of Sale (POS) systems to accurately manage inventory and process sales transactions
- Supports the collaborative efforts of the institution to build integrated systems when required
  - Examples include integrating with accounting software, ticketing software, membership databases, or other point of sale software
- Ensures that all technology systems, software, and networks are maintained and updated

**SKILL 3** *Develops and implements E-Commerce solutions that are measurable*

- Develops an e-commerce presence or channel to market the retail operation and earn additional income beyond the physical institution
- Follows institutional guidelines for online brand and visitor web accessibility
- Keeps up to date with commercial best practices for e-commerce, and applies them as appropriate to the institution

**SKILL 4** *Plans and executes a Social Media strategy that is aligned with their institution and is measurable*

- Integrates retail marketing with institutional social media channels as appropriate

## 8. STRATEGIC MANAGEMENT

**Strategic Management is the development and implementation of strategies that ensure the long-term success of the business.**

**SKILL 1** *Plans, develops, and implements a business plan, regularly updating it to reflect current conditions and trends*

- Creates and implements initiatives to support the plan and benchmarks to measure success
- Researches and selects appropriate business models that support the institution's strategic goals
- Creates and develops implementation plans or project management tools to support strategic goals and objectives
- Monitors, measures, assesses, and reevaluates strategic objectives to reflect changes in business strategies

**SKILL 2** *Monitors socio-economic, political, and general business climates*

- Is aware of macro- and micro-economic factors and their possible impact on the business

**SKILL 3** *Advocates on behalf of the nonprofit retail operation*

- Creates alliances with other institutional departments, the industry, and the outside community
- Ensures that the institution's mission statement and the mission of the retail operation align
- Builds relationships with institutional and industry stakeholders and decision-makers
- Continues personal professional development to maximize leadership potential and support credibility within the institution

**SKILL 4** *Ensures staffing and systems align with the needs of the operation*

- Creates, monitors, and periodically updates staffing plans to respond to economic and institutional variables
- Executes a periodic review of operational systems to meet changing business goals
- Researches leadership development plans and identifies best practices
- Identifies potential candidates for leadership development internally and in the hiring process

**SKILL 5** *Develops strategic business relationships that enable a successful and profitable retail enterprise*

- Cultivates collaborations and partnerships to grow and expand business
- Actively seeks new opportunities to benefit the institution through strategic alliances
- Collaborates with institution administration to develop and follow institution guidelines for all business agreements

## **9. DEAI**

**DEAI in cultural nonprofit retail involves the perpetual practice of being mindful of biases throughout your business, including creating an inclusive environment for staff, visitors, and volunteers.**

**SKILL 1** *Employment*

- Revisit job descriptions to ensure that there are no built-in roadblocks for an equitable environment. (e.g. paper ceiling, physical requirements, presentation)
- Be mindful of where your job postings are advertised, explore as many options as possible. Consider the demographics of your area and ensure your staff reflects that.

- Review your hiring process to ensure maximum candidate pool can apply
- Routinely include DEAI information in your onboarding and training for your staff, yourself, and your colleagues.
- Ensure you have the tools necessary to address harassment from coworkers and visitors

**SKILL 2** *Create an inclusive environment for all of your visitors*

- Assess your store layout and design to address all accessibility needs - width of aisles, height of signage, captioning on videos, etc.
- Treat everyone who comes through your door as though they have the best intentions.
- Explore your payment methods. Confirm with your credit card processor that you are utilizing all avenues of payment. Accept cash. Be mindful of your audience and community.
- Review your demographic and ensure that your museum hours, website, public transportation options, admission costs, etc. don't inhibit visitation.

**SKILL 3** *Vendor and merchandise selection*

- Review your merchandise selection and confirm that it meets a spectrum of price points, interests, and backgrounds.
- Seek vendors from a variety of backgrounds; ethnicity, location, small business, LGBTQIA, and more.
- Factor in production methods including fair trade and sustainability. Highlight communities that are empowered by your buying power.
- Share stories about your merchandise with visitors. Include signage and educate staff to speak on particular products.
- Merchandise your products so that diverse factors are prominent and visible.