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“This is now a central book on this subject, and a leader in terms of its international multi-author and authoritative explication of every major dimension of management, organisation and production of the arts. It pushes beyond the traditional topics of ‘arts management’ to include the vital subjects of leadership, policy, law and community engagement.”

Jonathan Vickery, *Director, Centre for Cultural and Media Policy Studies, University of Warwick, UK*

“An excellent resource both for students looking to understand how the arts are approached and managed in the world today, as well as for practitioners looking to expand their understanding of how arts management works. The international perspective brings knowledge from around the world to inform readers of best practices and the theories that support them. Regardless of the specific artform one works in, this book is a vital resource that explores both the peculiarities of arts management in general as well as exploring the unique positions that are discipline specific.”

Anthony Rhine, *Clinical Associate of Management, Pace University, USA*

“This highly readable and impeccably researched volume is a tremendous addition to the arts and culture literature. A consistent and much-appreciated effort has been made to unite research and practice as necessary and complementary parts of the same whole, providing readers with vital tools that are grounded in time-tested theory.”

Travis Newton, *Le Moyne College, USA, and author of Orchestra Management Handbook*

“The book provides a holistic perspective on creative industries, both in terms of theory and practice, also covering different sectors and specializations. Creative industries were at the frontline during the pandemic and better understanding like the one provided by this book is extremely needed to fully support their recovery and growth. The diversity of authors in terms of expertise and focus exhibits the right combination of attributes to make out of this book an outstanding contribution to the field of cultural management.”

Montserrat Pareja-Eastaway,
University of Barcelona, Spain

“This textbook provides a timely look at multiple facets of the creative industries with international representation, in a way that speaks to the increasing overlap of theoretical and practical work. At a time when practitioners are expected to know and benefit from past lessons in the field, it will equip readers with those lessons and the ability to articulate the theoretical underpinnings of their management decisions.”

Brea Heidelberg, *Drexel University, USA*

Managing the Arts and Culture

Managing cultural organizations requires insight into a range of areas including marketing, fundraising, programming, finances, and leadership. This book integrates practical and theoretical insights, blending academic and practitioner voices to help readers “speak the language” in the creative industries.

Including coverage of the management of theaters, dance companies, galleries, and performance spaces, evaluation, marketing, fundraising, activism, and policy, the book benefits from a range of features, including:

- Scenarios to help orient readers to common arts management problems
- Ethical dilemmas discussed in every chapter
- Study questions to enable students to review the skills learned
- Experiential exercises to gain experience and apply skills
- Emphasis on cross-cultural and transferrable skills
- Integration of international perspectives
- Suggested additional readings and website links for each topic area

With contributions from a team of international experts, this book provides a one-stop-shop for students of arts and cultural management and will also provide a valuable resource for those currently in the field.

Constance DeVereaux is Director of Arts Leadership and Cultural Management at the University of Connecticut, USA. She is the former Executive Editor of the *Journal of Arts Management, Law & Society*, and currently serves as an Editor-in-Chief of the *Journal of Cultural Management and Cultural Policy* and on the executive editorial board of *Culture et Gouvernance Locale*.

Discovering the Creative Industries

Series Editor: Ruth Rentschler

The creative and cultural industries account for a significant share of the global economy. Gaining and maintaining employment and work in this sector is a challenge and chances of success are enhanced by ongoing professional development.

This series provides a range of relatively short, student-centred books which blend industry and educational expertise with cultural sector practice. Books in the series provide applied introductions to the core elements of the creative industries. In sum, the series provides essential reading for those studying to enter the creative industries as well as those seeking to enhance their career via executive education.

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Managing the Arts and Culture

Cultivating a Practice

Edited by Constance DeVereaux

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Introduction

Constance DeVereaux

CULTIVATING A PRACTICE

More than half a century ago, the futurist Marshall McLuhan quipped that the future of work was in learning a living (McLuhan 1964; McLuhan & Leonard 1967). Already contemplating the changes of a globalized and technological world, McLuhan (and other thinkers of the time) believed that success in the workforce, for workers at all levels, would require the practice of ongoing learning. In particular, the dynamic changes in the world at large and in the running of enterprises would produce a “constant need to keep executives apprised of new information necessary for decision-making” (McLuhan 1958 ctd in Kuskis 2010). A zeitgeist of continuing education and lifelong learning, which emerged in the 1970s, may be one among many reasons for the development of formal degree programs in arts and cultural management at the university level. The need for formal education to extend knowledge beyond circumstantial practice increases, exponentially, in a technologically driven world. The need for qualified texts to accompany formal learning in order to stay abreast of these dynamic changes increases as well.

Managing the Arts and Culture: Cultivating a Practice aims to be a definitive source for cultural management learning in the present and through the dynamic phases of its future. Professional fields are largely defined by their practices, that is, by the systematic application, to relevant tasks, of a substantial, specialized knowledge and skill set. An important question is how this volume, or any other textbook, contributes to the field for either learning or practice. The common assumption has always been that practice makes perfect and that experience, measured as time on the job, produces expertise. The earlier quote from McLuhan, however, puts common expectations in doubt.

Although the amount of experience is the common gauge—indeed, many people come to arts management teaching following a long career in the field—not all experience leads to greater knowledge and proficiency. To cite just one study, Ericson and Charness point out that

Most amateurs and employees spend a very small amount of time on deliberate efforts to improve their performance, once it has reached an acceptable level.

Under these conditions only weak relations between amount of experience and performance would be predicted, which is consistent with the empirical data.

(Ericson & Charness 1994, 739)

The study contravenes accepted wisdom that experience alone produces expertise. Mistaking experience for expertise means we can miss opportunities for greater achievement. Expertise implies understanding and proficiency beyond the conventional, whereas achieving the only acceptable means getting the job done, but there may be better ways of doing it.

Extrapolating to the case of arts management or cultural management (the present work takes these two terms as synonyms), the study suggests, that 20 years at the helm of an arts organization alone—no matter its size and success—will not supply sufficient expertise for leadership or teaching. Instead, determined and conscious effort to advance in skill is what it takes to cultivate true expertise. *Managing the Arts and Culture: Cultivating a Practice* is designed for readers with these factors in mind. It is for readers wanting to improve their performance as cultural managers, either as students new to the field or as practicing professionals whose aims are to make the deliberate effort toward greater expertise.

It is quite common, however, in the field of cultural management to believe that practice and the modeling of practical skills are superior to classroom, textbook, or theoretical knowledge. The “view that merely engaging in a sufficient amount of practice,” will lead to maximal performance, “regardless of the structure of that practice,” is nevertheless much contested (Ericsson et al. 1993). By comparison, structured practice incorporating relevant, tested knowledge as a foundation for mastery has been documented. The research is valuable. It signals the important role of formal education, and that contributions to accumulated knowledge serve the field well. At the same time, it suggests the ongoing need for the accumulation of relevant knowledge in the form of texts and other written materials.

Defining relevance in a field of practice presents challenges. Despite a proliferation of literature on “best practices,” over the history of cultural management, it is difficult to ascertain—from the limited perspective of one’s own practice—what is the right way, or best way of doing a cultural management task. *Best* assumes a process of ranking and discernment. But designation as a “best” practice often follows an outcome rather than preceding it as a guide. This way of applying the notion of “best” is problematic keeping in mind that an acceptable outcome is typically the end of the story. Once achieved, there may be little incentive to rethink the process to see if it could have been done better. The question then, is how can one acquire higher levels of performance (to achieve better or best) to align with what we call expertise? The answer, in part, is a holistic approach to teaching, learning, and practice in the field.

This volume takes the approach that cultural managers are (or should be) generalists more so than specialists. Although each chapter is devoted to a discrete area of cultural management, treatment by each author is intended to show the degree to which cultural management practice is highly integrated, both within single organizations and across sectors. Whether your area of specialty is marketing, fundraising, program coordination, or as a CEO of an arts enterprise, much is gained from cross-training and the flexible

adaptation of abilities. Marketing staff, for example, must have knowledge about fundraising. Both fundraisers and marketers must know how to do evaluation. Financial management skills enter every aspect of cultural enterprise management.

In addition, the trend in many organizations is to broaden their offerings across multiple art forms. A theater company may display visual art in its facility, for example. A dance company may partner with a theater, a symphony orchestra may organize a music festival, and so on. The necessity of managing one's facility transcends any particular art form. Further, many arts managers may find their jobs increasingly hybrid: marketing/fundraising, for example, is fairly common. In addition, everyone in an organization should be versed in financial matters, legal requirements, and arts policy issues. Finally, in terms of career trajectory, individuals trained as visual arts managers have found themselves working in a theater setting and vice versa. In sum, there is a sensible practicality in obtaining more, rather than less, knowledge of cultural management practices in all their forms.

Writing on the development of expertise, in general, Ericson and Charness (1994) explain that

Most domains of expertise today have a fairly long history of continued development... In all major domains there has been a steady accumulation of knowledge about the domain and about the skills and techniques that mediate superior performance. This accumulated experience is documented and regularly updated in books, encyclopedias, and instructional material written by masters and professional teachers in the domain... In almost every domain, methods for instruction and efficient training have developed in parallel with the accumulation of relevant knowledge and techniques.

(737, 738)

What Ericson and Charness describe is the means for developing a habit of deliberate practice—absorbing experience from “masters and professional teachers” in a concerted way. The cited study shows that deliberate practice is what turns the average runner into a champion and the average cello player into a maestro. The comparison is apt, even for cultural managers. The demands are high given that support for the arts is still considered too low in most countries, and threats to participation, access, and attendance have increased, beginning in the last century and continuing today (Cowley 2020). Even so, not everyone needs to be a champion or has the desire or capacity to be one. But in education (and professional development), we ought to aim high. Excellence in the arts (a common refrain in both management and policy) suggests we should not stop at the merely acceptable. But, given that cultural management has yet to develop a substantial canon of relevant, widely accepted, and rigorously tested knowledge, contributions to educational materials—like the current volume—are much needed.

Seen in this way, the importance of competently written textbooks should not be underestimated. Through books, students will acquire a legacy of knowledge from their forebearers in the field (Beckert 1992). “Without books (and textbooks are included here), no education could have been possible. They are the primary source of information used by all humanity” (Vavla & Laureta 2009, 16). An excellent textbook can

influence students' perceptions of their instructor's "credibility and authority" (Ibid, 469, 470), while at the same time contributing to an instructor's success. A textbook supplies context for assessing student abilities and can create, in the student, "an engagement more prolonged and lively than the term 'reading' usually invokes" (Alred & Thelen 1993, 469). Textbooks, further, can make a significant contribution to the development of a field:

Earlier in this century, in many academic disciplines, it was considered a highly scholarly endeavor to write a textbook that summarized and integrated the disparate knowledge in one's field. Such writing was considered an academic service to the discipline and was typically done by faculty at the most prestigious research institutions.

(Textbook and Academic Authors Association 2021, para. 6)

My own, previous, contribution to the small array of existing textbooks in arts and cultural management is the co-edited *The Arts Management Handbook: New Directions for Students and Practitioners* (Brindle and DeVereaux 2011), still in its first edition, yet much used in the classroom. Published in 2011, it followed a rationale for presenting areas of arts management as harmonious, rather than disparate practices. The practitioner whose career extends along the single path of, for example, managing a theater organization, or running an arts education program, should nevertheless have appreciation and knowledge of skills and conventions in other areas of the field. A critical review of that earlier volume, by one educator in the field, found fault in the approach, preferring that each area—financial management, fundraising, policy, and others—appear, independently, each the subject of its own book. To date, there are also too few textbooks taking that approach. Without denying the need for such texts, I maintain that siloed knowledge serves no one well, least of all an arts or cultural organization depending on both the broad and the particular skills of its staff. Canadian policy analyst Vaclav Smil would seem to agree. He discusses the historical and general trend of atomization in knowledge that is now pervasive, finding that it "has not made any public decision making any easier" (2022, 2). Too much specialization can lead to uncertainties and disagreements, even about simple matters (Smil 2022) due to the fact that most people in modern societies "have such superficial knowledge about how the world really works" (Ibid, 3). How cultural management works, as a field, is a question that empirical research may answer. How it should work, in a dynamic and changing world, requires the cultivation of knowledge toward which this volume aims.

Worth noting is that culture and cultivation have the same etymological root in a French term relating to agriculture, which implies the tending of soil and nurturing of growth. Cultivation, in practice, implies purposefulness—one cannot accidentally cultivate or be unaware that one is doing so. To further the analogy, tilling the soil is an act of disturbance rather than satisfaction with the status quo. It entails going under the surface to get at the good stuff, hidden from view, in which to plant a seed. The demands of on-the-job learning may leave little time to poke under the surface. A common refrain in the field is a lack of time to do much more than get the job done. Looking back, second-guessing, searching for better means occupies little of day-to-day practice.

In contrast, cultivation implies growth, which implies taking time for development. The alternative is stasis. To finish the point, limited growth may be temporarily acceptable but is unlikely to produce either blossom or fruit.

The pointed analogy is a fitting introduction to the contributions in this volume, which aim at bearing fruit in the form of cultural management knowledge. The authors represented here are recognized for both their experience and expertise in cultural management, and in the various areas about which they write. Their careers span multiple roles in scholarship, teaching, and practice. Their contributions are a testament to the view that deliberate, formal learning is an asset to professional practice.

Divided into three sections, *Managing the Arts and Culture: Cultivating a Practice* responds to the question of what it is like to be an arts manager, on the job, confronting everyday, real-world trials. Part I, entitled “Cultural Management Practices,” looks at aspects of cultural management that are common to any arts and culture enterprise: financial management, managing a facility (whether rented or owned), program and organizational evaluation, fundraising, and marketing. Part II, “Performing and Visual Arts Management,” concerns the complex and mundane functions of organizations producing, exhibiting, and disseminating culture and the arts in their various forms— theater, visual arts, and music, as well as festival management, and the management of freelance work by independent cultural workers. Part III, “Law, Policy, and Advocacy,” introduces readers to broad systems affecting arts and cultural organizations and the sectors in which they operate.

Each chapter begins with a scenario in which a protagonist (who is either new to the job or taking on a new role) must wrestle with common, and seemingly intractable problems. Designed to put the reader in the position of omniscient observer, the scenarios provide insight into common mistakes and misperceptions one might encounter while doing the job of cultural management. Although the scenarios readily lend themselves to discussion, reflection, and analysis, they are not formulated for a case study learning approach. Formalized, case study methods provide students with open-ended circumstances in which organizational problems need to be solved. According to Nitin Nohria, Dean of Harvard Business School, which pioneered the method, case study approaches teach “students to size up business problems quickly while considering the broader organizational, industry, and societal context” (2021, para. 3). How that method translates, and with what effect, to the peculiarities of cultural management training is not addressed here. The imaginative scenarios penned by authors in this volume are less for immediate problem solving than to open windows onto aspects of the cultural management world. They show individuals trying, to the best of their abilities, to do an intended job. They encounter some significant bumps in the road for a lack of field-specific knowledge, skills, and practical tools that would otherwise bring success to their day-to-day journeys. In this way, the reader is invited along to discover current and new ways of cultivating practice for maximum effect.

The authors are mindful that professional expertise is more than just doing—more than just the application of trained skills. Graduating from novice to competent cultural manager requires the judicious use of acquired knowledge, thought and analysis, and insight born from research. Drawing on familiar and established ways of doing, the authors also offer new considerations, rethinking of processes, and recognition that

established habits and conventions of practice may no longer apply (and in some cases, were not useful in the first place). Chapters deliver more than entry-level guidance. Experienced cultural managers will find ways to add to, renew, and refurbish their repertoire of skills.

Readers will notice that there is a certain amount of overlap in the chapters, emphasizing the integrated nature of cultural management practice: creating a budget, developing and implementing a plan, gathering data, keeping records, communicating effectively, and integrating practice with mission are all common elements of the daily management of arts and culture enterprises. Readers are afforded multiple points of view on similar subject matter to better appreciate cross-applicability of the skills they acquire.

Concerted effort has been made to create a cultural management textbook that is international in its outlook. Authors were challenged to think about commonalities of practice that extend across cultural, national, and disciplinary differences. While acknowledging the importance that such differences might bring to cultural management practice, the fact of the matter is that principles of functions such as budgeting, project planning, policy processes, and evaluation are the same no matter the location or type of organization involved. The goal was to create a text that would provide firm frameworks and solid grounding to cultural managers practicing anywhere in the world under a variety of circumstances and from varied cultural perspectives.

Although many of the authors hail from nations in the Western world, their expertise, and experience, in the field are more varied. David Ocón, originally from Spain, teaches arts marketing in Singapore and has also taught in, and led, institutions in Beijing, Hong Kong, Singapore, and Dublin. Jim Richerson, from the United States, served as a museum consultant in Jordan, Malta, and Tunisia. Olga Kolokytha, originally from Greece, currently lives and works in Austria. Simone Wesner, from Germany, teaches in the United Kingdom. Patrick J. Ebewo, from Nigeria, completed his studies in the United Kingdom and has worked in Europe and South Africa. Equally, international in the scope of their work, education, and practices Johanna Schindler (Germany), Rachael Diang'a (Kenya), Oonagh Murphy (United Kingdom), Njörður Sigurjónsson (Iceland), Annabelle Jackson (United Kingdom), Victoria D. Alexander (United Kingdom), and Melissa Rachleff (United States) provide expertise that cuts across cultures, nations, and regions thus contributing to a global perspective increasingly needed in the field. The very concrete information provided in each topic area translates well into allowing individual readers to adapt practices to their local contexts. The commonalities, however, bind them to other arts and cultural managers across nations, communities, and organizations.

Chapters contemplate ethical challenges inherent to working in the field. Unlike many professional fields, arts and cultural management has no formally adopted set of ethical standards or guidelines. Noticeable, in comparison, are the formal guidelines, introduced in Annabel Jackson's chapter on evaluation, recognized and adhered to by professional evaluators. This underdeveloped area of arts and cultural management may benefit, therefore, from the reflections and recommendations provided here. Authors were also asked to think about the future directions in the context of their specialties and to offer their best forecasts on tomorrow's state of the field.

Chapter conclusions and each chapter's scenario denouement sum up lessons learned, providing the necessary takeaway for the reader to put the information to work in real cultural management circumstances. Designed for students and practitioners alike, the volume is enhanced, for classroom use, with a set of study questions, key terms, a list of additional, useful resources, and suggested exercises for gaining real-world experience in applying new skills.

OVERVIEW OF CHAPTERS

Chapter 1, "Financial Management for Decision-Making in the Arts," follows Sunil in his attempt to apply his very limited training in accounting to ongoing management of an Artists' Services program. Recognizing that he was hired for his attributes as a local artist rather than skills in managing an artists' program, Sunil sees increased fluency in financial management as a route to job success, both in his current role and in his aspirations to advance his career. The chapter targets readers with little background in financial management—those who may experience anxiety, or number-phobia, in the face of budgets and balance sheets. The chapter challenges some of the prevailing myths about how arts nonprofits ought to be managed (that they should be more like for-profit businesses, for example). Emphasized, instead, is that tracking an organization's financial health, as a decision tool, supports quality arts programming, which is the priority of any responsible arts organization.

Although arts nonprofits are categorically different from for-profit businesses, they are at least similar in needing to produce income to carry out their aims. In Chapter 2, "Fundraising in the Arts," Victoria D. Alexander and Oonagh Murphy bring their expertise to bear in looking at the income activities of arts nonprofits, specifically through fundraising and grant writing. They introduce the newly hired, Birgitta, who is tasked with securing funds for an upcoming art exhibit. Birgitta's many missteps nearly lead to disaster—saved only by her more experienced co-workers. What she lacks, in carrying out her tasks, is a well-developed plan of action, and the knowledge that working collaboratively, rather than independently, pays off. Success, for Birgitta, and cultural managers like her, means tackling fund development with a long-term view. Relationships with donors, sponsors, and granting organizations are nurtured over time. The chapter stresses the importance of research, provides structural guidelines, and a set of practical tables and charts that can be used by both novice and expert to organize successful fundraising and grant writing campaigns.

David Ocón places arts marketing in the larger history of the marketing field in order to capture both the commonalities and uniqueness of promoting the arts to prospective audiences. Emphasizing that marketing is more than just advertising, Chapter 3, "Arts Marketing," tracks the success, and missteps of Gillian, an arts manager of a mid-sized theater company that is both underfunded and understaffed. Having started as an intern, Gillian finds herself promoted to the job of communications officer, now responsible for both planning and implementing a wide range of marketing activities, from the organization's first forays into social media to public relations and direct marketing.

Gillian develops an appreciation of what it means to be the “co-creator of experience” with members of the public, and how to segment her potential market and employ targeted, individualized marketing strategies. The route to success, for Gillian, is a deeper understanding of her organization and what motivates people to buy a ticket or give a donation. Reaching that goal takes research, skills of analysis, and a clear plan of action informed by concrete objectives. A significant feature of the chapter is its clear, bullet-point delivery of specific action steps that help Gillian achieve her goals.

A key concept in marketing is location. Where an art event takes place is a significant part of the experience. A savvy marketer will use it to increase audience motivation. Chapter 4, “Facilities Management,” focuses on location in the form of an arts facility, which has to be managed, developed, maintained, and marketed alongside the management and promotion of the organization and its programming. Given that every organization has a facility (rented, borrowed, or owned), the aptitude for facilities management belongs in the repertoire of needed skills for every cultural manager. The author, Jim Richerson, introduces Abigail, an experienced facilities manager, who is nonetheless new to managing a large, multi-use arts facility. Her challenge is to translate her natural inclination toward planning, structure, and clear communication into the success of an arts organization that is deficient in these areas. Charged by her CEO and Board of Directors to improve services to arts center guests and visitors, she must also find ways to increase revenues from rentals and secondary facility use, while maintaining a strong connection to the Center’s mission as the community’s local arts and culture venue. Abigail’s preferred tools are the right staffing, clear organizational structure, and open communication at all levels of the organization. The chapter includes templates for budgeting, a daily rounds sheet for tracking maintenance and other facilities management tasks, and a detailed job description and organization chart showing how Abigail’s role fits into the larger whole.

Chapter 5, “Evaluation in the Arts,” addresses a high-need area in cultural management. Evaluation is increasingly recognized as an important, and minimum skill for ongoing management and decision-making in arts organizations. Evaluation is also the skill cultural managers are most likely to lack. Annabelle Jackson presents Noah, who must establish, for skeptical donors, both the success of and need for a learning program at a local craft museum in the face of diminishing participation. Tasked to perform an evaluation with limited resources, and limited knowledge of how to carry it out, Noah is further hampered by outdated records and incomplete institutional data. His concerted efforts to learn about evaluation, including how to select and hire an outside evaluator—if needed—are aided by a well-outlined, detailed set of steps. The chapter not only instructs the reader in the process of evaluation but also demystifies the complex terminology and concepts that too often intimidate cultural management practitioners.

The common thread among these chapters is that they present practice as emerging from a body of knowledge; they provide guidance more than just information and a set of steps to follow. Cultural management practices are thus seen through the lens of a coordinated system so that the reader can better appreciate why an action is taken rather than just how to do it. In this way, practice becomes deliberate practice conducive to the development of true expertise. Indeed, the chapters in this section also integrate with those in the remaining sections of this volume.

Part II begins with the practice of visual arts management. Providing a bracingly honest depiction of what it takes to succeed in the high-end world of primary art galleries, Chapter 6, “Managing Art Galleries,” by Melissa Rachleff follows the muddling and errors of Kim—once a successful intern at a local art museum and now an entry-level employee at a commercial art gallery. She discovers that commercial galleries operate quite differently than what she imagined.

Rachleff provides a rich history of the development of art galleries where reputation is as important (and maybe more so) than artistic talent. Kim’s desire to succeed beyond the lower stratum of the organization requires professionalism and dedication. It also demands a great deal of study and research, for example, reading contemporary journals and trade publications about the art world, and the artists and gallery owners who inhabit it. Much of Kim’s time, in fact, is taken up with learning more about her job, and about the visual art world in general. She also learns the protocols of working with artists, collectors, and gallery owners, as well as some of the ethical challenges currently confronting that world—one traditionally closed to many newcomers. Rachleff includes insight into how today’s era of reckoning of inequalities in visual arts fields is beginning to have an effect on the world of primary galleries. She discusses how some individuals have devised new, inventive ways to challenge the status quo. By the end of the chapter, Kim also learns the importance of collaboration—that is, working as part of a team driving the commercial success of the gallery.

Collaboration is also key to the work of Papingo, the theater manager featured in Chapter 7, “Theater Management through Successful Collaboration,” by Patrick J. Ebewo and Rachael Diang’a. Papingo battles a problem common to many theaters, and arts organizations in general—that is, failing to recognize that collaboration can only happen in an environment of communication, unified vision, inclusivity, and respect. Papingo has long dreamed of working for a theater company. His first experience has the potential for disaster until he recognizes that organizational structure and improved leadership skills are the missing dimensions. Although theater is often referred to as a collaborative art form, true collaboration depends on the clarity of purpose of those at the top who can either reinforce professional behavior or cause it to fall apart through autocratic and ego-driven behaviors. To achieve the former, Papingo sets about to define the various functions of theater personnel under an appropriate chain of command and defined parameters for creative versus administrative staff. The chapter outlines a set of processes for coordinating and integrating artistic and administrative objectives as twin necessities for a theater’s success.

Similarly, management of a symphony orchestra requires professionalism, willingness to collaborate, and good communication as minimum elements. Njörður Sigurjónsson covers orchestra management through the lens of leadership in Chapter 8, “Orchestra Leadership.” His protagonist, Ariel, a successful musician and member of the orchestra, is now in charge of the organization, which is recovering from the poor management of its former director. The leadership crisis is exacerbated by low morale, declining audiences, and the realization that the organization lacks relevance to the local population, which is far more ethnically diverse than the existing members and leadership team of the orchestra. Rather than rush to a solution, Ariel takes the time to understand the problems and listen to staff, musicians, Board members, stakeholders, and local residents

to develop a successful leadership strategy. The chapter covers the steps Ariel takes with concrete recommendations for implementing them.

Chapter 9 looks at the case of festival management. Festivals have proliferated, exponentially, around the world (Knowles 2012) as towns, cities, and nations have become convinced that they are an important (and foolproof) tool for economic development:

Events that used merely to be events have become “festivalised”: structured, marketed, and promoted in ways that stress brand identities, urban centers as tourist destinations, and the corporate attractiveness of “creative cities”, all participating in the so-called “eventification” of culture.

(Ibid, 4)

Although festivals are, indeed, a major driver in the global tourism industry, and can also supply local residents with arts opportunities they might not otherwise experience, success is far from guaranteed. In fact, there have been spectacular failures due to natural events (excessive rains and flooding is one of the most typical occurrences), poor marketing, lack of management, security lapses, and many other failures. Research, planning, organization, and resources are key determiners of the outcome. These are just the things the Town Council failed to supply Phoebe, the cultural manager they hired to design and carry out a major music festival.

“Festival Management Practices” by Olga Kolokytha shows Phoebe trying—desperately—to implement a music festival with too little time, money, and staff. She muddles through as best as she can, making numerous mistakes along the way. She confronts challenges beyond her control, but ultimately achieves a level of success. The festival takes place, but not without a large share of mishaps and crises. Undaunted, but far more festival-smart than when she started, Phoebe agrees to take on the festival planning and management for the subsequent year, but only on the condition of increased resources, staff, and a well-established plan.

Johanna Schindler contributes her expertise to Chapter 10, “Cultural Work.” In recognition of the many arts managers, including those with university degrees, who take on freelance work in the arts and culture sector, this chapter is one of the few, in any publication, that provides a detailed guide for prosperity in the uncertain terrain of gig, temporary, and self-employed work. The literature on precarity in the arts tends to focus on artists and the difficulties they encounter when trying to make a living from their creative endeavors. Far less has been written about cultural workers who take on management, project work, and curatorial functions as freelancers. Schindler presents Gael, who, in the chapter’s first paragraphs, is staying up late at night, eyes burning, to finish his many tasks. In that single (late) night, he has already missed several deadlines, losing, as well, a lucrative paid assignment due to his own lack of organization and taking on too much (in an effort to earn enough to get by). Similar to the other areas of management presented in this section, Gael needs a better system for staying on top of responsibilities. Schindler provides a step-by-step guide showing how Gael can better organize his work, including scheduling time off for rest and relaxation. Schindler also explains how to prioritize activities, including finding paid projects as a freelance cultural worker through networking sources. She provides, in addition, tips and marketing strategies to promote

one's freelance services. Schindler shows the wider context in which self-employed cultural work is increasingly the norm with encouraging developments, in many nations, to provide more financial security for individuals choosing this career route.

Connecting the chapters is the awareness that management of these various art forms and activities entails more commonalities than differences. No matter the circumstances, exhibition, presentation, and performance of the arts require planning, budgeting, staffing, funding, publicity, and marketing.

Part III covers systems of knowledge for cultural management in the scope of relevant laws, policies, and community contexts. Aspirations for the arts and what they do (and can do) for society have always been high. As long ago as the 5th century BCE, Plato wrote about the need for beauty as an essential component of any society meant to deliver justice to its people. In dialogues on the life of Socrates, Plato worried about the negative impact of unregulated art on individuals' beliefs and actions.

Confucius linked artistic practice to person-making and believed that art should serve the community (Mullis 2007). In the 19th century, William Morris wrote about the absence of beauty (or art) from everyday life, stating that the privation was a kind of slavery for humankind. He lamented "those who do not know what the scope of art really is, and how closely it is bound up with the general condition of society" (Zabel 1993, 19).

The 20th century saw the creation of the National Foundation on the Arts and Humanities in the United States, whose declaration of purpose claims the arts as a foundation for democracy and citizen wisdom (1965, 845). Arts Council England manifests the belief that great art and culture inspire and enrich human life (2022, para. 1). Currently, arts and culture are also positioned as a means to achieve a wide range of economic, social, and political ends.

Whether lofty, or realistically attainable, our best means for accomplishing these various goals is by a combination of artistic practice, management, and a system of policies and laws to support both. Without laws and a policy system, art and culture as we know it would not exist. Whether that is a good thing or not is a matter to be decided through active participation in civic life. In other words, the happy part of the equation is that the guarantees for engagement in the arts are those that also guarantee active participation by citizens and other members of the community in self-governance. Chapters in Part III supply readers with frameworks for knowledge, planning, and action in the arenas of life where arts and culture happen so that citizens and community members can reap their benefits.

Chapter 11, "Cultural Policy," provides arts managers with some of the basic language and processes for understanding how arts and cultural policy intersects with their daily, work lives. Trey, the education coordinator of a dance company, thinks that policy is just a matter of politics, which (he is convinced) is just another word for partisan in-fighting. He is unaware of how public policies permeate everything he does as an arts manager including the availability of grants (and his organization's eligibility to apply for them), arts education requirements (such as working with a local school district), and much more. Trey would also like to see more arts support in his community, including renovation of buildings as art spaces and creation of live-work spaces for artists. He discovers that knowledge of public policy processes applied to advocacy efforts (coupled with group action) can go a long way toward achieving those goals. The chapter's approach is

broad. Cultural policies vary a great deal from country to country and city to city. But there are many universal principles, and the general process of the policy cycle is essentially the same in any liberal democratic system. Examples of current national cultural policies from a number of nations are discussed in the context of how policy expresses each nation's values.

Chapter 12, "Art Activism and Community Engagement," by Simone Wesner offers advice to arts managers interested in effective and ethical activism. The best way to achieve these aims is through a process of research and well-laid plans. Wesner provides guidance through the initial failure, and then the success of Terumi, a cultural manager aiming to make a larger difference in her community. Initially diving into action, with little thought for process or outcome, Terumi organizes a happening to protest climate change. She manages, however, to raise the ire of the locals and the notice of local authorities (she never thought to obtain a permit). Taking a step back, Terumi decides to figure out how to translate her social justice aims into effective art activism by working directly with the community and using research to better understand existing needs. Research also allows her to know more about what strategies have already taken place, what worked and didn't work in the past, and who the local players and stakeholders are with which she should collaborate.

Arts managers new to art activism will gain an overview of its intellectual history and some of its dominant figures, theoretical underpinnings, and important ethical considerations. The chapter discusses power struggles as woven into the fabric of activists' work, highlighting change as the main driver of activism. The relationship between aesthetics and the social, which has dominated art community settings, is foregrounded, explaining why art activism comes in many forms. The increasing importance of ethics in art activism is considered alongside human rights and welfare concerns. The chapter concludes with a summary of trends that are likely to impact on activist work in the future and that every arts manager should consider in contemplating necessary change. Wesner makes connections to arts policy, clearly differentiating between policy and activism, noting, however, the importance of policy knowledge to the art activist's success. The chapter also provides guided steps for research, planning, and implementation of social justice action through art.

Chapter 13, "Law and the Arts," finds Donovan just six months into his job as Assistant Director of an arts center, saddled with new and greater responsibilities. Lack of knowledge of basic, although essential, legal matters, lands him in trouble—potential liability issues, copyright infringement, poorly written contracts, questionable ownership of a donated item, and unauthorized use of organization property. Just knowing when to contact a lawyer, rather than trying to sort things out on your own, is a worthy lesson he learns. The chapter goes beyond Donovan's immediate concerns to cover a broad range of legal matters intersecting with the arts. It provides a framework for understanding how laws get to be laws in the first place, differentiates between criminal and civil matters, and gives concrete examples of situations where arts organizations, arts managers, and artists might find themselves in legal trouble.

The focus of these final chapters is to demonstrate that however we position the arts in our private and organizational lives, there are processes in place that facilitate our experiences, expectations, and outcomes. Knowledge of those processes not only makes

arts organizational success more likely, but it can also prevent, or at least minimize, the kind of mishaps that can land an arts manager, or arts organization, in trouble.

SUMMING UP

Harvard Business School, which may know a thing or two about management, asserts that organizational decision-making, in today's world, should include the following: information gathering, strategy, and long-term thinking combined with short-term action, clear internal and external communication, and a frequent review of policies and processes to address future crises (Groysberg & Abbott 2020). This is a fair description of what it takes to manage an arts organization, too. It is also a fine synopsis of skills emphasized in this volume.

Contact with multiple points of view outside of organizational hierarchies, rehearsing multiple modes of response to solve arts management problems, taking opportunities to reflect on the theoretical and practical implications of one decision over another, and exposure to literature and textbooks as the entrée into accumulated knowledge are all the things that a cultural management education (whether in the classroom or through self-study) can provide.

As a final word of introduction to this volume, it is useful to know that the first drafts of this book were completed before Covid-19. Early in the pandemic, there were fears that ways of life would be permanently altered, including production, dissemination, and management of the arts. Acknowledging that we have all been profoundly affected (the authors, editor, our eventual readers, and everyone else in the world), many things, nevertheless, have not changed. Arts and culture, which have survived many calamities through the course of history, will continue to thrive in some form. Similarly, the field of arts and cultural management has been affected, although it is not yet clear how. Despite the pandemic and other past and present disasters, performances and exhibits found (and are finding) ways to adapt. Whether the adaptations are temporary or permanent in the repertoire of arts management practices is yet to be seen. Either way, arts managers still have a role to play as mediators, facilitators, and knowledgeable anchors who help make the arts happen through the cultivation of their practice—that is, through ongoing professional development and learning. The poet Adrienne Rich commends such pursuits, stating, “*You must write, and read, as if your life depended on it... [or] At most, as if your livelihood depended on it: the next step, the next job, grant, scholarship, professional advancement, fame; no questions asked as to further meanings*” (2003, 33, original italics). In other words, in the contemporary world, successful arts managers must embrace every opportunity to learn a living.

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PART I

Cultural Management Practices

Financial Management for Decision-Making in the Arts

Constance DeVereaux

SCENARIO

Sunil is the Artists' Services Coordinator at Capital City Arts Organization (CCAO), a mid-sized, nonprofit organization that offers live performances, exhibitions, classes, and lectures to the community. The organization also provides both free and paid services to artists on how to promote their careers through grant writing, marketing, and basic financial skills, and provides governance training to individuals serving on organizational boards.

When he applied to CCAO several years ago, Sunil had been looking for a steady, full-time job to stabilize his income over and above what he made as a part-time musician and ceramic artist. The fact that he had been well known by the local artist population, and a working artist himself, counted a lot in his favor during his interview. Now that he's been on the job for several years, he wonders why the search committee hadn't cared more about skills in the day-to-day tasks of the job: soliciting and tracking donations, managing grants, designing and implementing artists' services programs, overseeing and approving expenditures, and similar financial management functions. He often feels he lacks some of the essential knowledge that would help him do this part of his job better, as well as the needed confidence to talk effectively about financial matters with colleagues, donors, and granting agencies. Since he aspires to continue his career as a cultural manager, maybe even take on the CEO position at an arts nonprofit someday, he feels he would be well served by knowing more about how the money side of arts organizations work.

Sunil would also like to offer new programs at CCAO that he thinks will better address artists' needs. So far, the Board and current CEO haven't been very receptive. Board meetings lately seem to revolve around how the organization (in particular the staff) should pay more attention to efficiency and "the bottom line." Jeff, the President of the Board, has been saying that the organization would be better off if it ran more like a

business instead of “something a bunch of artists put together.” Sunil realizes it’s because Jeff is worried that several big donations might not come through, but he objects to the notion that artists can’t be good decision-makers. On the other hand, his own accounting training (back when he was at university) included only a single course focused on for-profit, rather than nonprofit finances. As a result, he is too intimidated regarding financial matters to counter Jeff, or to join in the discussion of the financial side of his programs. He finds that the financial statements distributed at Board meetings are dense and complex. Although he has a cursory understanding of the information they convey (he took that accounting class after all), the various columns, codes, and special funds, in special categories, are rather overwhelming. In truth, he is often perplexed at how the organization arrives at decisions with financial impact since Jeff often deflects questions from other Board members and staff on these matters.

Sunil also questions if all the talk about business doesn’t take away from the wonderful services CCAO provides. He’s bothered that in the current climate, he is unlikely to convince the Board to support his new programs. He thinks if he could better articulate their value in financial terms, it would go a long way toward convincing them. At the same time, he would like to be able to have more productive conversations with potential sponsors and donors. Although they often recognize the value of his programs, they want concrete proof that their funds are being spent wisely.

Maybe he should have majored in accounting instead of art classes, he speculates aloud to his friend, Vera, over lunch. She has been working as the CEO of a local dance company for the past several years. What he is really looking for from her is a bit of helpful advice.

ISSUES

- Poor understanding of nonprofit finances;
- Assumption that nonprofit organizations should operate like for-profit businesses;
- Lack of transparency;
- Feeling intimidated by financial matters in the organization;
- Lack of clear articulation between the Board and programs;
- Low confidence in discussing the benefits of programs using financial terms;
- Inability to read and use financial reports effectively.

INTRODUCTION

Sunil’s situation is similar to many cultural managers who don’t have the knowledge and training to track and use financial information. Although taking higher-level accounting classes—focused on nonprofit management—would add to Sunil’s acumen, it isn’t

required for the day-to-day financial management he needs to perform his job, as long as he acquires a greater ability to understand financial reports and the facility to use them as decision tools.

The approach of this chapter is to help cultural managers, like Sunil, develop basic vocabularies, fundamental skills, and the understanding of how activities of a nonprofit arts organization translate into numbers, recorded in financial reports, which then form the basis of sound decision-making.

Among the first things Sunil should understand is that the financial management of arts organizations, of necessity, intersects with all other activity areas simply because all of an organization's activities have a financial impact, either because they cost money to carry out or they bring money into the organization. Even if an arts organization uses only donated goods and all volunteer labor, it will still need to account for these resources; the most convenient way is in numerical, monetary terms.

Before delving further into the topic of financial management, an important disclaimer is that this chapter will not provide comprehensive tools for organizational financial accounting. The emphasis, instead, is on acquiring sufficient skills to translate financial information into effective action; to be able to talk the talk of financial management, with confidence, among arts organization peers, board members, staff, donors, and other stakeholders.

Sunil's friend, Vera, agreed that more knowledge about the basics would be very helpful. But she also pointed out that his aim wasn't really to become better at accounting, but to be better at understanding the integration of financial activities into the organization as a whole. "The key is a core set of reports that will give you a picture of the financial health of the organization," she said. "In fact, you can use the organization's financial data to produce your own, internal reports, as cheat sheets, or guides, to keep track of financial activities on your own."

Taking Vera's advice, Sunil set about to learn more about five key reports: the organizational budget, and financial statements showing financial position, financial activities, functional expenses, and organizational cash flow. This chapter follows Sunil on his learning journey.

Keep in mind, however, that no matter how financially fluent Sunil might become, the organization will still require the services of a trained accountant—whether as paid staff or contracted from an outside firm—for preparation of official accounting reports. Required legal forms must be properly prepared and filed. Granting agencies often require financial reports prepared by a trained accountant. The aim, therefore, is not to replace the accountant, but to enhance one's ability to contribute meaningfully to decision-making by developing a facility with financial matters. Further, no single chapter, or book, can be a one-stop-shop for what Sunil needs to learn. But, laying the groundwork, with basic information, will provide tools to pursue additional information on his own. And it will significantly contribute to Sunil's goal to excel at his current job, as well as to pursue higher-level arts organization positions as his career progresses. To that end, Sunil considered another piece of Vera's advice: to think about financial information as part of the organizational story.

FINANCIAL DATA AS A STORY

Viewing financial data as a basic component of a narrative about an organization—its past, present, and future—is one way to bridge the gap between seemingly complex numbers and the beneficial work the organization does in the community. Being able to translate numbers into meaningful outcomes will help Sunil better understand the activities his organization engages in, their sustainability over time, and the organization's prospects for future growth. He is already familiar with the notion of telling his organization's story to donors, sponsors, stakeholders, and the artists who use his programs. Including a financial dimension can add meaningful details, especially for those who care about the financial health of the organization. Sunil should be aware that the point of financial reports is not simply to see if he has enough money to cover expenses. They also convey a narrative showing whether the organization is successful or struggling, has enough staff, resources, members, and donors, and whether it is using its resources wisely. Financial reports reflect the success of programs, the value of the classes he offers, and the needs of the community being met. Donors and granters use an organization's reports to compare the sound financial decisions of the organization to other similar organizations, and Sunil can do the same at both a program and an organizational level.

If Sunil imagines CCAO as the central character in the story, financial reports tell him (and others) what kind of life it is leading. And, if he imagines himself as a creator (or co-creator with others) of the organization's story, he will have a better perspective on how he can take part in directing the organization toward a successful, long, and productive life, whether as a staff person in charge of just one program or (in his long-term goal) as CEO.

One caveat is needed, however. Since the focus is on the ability to use financial information for effective decision-making, the approach in this chapter may differ from the way it is presented in a standard accounting text. That is not because the information is incorrect. Rather, it is framed with the purpose of understanding financial management from the point of view of a mission-driven, nonprofit arts organization where decisions take into consideration the motivations of individuals to participate in the arts (either as audiences or as employees and Board members), the realities of working with a volunteer board, the challenges (and opportunities) of collaboration with creative individuals (such as artists and other creators), and other, unique aspects of nonprofit arts organization management. It also takes into consideration the individual cultural manager interested in getting a better handle on the financial realities of an organization and its programs. To begin, therefore, we look at some common misperceptions about nonprofit arts organizations.

Common Misperceptions

Early in the development of arts and cultural management as a formal field, debates about whether it was a subfield of business management or something else altogether were rather frequent. Defining just what arts/cultural management is and what it isn't concerned many journal articles, conference presentations, and conference meetings of

professional arts management associations. Although there are still some holdouts concerning the matter, it is now generally agreed that while arts and cultural management and its practices have some things in common with business management, their respective principles and philosophical underpinnings are very distinct.

A common problem stems from speaking as if the terms *business* and *management* are one and the same. This view ignores the many differences between nonprofit and for-profit enterprises, as well as the differences between arts nonprofits and other types of nonprofit organizations. Many of the financial complexities of running a nonprofit arts organization stem from the need to reconcile artistic aims with financial realities while demanding “the contextual knowledge required to successfully navigate the nonprofit realm” (Heidelberg 2019, 56).

The notion of *management* as a synonym for *business* misses the point that management activities can occur in settings that have nothing to do with running a business. In fact, management is just the control of resources (materials, people, time, and money, for example) no matter the setting. Consider that water management, systems management, case management, time management, and weight management are familiar terms for things that don’t fall under the category of business. Likewise, the assumption that arts management is, inherently, a subfield of business management is mistaken. Commenting on the role of cultural managers, Behnke (2010) notes that their “sphere of action is found at the interface of heterogeneous social subsystems such as culture, state, economics, education and media... They must rise above their administrative work and be able to see the ‘big picture’ in order to develop a vision” (29). Seeing the big picture is an essential part of leadership. The point made is that administrative work isn’t the function of a nonprofit organization. But in order to deliver on its mission, it needs to stay on top of these functions. In practical terms, it means the need to track and control activities, resources, and assets to support the organization’s central arts functions.

What does it mean to be in control? It means that you have written plans for your organizational activities taking into consideration the costs—in terms of staff time, materials, and the funds needed to cover those costs, while also weighing considerations of the artistic objectives of the organization in service of its mission.

It includes tracking and controlling sources of funds (donations, ticket sales, grants, and other sources). Further, it means a commitment to following your written plans in order to make sure that you don’t lose control of resources through waste, cost overruns, inattention, or other mistakes. That doesn’t mean that plans are written in stone and can never adapt to the dynamic realities that occur in any organization. In Sunil’s experience, between the time he conceptualizes a plan and the time he implements it many things can change. Materials might cost more (or less), items may suddenly be unavailable or take longer to obtain, staff may leave, and new people will be hired. However, even in an environment where change is inevitable, Sunil is more likely to be in control of his resources with a written plan than without.

So, why do some people think a nonprofit arts organization should function more like a for-profit business? It’s hard to say; the dictum may be little more than jargon used by people who are not familiar with how an arts nonprofit operates. Perhaps they mean that cultural managers should maximize efficiency and productivity, and that decisions they make should attend to “the bottom line” by focusing on revenues and cost-cutting.

Perhaps they are saying that an arts nonprofit should operate on the same principles as a commercial enterprise.

The problem with such thinking is that the strategies a for-profit business uses to operate profitably don't apply, in the same way, to the management of a nonprofit arts organization. One writer puts it this way:

The ultimate goal for commercial business...is profit-making, the accumulation of economic capital by a dominant market position. Outside the commercial cultural industries, this is not the goal for arts organizations.

(Kirchberg 2019, 226)

In sum, the problem with thinking that a nonprofit organization should be more like a for-profit business is that a nonprofit is not *for profit*, by definition. Different laws and regulations apply to the two types of enterprises. And while nonprofits must, absolutely, have income in order to carry out their functions, their reasons for securing revenues are decidedly different. Foremost, unlike a nonprofit enterprise, a for-profit company's earnings provide a livelihood for its owner(s). That is never the case with a nonprofit organization simply because nonprofits don't have owners.

On the opposite extreme, some people think that the term nonprofit means that an organization cannot have excess income, that it is okay to lose money. In fact, the term *nonprofit* refers only to the fact that the organization cannot earn a *profit*, in the strict meaning of that word. Although we often use "profit" when we talk about excess revenue (of any kind), the word, more precisely, refers to the revenues of a for-profit company, which are considered the earnings of a company's owners or shareholders. The for-profit company distributes or pays out these earnings to its shareholders/owners (which they can then use for their own private purposes). Maximizing profit, in the case of the for-profit company, means a bigger payout for shareholders.

In contrast, a nonprofit organization has no shareholders or owners, so it will never have profits. Instead, all excess revenues are retained by the nonprofit for use in its programs and operations. While staff earn their livelihood, through salaries, they are not the owners of the organization; their salaries are part of the nonprofit's operational expenses. Further, maximizing revenues beyond what it needs to operate is not the primary objective of a nonprofit organization. Sunil's incentive for increasing program revenues is that he will then have more to spend on programs in the future, and not simply to show increased income.

Sunil should realize that breaking even is also a good outcome. When that occurs, the organization has spent precisely the amount of money it took in and spent it, in turn, on its various operations. In stark contrast, breaking even, for the for-profit enterprise means expenses are covered but there is no additional revenue paid out to owners, as income, which is why the for-profit seeks to maximize income.

Even so, it is common to hear people refer to excess revenues of a nonprofit organization as "profit." Rather than quibble over terminology, the important point is knowing the key difference between nonprofit and for-profit enterprises, which can be summed up by answering these two questions:

- Who owns the organization?
- Who benefits from its excess revenues (Calafato 2011)?

In contrast to a for-profit entity, no one owns a nonprofit organization, and it is the organization itself that benefits from excess revenues.

In sum, money taken in by a nonprofit should always cover the expenses of carrying out its activities. If it brings in additional money beyond that, it needs to spend it, in some way, in fulfillment of its mission even if it simply banks the money for future use (which will then be clearly shown in its financial reports).

In terms of priorities, therefore, Sunil should know that the primary aim of any nonprofit organization is the delivery of its programs. That means the focus of his financial management activities should be on ensuring revenues are adequate to cover program (and related) costs. The various revenue sources he can rely on are grants (from private foundations and governmental agencies), donations, tickets for exhibitions/performances, gift shop sales, food concessions, and other, similar sources. These revenues, in turn, allow the organization to continue delivering its arts services.

To further understand the financial aims of a nonprofit organization, it is also helpful to have a better understanding of terms like *efficiency*, *productivity*, and *bottom line*. The first two terms are related. Productivity is a measure of efficiency understood in economic terms. Typically, it measures inputs versus outputs over a period of time. Stated in money terms, efficiency is highest when the costs of an activity are lower than the revenues received. The higher the efficiency, the higher the so-called productivity of the organization. The bottom line refers to the final total shown on a financial report, but often connotes the idea that the total should show the organization's increase in income, rather than balanced revenues and expenses (such as in the case of breaking even).

Efficiency, productivity, and the bottom line, in the case of a nonprofit organization, however, may not look the same as they do for a for-profit enterprise. To illustrate, consider a comparison of two fundraising activities Sunil organized in a previous year. He wants to better understand how each activity contributed to program and organizational goals.

A comparison of a fundraising gala and a social media campaign is shown in Table 1.1. Costs for each include staff time and other resources. As the table shows, the social media campaign resulted in a net gain in revenues of \$7,000. The gala brought in the same amount of money at a higher cost, netting only \$4,000. From a purely monetary standpoint, it might look like the social media campaign is the better choice. However, there are a number of other values that Sunil should consider.

As one writer has pointed out, the goal of a nonprofit arts organization is not "cost minimization of production processes. In other words, they do not pursue process optimization as an identity-serving goal (for itself), but only as a secondary strategy" (Kirchberg, 227).

What that means is that decisions about what is best for the arts nonprofit should not be solely driven by cost-benefit calculations. *Cost-benefit* is an economic term that calculates the monetary benefit received from an activity and compares it to the monetary cost. In these terms, Sunil might assume that the social media campaign has more

TABLE 1.1 Comparison of Fundraising Activities

	<i>Fundraising gala</i>	<i>Social media campaign</i>
Costs	6,000	3,000
Revenues	10,000	10,000
Net revenues (after costs)	4,000	7,000

favorable outcomes. But, on reviewing other data, he notices that the average age of people who donated on social media is lower than for the gala. That's good if he is trying to attract younger donors. But he also sees that, on average, each social media donation is less than for those who attended the gala. The higher net revenues for the social media campaign came about only because of its lower, overall cost. Further, the gala produced some peripheral benefits, such as community goodwill, since he hired local caterers and musicians, and also garnered local media attention (a story with photos in the newspaper, and an interview on the local television station). Even so, on the side of the social media campaign, the online event garnered lots of shares, likes, and clicks requesting information about upcoming CCAO events.

Both of the fundraising activities that Sunil compared resulted in net revenue gains—in other words, CCAO didn't lose money either way. Each also resulted in non-monetary gains that benefited the organization. In sum, Sunil can't judge which is the better fundraising event simply by looking at bottom-line, net revenues.

In fact, *intangible benefits* (like goodwill) are a characteristic of the services and activities of nonprofit arts organizations. By their nature, intangible benefits are not easily calculated in cost-benefit terms, productivity, or efficiency. It is also important to ask who benefits from the activities of Sunil's programs and CCAO in general. In the case of a for-profit organization, its owners benefit. In the case of a nonprofit, the primary benefit should be for the public served (which does not mean that there cannot also be benefit for the organization).

Further, an organization that covers its expenses while delivering on its promised services (performances, events, exhibitions, educational activities) in fulfillment of its mission can be counted as a successful nonprofit organization. In contrast, a nonprofit organization that is skillful at bringing in donations and earned income, but does not fulfill its mission, could not be counted as successful. Earning revenues beyond what it needs to sustain itself has no necessary merit. Although decisions must always include the financial impact of any activities undertaken by a nonprofit arts organization, money considerations should not override other organizational values. With this in mind, the next section looks more closely at decision-making through the lens of financial impact.

FINANCIAL MANAGEMENT FOR DECISION-MAKING

We've all heard the advice to think before you act. In the case of managing the resources of an arts organization, it should be PLAN before you act. Sadly, too little time and

thought are put into planning processes. Planning isn't just deciding what activities to engage in or what outcome you hope for. Effective planning includes envisioning the resources and timeline for achieving your outcomes, and how they will be used, documented, and managed. Too often, we would rather get to the end result than spend the time making sure we'll actually get there. As you might predict, failing to plan is the cause of many mistakes and missteps in arts organization management. There is a saying that it is more likely that things will accidentally go wrong than that things will accidentally go right. For that reason, planning isn't an extra step, it is an essential step.

Sadly, some people avoid planning because they are reluctant to set things down in writing. They believe that once they do, they are irrevocably committed. In truth, even the best plans need to be flexible enough to accommodate changing circumstances. Sunil can use a written plan to help him achieve the goals of each of the programs he administers. If circumstances change, the plans will help him make the adjustments needed so that he can still achieve them. A written plan is easier to follow than a plan that exists only in your head but is also easier to adjust as needed. Further, a written plan lays out the resources Sunil will need, the timeline, and other important considerations that can then be used to create internal financial reports for decision-making use. And a written plan (more so than one delivered verbally) encourages deeper reflection and can be more widely disseminated to other interested participants, such as staff or stakeholders.

Earlier in this chapter, the idea of financial reports as a narrative was discussed. Financial reports can also be thought of as types of plans rather than simply as records of money activities. Seeing them as plans may increase the likelihood that you will use them as active management tools.

As an example, one problem that Sunil has encountered is that he is often asked to design programs or plan events with a specific budget in mind—that is, he's told what he can spend (what amount of money is available for his use) and is expected to turn out a program or event within the given financial parameters. He understands that he can't spend money the organization doesn't have, but he wonders if it might make more sense to envision the ideal program, and then secure the funds needed to carry it out. What might result, he speculates, from imagining a program that emerges from passion and commitment to the organizational mission instead of one that focuses on staying within a pre-determined budget?

An advantage of nonprofit organizations is that they aren't solely dependent on earned income (such as ticket revenues). They can seek additional funds—at any time—by securing a donor or winning a grant. Of course, doing so isn't necessarily easy (in fact, it entails a lot of work). In principle, however, Sunil and CCAO have a certain degree of freedom, especially during the design phase, to create the programs they want without undue concern about cost. Keeping in mind that neither his initial design nor any subsequent plan is written in stone, Sunil can use his imagination, fueled by research, to conceptualize a new program. Rather than looking at how much is available to spend, he can start with a set of questions that will help him focus on organizational goals and needs. For example:

- What activity or project will help the organization fulfill its mission and reach its goals?

The answer to this question will help Sunil conceptualize and design a program that specifically addresses these needs.

- If I create this activity or project, what outcome do I want to achieve?
- Why is achieving this outcome important (to me, to the organization, to the public served)?

Sunil can consider all who will benefit from the program, why they will benefit, and how to make sure the program he creates provides outcomes specific to the various needs of the organization, and how it supports the organizational mission.

- What resources are needed (personnel, amount of time, funds, materials) to carry out the activity in a way that will achieve the desired outcomes?
- How will I acquire these resources and what costs are associated with acquiring them?
- What things might go wrong that will impede my plan (delays in receiving materials, staff turnover, insufficient funding, miscalculations of the time or resources needed, or other impediments)?
- How will I handle these challenges and will it cost money to do so?

Sunil's list of questions is not exhaustive. He can pose more as they occur to him as he moves through the planning process. The essential point is to think—first—about what he wants to achieve, and then figure out how much it will cost to accomplish it. By doing so, he has the opportunity to design the programs that best serve constituents' needs. If he's unable to secure the needed funds he may have to scale back his program. But beginning with program needs means he can design the program that best achieves his vision. In contrast, if his program design aims primarily at not overspending a budget, he may miss an opportunity to achieve a grander vision.

The questions he poses are not for idle contemplation. Sunil should put considerable thought and consideration into his answers, contemplating realistic outcomes and potential challenges. He might then formulate them in written form, to share with colleagues, and to elicit feedback, as suggestions and critiques, so he can improve on his concept. He can also use the questions and answers as a way to structure a preliminary plan of action. He can add a timeline and a list of resources, costs, and possible revenue sources. Once he articulates how the program connects to mission, and why it is important to carry out, he will have an easier time justifying costs to other decision-makers in the organization (such as the Board), not to mention developing useful language for soliciting funds from donors and sponsors.

With these considerations in mind, Sunil is ready to explore creating his own, internal financial reports from both a program and an organization level, namely:

- The Budget;
- Statement of Financial Position;
- Statement of Financial Activities;
- Statement of Functional Expenses;
- Statement of Cash Flow.

Nonprofit managers, like Sunil, use these financial statements to:

- Determine income, expenses, assets, and liabilities of an organization;
- Facilitate connecting mission, goals, and objectives to organizational functions and activities;
- Record and regulate use of income and assets;
- Communicate information about organizational health to others;
- Plan and maintain control over the activities of the organization;
- Make appropriate adjustments to plans as realities change;
- Ensure transparency, adhere to ethical practices, and comply with legal requirements.

THE BUDGET

Budgets are supposed to help managers, not intimidate them (McLaughlin 2016, 163). Accounting reports are intimidating to some people because they may see them as just lists of numbers organized into various columns, connected (but just how?) to the organization, and often more complex in their presentation than needed for everyday use. Budgets may include special codes for different kinds of accounts, receipts, and payables, multiple columns relating to how funds are received or expensed, and projections for anticipated expenses and revenues over multiple years. Donors, granting agencies, and financial institutions (that may supply loans) may use these financial reports as one way to decide if they can have confidence in an organization's leadership team to carry out its mission and achieve goals and objectives.

Although professional financial reports are needed to keep the organization on a secure financial footing, the information they contain may exceed what is needed for daily management. A simple budget Sunil creates for his own use does not need the same level of complexity.

Where to Begin?

Both organizational and program/project budgets are forward-looking. They are essential tools for future planning, outlining the future activities of the organization, how much they will cost, and how you intend to pay for them (what the revenues will be and where they will come from). You prepare a budget this year, for example, in anticipation of activities you will carry out next year. Organizations will typically project forward on a five-year timeline, which is useful to plot a long-term course of action. With experience, Sunil can develop the acumen needed to create longer-term organizational and program budgets. At the same time, a one-year projection is also useful for focusing on shorter-term management concerns, smaller programs and projects, or programs and projects that are more temporary.

If you are new at creating budgets, the best way to begin is to simply list the things you think you will spend money on as an organization. As a first step, don't worry about how you organize the items. They don't even need to be in a spreadsheet. You can simply

list them on a piece of paper or in a computer document as they occur to you. This will help you consider all the ways the organization spends money. Later, you can organize the items into categories.

Include everything you can think of. You can pare down the list later if needed. It's better to have a list that's too long than one that leaves out important expenses. Share your list with others who might be able to suggest things you forgot or haven't considered.

Things to include are rent (or mortgage), utilities, internet, phone service, individual salaries for each paid staff person and any temporary staff, printing costs, repairs, janitorial services, delivery fees, supplies, and anything else you can think of. Don't worry at this point about how much each item costs or whether or not it's something you might acquire for free.

Once you have your list, organize the items by categories such as:

- Salaries
- Office expenses
- Utilities
- Equipment repairs
- Fundraising costs
- Program expenses

Note that the number and kinds of categories you create depend on your organization and its needs. Most organizations will have a category for salaries, office expenses, and equipment repairs, but there may be categories that are particular to you. For example, a dance or theater company might have a separate category for costume storage and repairs, while an art exhibition space might have a category for curatorial costs.

Revenues

Once you've laid out all the cost items, create the revenue, or income side of the budget. List all the sources of income and how much you anticipate receiving from each one. For example, your categories might include such things as:

- Memberships
- Donations
- Grants
- Ticket sales
- Concessions

A common question relating to nonprofit budgets is whether or not to include *in-kind* income. Nonprofit organizations often receive donations of items or services instead of cash donations. For example, Sunil organizes workshops, by local experts, as part of the Artists' Services program. Sara Learned, a local attorney, who leads a workshop on contracts, always declines the payment Sunil offers. In order to account for this in his budget, Sunil should show it both as a cost under expenses, and income under revenues. Including it in the budget accurately shows the true costs of his program. By declining

the payment, Sara is essentially making a donation to CCAO that covers the instructor cost. Sunil should indicate that it is an in-kind donation.

Similarly, a local store donates printing paper, pens and pencils, and other materials Sunil distributes to workshop participants free of charge. These items should show as a cost in the budget, with their value also entered as revenue.

Since the budget shows anticipated revenues to be received at some future date, Sunil has to be cautious that some revenues may not be guaranteed. He may not secure a grant, a donor might change her mind before pledging money to the organization, or ticket sales may fall short of expectations. A rule of thumb in preparing a budget is to overestimate costs and underestimate revenues. Some cultural managers add a percentage to all expected costs (for example, 10 percent), and conservatively estimate revenues just in case of a shortfall during the budget year.

Mind the Details

Another important question in creating an internal, working budget is how much detail is needed? Sunil notices that the organizational budget prepared by CCAO's accounting staff combines money amounts into large categories. For example, the heading "salaries" shows a single dollar amount in this way:

Salaries	185,000
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It's hard to tell, just from the budget, whether the amount shown is the salary of just one person, or if it is actually the combined salaries of several people, as shown below:

Executive Director	60,000
Assistant Director	45,000
Grant Writer (part-time)	55,000
Office Manager	25,000

Breaking categories down to provide more detail is characteristic of the kind of internal, financial reports Sunil is creating. For day-to-day decision-making, it is better to list each salaried position to make it clearer how this money is spent and how those expenses relate to other activities. Likewise, under "office expense," it is useful to list the various things you spend money on to support administrative operations. Under revenues, it is helpful to see a list of the various grants you receive rather than showing one lump sum. Doing so allows you to see relationships of costs to organizational functions, leading to useful questions such as:

Are we paying the Grant Writer too much or too little compared to grant revenues? If we increase the Grant Writer to full-time, how will the salary compare to the Executive Director's? Do the performance expectations of the Office Manager match the compensation paid? How do salaries compare to other organizational expenses?

Details on such things as “office expense,” as shown below, can lead to similar reflection and scrutiny.

<i>Yearly office expenses</i>	
Rent	7,800
Utilities	2,100
Phones and internet	1,560
Photocopier services	600
Petty cash	750

Details on the expense side show, more precisely, where money is spent but also allow Sunil to consider how funds might be re-allocated for better use or where money could be saved by reducing expenditures. For example, is it possible to reduce utility costs by installing motion sensors or energy-efficient lights? Can he find a better deal on phone and internet service? Is there too much in petty cash or not enough? He can also compare individual costs and revenues in order to think about how raising ticket prices, for example, might affect attendance or if reducing the number of advertising posters (to save money) might affect ticket revenues. Should he increase membership fees incrementally to augment revenues and risk alienating existing members? Or is it better to find other ways to increase revenues and reduce expenditures?

The budget, alone, won't provide the answers, but the fact that it can stimulate these and other questions is significant for management, leadership, and control of resources. Adjusting costs at the micro level can also be the difference between going forward with a project or eliminating it altogether for lack of adequate funding.

Doing research is a regular part of creating budgets. It's not always easy to determine how much things will cost or how much revenue you can expect to receive. If your organization has been operating for some time, you can find details on rent, utilities, salaries, and other items by looking at a past budget, income statement, or other financial records (if they exist). Adjust as needed if costs have gone up or down. Board members or other staff can also be a source of information. If your organization is new (and doesn't have a past or current budget), or if, like Sunil, you're developing a new program, you may have to do a bit more research. He can look at similar programs he's done in the past as a beginning point and then increase or decrease based on his best estimates of what he'll need for the new program. Contact local providers (utilities, phone and internet, repair companies, equipment leasing companies, and other service companies) to ask for an estimate of costs. Estimates may not be perfectly accurate but are a good starting point. As Sunil gains new information—and more experience in projecting costs and revenues—he can make adjustments. As noted earlier, it may be wise to overestimate costs by a small percentage and underestimate revenues to prevent any shortfalls.

Simple, Internal Reports

To review, you can create an easy-to-read, accessible, and intelligible budget document that provides you with decision-ready information. An operational budget showing one space for expenses and another for revenues is sufficient for many decision-making needs. Some budgets also include columns for projected expenses and revenues with another for tracking actual costs and expenses (that is, what you really spent or earned). Sunil experimented with both types using information from an existing CCAO budget to see which would serve him best. Tables 1.2 and 1.3 show his drafts of each type.

Table 1.2 shows an annual budget for a particular year. For illustration purposes, it shows only some of the possible expenses and revenues for the organization. Sunil's aim is to create an easy-to-read document that shows what money is needed, how it will be allocated, and what revenues are anticipated to cover the costs.

TABLE 1.2 Sample Budget for 20XX (One Column)

<i>Budget Central City Arts Organization For Year 20XX</i>			
<i>Expenses</i>		<i>Revenues</i>	
Salaries		Donations	
Executive Director	85,000	Mr. M. Donor	15,000
Fundraising Coordinator	72,000	Ms. G. Giftgiver	93,000
Events Manager	63,000	XYZ Corporation	21,000
Yearly Rent	6,000	Sponsorship	
Office Expenses	8,000	Delicious Beverage Company	32,000
		Ticket Sales	
		Summer Performance	17,000
		Spring Performance	20,000
		Grants	
		Arts Foundation grant	27,000
		Memberships	
		Gold Members	3,500
		Basic Members	5,500
Total Expenses	234,000	Total Revenues	234,000

TABLE 1.3 Sample Budget for May 20XX (Three Columns)

<i>Budget Central City Arts Organization For May 20XX</i>			
<i>Expenses</i>	<i>Projected</i>	<i>Actual</i>	<i>Variance</i>
Salaries			
Executive Director	85,000	35,000	50,000
Fundraising Coordinator	72,000	30,000	42,000
Events Manager	63,000	26,250	36,750
Yearly rent (prepaid)	6,000	6,600	<600>
Office expenses	8,000	4,000	4,000
Total Expenses	234,000	101,850	132,150
Revenues			
Donations			
Mr. M. Donor	15,000	15,000	0
Ms. G. Giftgiver	93,000	80,000	<13,000>
XYZ Corporation	21,000	0	<21,000>
Sponsorship			
Delicious Beverage Company	32,000	15,000	<17,000>
Ticket Sales			
Spring Performance	17,000	16,000	<1,000>
Summer Performance	20,000	0	<20,000>
Grants			
Arts Foundation grant	27,000	27,000	0
Memberships	9,000	10,000	1,000

What to Notice

- The budget is appropriately labeled with the name of the organization, the type of financial document, and the period covered.
- Expenses are listed before revenues. Since a nonprofit organization's main goal is to provide services rather than to earn money, it is useful to list the expenses first in the financial document. These expenses represent the activities the organization

will carry out and the cost of doing so. Consider that the budget is a promise of what you will do; the organization will strive its best to deliver on that promise by taking in the revenues needed. However, as noted previously, the revenues are the means to accomplishing your ends rather than an end in themselves.

- The expenses and revenues are equal. Since the budget is a projection of what you intend to do, it makes sense that you intend to cover all your expenses. So, the revenues you list should do just that. Similarly, there is no reason to intend to take in more money than you need. A budget that shows excess revenues that are not accounted for in the expense portion of the budget will raise a red flag with funders and granters. They may ask themselves, “If this organization has unaccounted for excess funds why do they need our grants or donations?”
- Numbers are aligned to the right (right justified) for easy reading. Numbers are rounded to whole numbers instead of showing cents, or decimal amounts.
- The formatting provides only what is needed; no extraneous information has been included. Since readability is one of the aims of the internal, working budget, it is best to avoid unnecessary or excessive formatting. For example, it is enough to show headings in bold. They do not need to also be underlined, in italics, and capital letters. Currency symbols do not need to be included unless you need to highlight which currency is being used.

Sunil decided he would also create a simple two-column budget showing projected costs and revenues alongside actual revenues and expenditures. His sample is shown in Table 1.3. Once again, for illustration purposes, it shows only some line items in each category. Sunil’s projected budget assumes a 12-month period from January 1 to December 31. The actual column shows the period from January 1 to May 31. That means that while the “projected” column shows all anticipated revenues and costs for the year, the “actual” column shows only what has occurred as of May 31.

What to Notice

- Table 1.3 shows projected and actual expenditures and revenues side by side and makes for easy comparison.
- The document shows that the yearly rent has increased from the original projection. Other costs, such as office expenses are currently less than projected but should be monitored for the remaining budget period so that they do not exceed projections.
- Salaries will likely not increase during the budget period—the amount shown is what has been paid in salaries so far.
- Actual revenues show that some projected income has not yet been received.
- Other revenues in the actual column are lower than the original projections. Ms. Giftgiver donated less than was anticipated. Delicious Beverage Company’s sponsorship is less than half of anticipated, however, Sunil knows that this is because the sponsorships are tied to performances. The Spring Performance has not yet taken place. He knows he can count on the remaining sponsorship money for the

Summer Performance. Ticket sales for the Spring Performance, however, were less than anticipated.

- The side-by-side projected and actual budgets help to anticipate shortfalls in overall income. If trends continue, the actual budget will exceed the projected budget and the organization will have to seek additional income to avoid a deficit.

In addition to tracking financial activities as they occur, Sunil can use the side-by-side comparisons of projected and actual budgets at the end of the budget period to answer questions such as:

- Did I accurately project expenses and revenues?
- Did unforeseen expenses come up that were not included in the budget?
- Were there changes in costs of items during the budget period?
- Did we receive more, or less, in revenues in any of the areas listed? What were they?

The answers to these and other questions will give Sunil a larger view of the organization's operational capacity and activities. He can use the comparisons as a guide for needed changes in programs, projects, and operations in future budgets.

Make Budgets User-Friendly

Sunil finds that the more user-friendly his internal reports, the more likely that he (and others) will use them for daily decision-making.

Budgets, like any financial statement, are meant to be read and understood. In other words, don't make the reader (including you) work hard to find needed information. They should be accessible, clear, and well-organized. Creating readable reports is not only good practice, but also a matter of ethical priority; it encourages wider sharing of information about the health of your organization, which can ensure greater transparency, and invite wider participation among staff and stakeholders. To that end, here are a few tips.

- **Make it professional.** A clean, well-organized document with appropriate headings, page numbers, and accurate information is the basis for a professional-looking report. Information should be easy to find, quickly.
- **Check for accuracy.** Check that you have recorded cost and revenue items accurately and that sums add up correctly. It's useful to have a second person check it over for accuracy.
- **Don't let formatting overtake content.** Avoid the tendency to use formatting as a way to convey information. Minimal use of bold text, underlining, italics, or other formatting will make the document more readable. Avoid any color (other than red, limited for the use of showing negative balances). Overuse of text formatting distracts and has the potential to confuse a reader, making it difficult to glean needed information.
- **Don't use online templates for budgets and other financial reports "as is."** It is tempting to simply input numbers into an online spreadsheet, download it, and hit "print." Instead, think about the end user's ability to accurately read the document

(including yourself as an end user). Organize data in a way that makes it useful for its intended purpose. Readability is the main goal.

- Be consistent in how you represent information. Decide in advance if you will use commas, decimal points, or other marks, and then make sure that you use them consistently throughout.
- In general, avoid abbreviations unless absolutely necessary.
- Account for all funds. Since your budget is a projection, or plan of future activities, you should plan to cover all your costs and spend all funds received. If you have leftover funds at the end of the year (excess revenues), funders, granting agencies, and stakeholders may wonder why you are requesting additional funding. Showing, in the budget, how all revenues will be used demonstrates your responsible use of funds and shows your commitment to using all revenues for the benefit of the organization. In practice, that means that the annual budget ideally shows total revenues equal to total expenses.
- Once again, be accurate. Proofread for accuracy of numbers and sums. Ask a co-worker to review the budget for accuracy.

Types of Funds

A nonprofit arts organization will regularly prepare several financial statements that, with the annual budget, are essential for the financial management of the organization. They provide a complete picture of the organization's activities, financial health, and its potential for sustainability over time. In the shorter term, they let managers know whether or not funds are available to be used for operations and what obligations need to be taken care of. Further, they help keep track of *restricted* and *unrestricted* funds received.

Restricted funds come from grants and donations that have requirements for how they can be spent. For example, one of Sunil's donors is very supportive of his workshops for artists. Her gift to CCAO came with the stipulation that the funds only be spent on the workshops. Suppose she further stipulates that the funds be spent solely for the purchase of materials or to hire workshop speakers. No matter the requirement, Sunil and CCAO must make sure that the funds are only spent in this way. Similarly, a grant awarded to CCAO specifically to purchase new computers or to support an exhibit by local artists would have to be spent solely on those items. *Temporarily restricted funds* are those that have a temporary requirement for how they are spent. For example, one of Sunil's donors provided scholarships for local artists taking Artists' Services workshops. There was enough funding for ten artists, but only eight applied. The donor will allow the unspent scholarship money to be retained by CCAO as unrestricted funds. As you might guess, unrestricted funds have no limitations from a donor or granting agency and can be spent as the organization wishes, in line with its spending policies.

As part of tracking types of funds, Sunil must clearly differentiate between direct and indirect costs. A *direct cost* is one that arises from a specific grant, service, or program undertaken by the organization. An example of a direct cost is the salary of a staff member who works exclusively on a grant-funded program, where the funds for the salary are provided by the grant. An *indirect cost* is the result of expenditures that support the

organization as a whole. An example is the insurance paid by the organization to cover its office space.

Additional examples of direct costs include:

- Consultants;
- Project staff: staff whose primary or sole function is to deliver the program or service;
- Project supplies;
- Publications;
- Travel.

Examples of indirect costs include:

- Audit and legal fees;
- Rent/mortgage;
- Utilities.

Of course, there are many more types of direct and indirect costs than are listed here. The difficulty in producing a handy list is that some categories of costs can be indirect in some cases and direct in others. The difference has to do with whether the cost item supports a funded activity or contributes to the overall operations of the organization.

In addition to items that fall cleanly into one category or another, there are others that can fall into either category depending on the particular program supported. Examples of costs that can be either direct or indirect (depending on their use):

- Administrative oversight and clerical personnel;
- Computer and internet charges;
- Office supplies;
- Postage and printing.

Costs that can fit into either category should be analyzed in order to decide if they are direct or indirect for a particular case. For example, if a project or program requires the time of administrative and clerical staff, a portion of their salaries, in line with the percentage of time devoted to the service, could be allocated as a direct cost. The remaining portion of their salaries would be an indirect cost. Similarly, if a portion of the office supplies, postage, printing, or computer use is for the delivery of the program or service, that portion is a direct cost and the remainder an indirect cost.

Why It Matters

Most grants that an organization applies for are targeted toward the support of programs or services it provides; they are typically called program grants. For example, Sunil's recently developed legal workshop for artists is supported by a program grant for programs of this kind. In contrast, some grant opportunities can be used for the costs of

running the organization (rent, salaries, utilities, and any other operating costs). These may be called *operational* or *organizational grants*.

The ability of an arts organization to provide services and programs, no matter the funding source, depends on its financial health. The organization needs an administrative staff to oversee the programs and services (sometimes called *administrative overhead*). It must also pay its rent or mortgage and utility bills. These latter costs (administration, rent/mortgage/utility bills) are the indirect costs associated with programs and services.

In the case of program grants, some granters will have strict guidelines on what can be considered a direct or indirect cost. The reason is that if they grant funds for your program or service, they want to make sure that the program or service is actually delivered. If too great a portion of funds is spent on day-to-day operational costs, there may be too little left over for programs and services. Correct allocation of costs is a signal that your organization is healthy enough to support its administrative operations and fulfill its mission through programs.

ADDING TO THE FINANCIAL STORY

If you imagine the budget as what you intend will happen in the organizational story (a projection of future activities), you can think of other financial reports as the chapters, or scenes, that tell the story along the way. In other words, they show the organization's life (or status) in progress. The Statement of Financial Position is a snapshot of the finances of an organization at one moment in time. It shows whether the organization, as a whole (as opposed to specific funds), is performing well. The Statement of Functional Expenses shows the way the expenses are classified for the purposes of tracking donated and grant funds. The Statement of Financial Activities adds to the story by showing the particular activities that contribute to the organization's current financial state.

The Statement of Cash Flows shows how money comes into or is paid out of the organization as a way to show that money is on hand to pay expenses. The various statements are all linked in that they are based on projected (future) and actual (current) activities framed in financial terms. The next section looks at each of these financial reports in greater detail.

Statement of Financial Position

One of the most fundamental reports for internal management of an organization, the Statement of Financial Position (SOP) is also known, in for-profit accounting, as the Balance Sheet. As a comparison, the for-profit balance sheet shows how a business intends to earn money for its owners. In contrast, a nonprofit SOP helps the nonprofit cultural manager gain acceptance (from Board members, staff, and funders) for the planned use of funds for programs. Nonprofit boards are often very conservative about spending money. The reason may be that Board members can be held both criminally and civilly liable—in some cases—for their decisions as Board members. Since they are responsible for the sound fiscal management of the organization, they are often less

willing, than staff, to take risks on new programs. Reports such as the SOP can help Sunil assure the Board that all is well, financially, and to convince them that a particular program, event, action, or expenditure is justified.

The SOP shows the balance between assets and liabilities in the organization, making apparent its financial position for a given time period, expressed in terms of net assets. You can consider the SOP a snapshot of a moment in time—you are assessing the organization up to the particular date shown on the document. The SOP shows if the assets exceed or are less than the liabilities. It also shows what is available for carrying out day-to-day operations.

The basic calculation around which you create the SOP is the following equation:

$$\text{Assets} - \text{Liabilities} = \text{Net Assets}$$

Assets are what you own, or what is owed to you. Liabilities are what you owe to others. The Net Assets are what is left over after the calculation; they are the net worth of the organization.

When assets are greater than liabilities, the organization is in good health. If the monetary value of assets is less than liabilities, the organization may be in financial trouble (more information may be needed in order to determine if it is indeed in trouble, and by how much). This calculation will give Sunil a basic understanding of CCAO's financial position, which can be supplemented by additional information from the accounting staff. More importantly, understanding the basis for the calculation will give Sunil a better handle on the official SOP created by CCAO's accountants.

To calculate an SOP, list all of the organization's assets. These will include any of the following that pertain to your organization:

- Cash balance (the cash available for your use in your bank and investment accounts, and any petty cash);
- Investment accounts where cash is not readily available;
- Land, buildings (as well as improvements to your facility), and vehicles you own;
- Furniture;
- Equipment (owned, not rented);
- Inventory (supplies you've purchased, merchandise you own that you intend to sell);
- Expenses you've paid in advance (for example, prepaid rent);
- Funds you know for certain you will receive (grants, donations, fees for services);
- Payments you've made for goods or services that have not yet been received or used (for example, service contracts or insurance premiums that would be refunded if you canceled);
- Security or utility deposits.

Next to each asset, list how much it is worth—that is, its cash value. You may have to do some research to make this determination. If the information is not readily available, estimate how much an item (such as furniture or equipment) might be worth if you had to sell it. *Fixed assets* can be categorized separately from other assets; they include all

assets that have a useful life of more than one year. They are sometimes referred to as PP&E (property, plant, and equipment), that is, all the property you own, your facility buildings, and all the equipment you own. Because they cannot be easily converted to cash, it's useful to combine them—specifically because they aren't readily available to pay for day-to-day operations. *Long-term assets* are such things as investment accounts. The remaining items can be categorized as *current assets*; they include items with a lifespan of one year or less.

Next, list all of your liabilities. These are the things you owe to other people. They can include:

- Salaries;
- Money owed to others for services performed;
- Accounts payable (for example, to suppliers for goods you have already received);
- Installment payments on equipment or lease payments;
- Rent or mortgage;
- Loans;
- Interest owed;
- Taxes;
- Payments received for services you have not yet performed.

Once you have listed the value of each of the liabilities (doing any research necessary to determine or estimate value), subtract the total liabilities from the total assets. The resulting number (the net assets) will show you if the organization is solvent (in the black) or in debt (in the red). An organization is solvent when assets are greater than liabilities. A ratio of two to one of assets to liabilities typically indicates good financial health. Comparison to other organizations (and a discussion with CCAO's accountants) can help Sunil determine if this is also the case for his organization.

In contrast, if liabilities exceed assets, the organization may be in serious financial difficulty. If assets equal liabilities, the organization is solvent, but you should monitor the situation to make sure that there are no adverse changes. Your SOP can differentiate between current and long-term liabilities similar to the treatment of assets. Current liabilities, for example, are those that will come due in one year or less.

The value of the SOP is that it shows the resources the organization can depend on, especially when liabilities are too great. In terms of decision-making, it allows you to decide which assets could be used, immediately, to reduce debt and which ones might take longer to sell. The SOP can also provide financial information to grant funders or other external entities who may want to know, before making a donation, approving a grant application, or sponsoring an event, if the organization is in good health. Keep in mind that another name for this financial document is the Balance Sheet. What you want to determine is whether or not the organization's financial health is in good balance.

Sunil wondered if he could determine the financial health of an arts organization simply by creating its SOP. Vera agreed to provide him with publicly available financial data for her organization. Sunil created the SOP, shown in Table 1.4.

TABLE 1.4 Statement of Financial Position

*Statement of Financial Position: Capital Dance Company
Period Ending December 31, 20XX*

	<i>Without restriction</i>	<i>With restriction</i>	<i>Total 20XX</i>
Assets			
Current Assets			
Cash in checking	38,250		38,250
Savings	110,740	26,200	136,940
Investments	98,330		98,330
Accounts Receivable	51,130		51,130
Government grants	39,000		39,000
Other grants	0	42,000	42,000
Donation pledges	15,000		15,000
Subtotal Current Assets	352,450	68,200	420,650
Prepaid Expenses	13,056		13,056
Long-term pledges Receivable	12,000		12,000
Land	61,000		61,000
Building	342,386		342,386
Furniture and equipment	118,000		118,000
Computer equipment	23,000		23,000
Subtotal Long-term Assets	569,442		569,442
Total Assets	921,892	68,200	990,092
Current Liabilities			
Accounts payable	45,620		45,620
Payroll taxes payable	6,024		6,024
Deferred revenue	4,500		4,500
Loans payable	70,000		70,000
Subtotal Current Liabilities	126,144		126,144

(Continued)

TABLE 1.4 Continued

*Statement of Financial Position: Capital Dance Company
Period Ending December 31, 20XX*

	<i>Without restriction</i>	<i>With restriction</i>	<i>Total 20XX</i>
Long-term Liabilities			
Mortgage loan payable	213,564		213,564
Subtotal Long-term Liabilities	213,564		213,564
Total Liabilities	339,708		339,708
Net Assets	582,184	68,200	650,384
Net assets beginning of year	255,271	17,550	272,821
Change in net assets	356,913	50,650	377,653
Net assets	582,184	68,200	650,384
Total Liabilities and Net Assets	921,892	68,200	990,092

How to Read the SOP

- The first column in Table 1.4 shows the assets and liabilities of the organization. Subsequent columns clearly differentiate between unrestricted and restricted funds. That makes it possible to know, at a glance, whether particular funds are available for unrestricted use. The final column shows the totals for the period covered by the document.
- The document differentiates between current and long-term assets to show what is immediately available, in cash or cash value, to the organization.
- Liabilities are also divided into current and long-term so the organization can gauge the timeframe for taking care of outstanding obligations.
- Columns show a total for current and long-term assets, and for current and long-term liabilities. A cumulative amount also shows total assets and total liabilities.
- Net Assets are calculated by subtracting the total value of liabilities from the total value of assets. Net Assets are shown at the bottom of the document after Total Liabilities.
- Net Assets from the previous year's SOP are shown under the Net Assets, followed by the Change in Net Assets (Net Assets minus Net Assets Beginning of Year).
- Net Assets are shown again for easy calculation to confirm that Net Assets Beginning of Year, plus Change in Net Assets, are equal to the current year's Net Assets.
- A final calculation of Net Assets and Total Liabilities should equal the Total Assets shown earlier in the document.

- The amounts can also be verified by adding across columns. The amounts shown in the Without Restrictions and With Restrictions columns should equal the Totals column at the far right.

The sample SOP also shows that assets exceed liabilities, which means the organization is in a healthy financial position. More than just providing a picture of the current financial outlook, a reader can use the SOP as the beginning point to pose a series of questions.

- Is there enough ready cash to pay outstanding bills?
- Have we protected our restricted funds (by separating them from unrestricted funds)?
- Do we have too much cash tied up in inventory?
- Do we have too much inventory on hand? Or do we need to replenish inventory?
- Have we invested too much in equipment?
- Do we need to upgrade equipment?
- Are there receivables that might never come to us?
- Are our vendors paid in a timely manner?
- How long have we had our outstanding liabilities?

Answering these questions may take additional research. But the SOP allows the reader to reflect on the financial conditions of the organization for more strategic decision-making. The next section looks at keeping track of how net assets change over time.

STATEMENT OF FINANCIAL ACTIVITIES

Sunil decides to try his hand at another financial document to see how he might use the information in day-to-day management. The Statement of Financial Activities shows how an organization's net assets change over time, using the following equation:

$$\text{Revenues} - \text{Expenses and Losses} = \text{Change in Net Assets}$$

Also known as the Income Statement (in the case of a for-profit enterprise) or Operating Statement, the Statement of Financial Activities shows whether organizational assets have increased or decreased and whether money is available to cover its expenses. It shows changes in types of funds, for example, if temporarily restricted funds—shown as revenues—become unrestricted. Expenses are always unrestricted regardless of what types of funds were used.

The Statement is a snapshot of the particular time period selected. For example, it can look at the previous month, four months, six months, or a year in order to see how the organization is doing over time. In creating his document, Sunil's intent is to show the numbers in a context that can be easily understood by himself, or anyone else looking at the statement (colleagues, CEO, or Board members). Specifically, they can easily

see the various activities that generate revenues, and expenses, and what specific impact they have on the organization.

Revenues on the Statement of Activities are typically divided into three categories: unrestricted funds, temporarily restricted funds, and permanently restricted funds, just as for the SOP. Revenues include such things as:

- Donations;
- Membership dues;
- Fees paid by others to your organization;
- Other contributions;
- Fundraising events;
- Ticket sales;
- Sales of merchandise;
- Grants;
- Investment income;
- Investment revenue.

Expenses include:

- Costs associated with running the programs and services of the organization;
- Operating expenses;
- Salaries;
- Fundraising expenses;
- Management and administrative costs.

Sunil's Statement of Financial Activities for CCAO is shown in Table 1.5.

What to Notice

- The Statement of Financial Activities shown in Table 1.5 is a snapshot of a particular time period, which is shown at the top of the document.
- Revenues are divided into unrestricted funds, funds that have a temporary restriction per donors' stipulations, and funds that are permanently restricted, by the donor, in how they can be used.
- Previously restricted funds of \$500 have been released from restrictions. They are shown in the unrestricted column in black, and in the temporarily restricted column in red because they are subtracted from the temporarily restricted totals $(4,500 + 23,000) - 500 = 27,000$.
- Because the \$500 shown in the unrestricted funds column and the temporarily restricted funds column cancel each other out, the result is a total of zero in the Totals column $(500 - 500 = 0)$.
- Total revenues for unrestricted, temporarily restricted, and permanently restricted funds equal the total amount shown in the total column for revenues.
 $(157,200 + 27,000 + 13,650 = 197,850)$
 $(128,150 + 23,000 + 40,000 + 6,500 + 200 + 0 + 0 = 197,850)$

TABLE 1.5 Statement of Activities

*Statement of Activities: Central City Arts Organization
Period Ending (date)*

<i>Revenues</i>	<i>Unrestricted</i>	<i>Temporarily restricted</i>	<i>Permanently restricted</i>	<i>Total</i>
Individual donations	110,000	4,500	13,650	128,150
Foundation grants	0	23,000	0	23,000
Government grants	40,000	0	0	40,000
Program revenues	6,500	0	0	6,500
Interest income	200	0	0	200
Investment income	0	0	0	0
Previously restricted funds	500	<500>		0
Total Revenues, Gains, Other Support (A)	157,200	27,000	13,650	197,850
<i>Expenses</i>				
Direct program services	32,000	0	0	32,000
General administration	80,000	0	0	80,000
Fundraising	2,375	0	0	2,375
Total Expenses and Losses (B)	114,375	0	0	114,375
Change in Net Assets (C = A - B)	42,825	27,000	13,650	83,475
Net assets beginning of year	56,228	13,000	0	69,228
Net assets end of period	99,053	40,000	13,650	152,703

- Expenses are not divided among the three fund types; expenses are treated as unrestricted no matter the source of the funds.
- Total expenses calculated across the columns equal the total expenses under the Totals column.
(114,375 + 0 + 0 = 114,375)
(32,000 + 80,000 + 2,375 = 114,375)
- The change in net assets is calculated by subtracting the total expenses from the total revenues.
- The table shows the net assets from the Statement of Activities calculated at the beginning of the year (net assets beginning of year).

- Net Assets End of Period shows the amount in each fund category available for use by the organization.

STATEMENT OF FUNCTIONAL EXPENSES

Most countries allow individual donors to deduct some, or all, of their charitable donations from their other tax obligations. Increasingly, donors, granting agencies, and government regulators want to know that money given to nonprofit organizations is being used for the purposes intended. For these reasons, tracking donations and grant funds is particularly important for nonprofit organizations given that the funds are often restricted in the way they can be used, and must adhere to legal requirements. Nonprofit regulating agencies may require a nonprofit organization to classify expenses by their *functional* and *natural* classifications. The Statement of Functional Expenses does just that.

Functional expenses are those that are classified by their function in the organization. They include:

- *Programs*. Expenses in this category relate to running programs and delivering services. The various programs and services can be shown separately, or combined, although it is more useful to show them separately.
- *Management and general costs*. These are costs associated with funding the day-to-day operations of the organization.
- *Fundraising costs*. These are costs related to fundraising, development, and grant writing.

Examples of natural classifications are:

- Salaries;
- Office rent;
- Insurance;
- Utilities;
- Repairs;
- Office supplies.

Because the Statement of Functional Expenses tracks funds received and funds disbursed, it is easy to confuse it with the working budget. An important difference is that the Statement of Functional Expenses is typically organized in a matrix showing the various functional categories at the top and natural classifications in the left-most column. Further, unlike a budget, the Statement is not a projection of future revenues and costs. Instead, the purpose is to show allocation of expenses—shown as natural categories—to areas shown as functional classifications as seen in Table 1.6.

To build the matrix shown in Table 1.6, Sunil used the budget he created for CCAO (Table 1.2) using the same costs and revenues. The functional expense areas he wants to account for are called Program A (which corresponds to the Spring Performance),

TABLE 1.6 Statement of Functional Expenses

Statement of Functional Expenses: Capital City Arts Organization
For Year 20XX

	Program A	Program B	Programs subtotal	Management and general	Fundraising	Totals
Disbursements						
Salaries and benefits	42,500	85,000	127,500	63,500	29,000	220,000
Office rent				4,000	2,000	6,000
Supplies and other office expenses	1,200	1,800	3,000	2,700	2,300	8,000
Totals	43,700	86,800	130,500	70,200	33,300	234,000
Receipts						
Grants		22,800	22,800	2,200	2,000	27,000
Donations	17,700	30,000	47,700	50,000	31,000	129,000
Memberships				9,000		9,000
Ticket sales	10,000	18,000	28,000	9,000		37,000
Sponsorships	16,000	16,000	32,000			22,000
Totals	43,700	86,800	130,500	70,200	33,300	234,000

Program B (the Summer Performance), Management and General Expense, and Fundraising.

Sunil needs to show what portion of the cost in each category under “natural classification” is allocated to each of the functional areas. There are a number of ways to determine this.

- *Percentage, or amount of time.* Staff time spent on each functional area can be calculated according to the number of clock hours (full or partial) spent on programs, fundraising, and management activities, or the percentage of total time spent on each. Salaries are then divided, according to the calculation, with a portion of each individual’s salary allocated to the appropriate category.
- *Area of use.* Allocation is based on measuring the square area occupied by staff working on particular programs or on fundraising and comparing it to the total square area occupied by the organization. This will help to determine the percentage of rent (or mortgage) and utilities that can be allocated to these functional categories.
- *Personnel.* Expenses are allocated by determining the percentage of the total staff that work on a particular program or on fundraising.
- *Direct cost.* Costs that are associated with a single classification (for example, on a single program) can be allocated directly.

Sunil’s allocations, shown in Table 1.6, are based on the percentage of time staff spent on various organizational functions. He also calculated the area of use for allocating rent and direct costs for supplies and office expense.

The Statement of Functional Expenses is useful for substantiating the tax deductibility of charitable gifts the organization receives by making sure they are recorded and organized as part of the nonprofit’s records (just in case proof of the donation is needed). Although Sunil has created a single document combining several functions, he can also opt, in the case of restricted funds to create a separate statement for each donor fund. Doing so would not only remind him and organizational staff of how the funds must be used, but it is also proof to the donor that the money is being spent properly.

Likewise, grants often have restrictions on the use of funds. A separate Statement of Functional Activities applicable to each grant is a way to prove (and track) that the funds were received and spent according to grant requirements. By accounting for them individually, Sunil would be able to make sure that funds are spent properly within the spending guidelines stipulated by the granting agency.

What to Notice

- Sunil shows disbursements above revenues in his document to emphasize how funds are spent, with receipts (income) listed second.
- The total of the disbursements, ideally, equals the total of receipts. This can be easily verified by checking the totals in each column, shown in bold.
- Disbursements are allocated to various organizational functions: programs, management and general expenses, and fundraising according to the needs of each, but also according to any stipulations from donors or granting agencies. For example, staff

salaries are allocated according to the amount of time staff people spend on the various functions. Likewise, the cost of supplies and office expenses are allocated among the various functions, and office rent is divided between fundraising and management/general expense.

- The Programs Subtotal confirms how much of the cost is allocated just to programs.
- Receipts are also allocated to the various functions, taking into consideration any restrictions on use of funds by donors and granting agencies.
- Additional revenue from memberships and ticket sales, which are unrestricted, are allocated to operational needs.

The value of the Statement of Functional Expenses, to Sunil, is that he can tell at a glance how funds function in the organization—in other words, what use they are put to.

FORECAST OF CASH FLOWS

Also known as the Cash Flow Statement, this document shows what funds the organization expects to have in hand to pay expenses as they come due. In other words, it tracks the funds that flow into or out of accounts as the result of financial activities of the organization. Similar to the Statement of Financial Activities, functional expense calculation uses the following equation:

$$\begin{aligned} &\text{Receipts (money received)} - \text{Disbursements (money paid out)} \\ &= \text{Net effect of operations.} \end{aligned}$$

To better understand how a Statement of Cash Flows works for an organization, Sunil looked, first, at how it might be used to track his personal finances. Table 1.7 shows the result for the month of September, organized by week.

Notice in Table 1.7, that Sunil begins with disbursements rather than revenues to emphasize the funds he needs, every month, to cover his expenses.

The chart shows when Sunil's various bills are due and when he expects to receive money that he can use to cover expenses. His rent and phone/internet are due in the first week of the month, and his first paycheck is not available until the second week. He has to make sure to have adequate money left over each month to cover his rent. The amount he anticipates receiving for his Sunday guitar gig is not enough to cover his Week One expenses. Funds earmarked for a particular use later in the month should not be used now, for example, the cash needed to pay his car payment. Fortunately, he also has money from the previous week that he can add to the current week's receipts in order to cover his bills.

By plotting when money is due to come in and when payments have to be made, Sunil can manage his monthly finances. In case of unexpected expenses, he can consult his Cash Flows document to make adjustments to cover emergencies. He can also see how much discretionary money might be available to attend a concert with friends, for dinner out with colleagues, or for putting into a savings account.

His personal cash flow statement shows that Sunil will finish the month with enough left over to pay his rent in October. He will include the net balance of \$2,094.00 available

TABLE 1.7 Statement of Cash Flows

*Statement of Cash Flows (Personal)
Month of September 20XX*

	<i>Week One</i>	<i>Week Two</i>	<i>Week Three</i>	<i>Week Four</i>	<i>Monthly totals</i>
Disbursements					
Rent	500.00				500.00
Electric bill		33.00			33.00
Heating			75.00		75.00
Water and sewer			20.00		20.00
Phone and internet	68.00		45.00		113.00
Groceries		80.00		80.00	160.00
Car payment and insurance		325.00			325.00
Disbursements Totals	568.00	438.00	140.00	80.00	1226.00
Receipts					
Salary		750.00		750.00	1500.00
Pottery sales			80.00	80.00	160.00
Sunday guitar gig	50.00	50.00	50.00	50.00	200.00
Receipts Totals	50.00	800.00	130.00	880.00	1860.00
Transfer from previous week	700.00	182.00	444.00	134.00	1460.00
Weekly Net Total	182.00	444.00	134.00	934.00	2094.00

at the end of September in his October personal Cash Flow Statement. Happily, the statement shows that Sunil is doing well financially.

The same basic logic informs creating an internal Statement of Cash Flows that Sunil can create for CCAO. To do so, he selects the particular time period he wants to represent and lists the categories of expenses and revenues he will include.

The Statement of Cash Flows can cover any period, for example, a particular week, month, several months, or year. Sunil thinks that a monthly cash flow statement will work best, similar to the one he created for his personal finances.

Typical disbursements for an organizational cash flow statement include all of the following that apply:

- Salaries;
- Rent/mortgage;
- Loan payments;
- Service fees;
- Repairs and maintenance.

Typical revenues, from any source, will also appear on the cash flows statement, including any of the following that apply:

- Donations and grants;
- Ticket and gift sales;
- Sponsorships;
- Memberships;
- Loans;
- Other borrowed funds;
- Services;
- Classes.

Since Sunil has already created an organizational budget and other financial reports, he can find much of the information he needs regarding expense and revenue categories by consulting those reports.

The Statement of Cash Flows, shown in Table 1.8 projects cash flow activity of CCAO. As in previous examples, the report shown is for illustration purposes, so it does not include the full activities of the organization.

How to Read the Cash Flows Statement

Table 1.8 shows cash flowing into and out of the organization on a weekly basis for the selected month. Because the document is intended for Sunil's own use, he has organized it in a way that is most useful for his needs. He lists disbursements first as a reminder that these are costs that need to be covered by income, in receipts, which are shown in the second half of the statement.

Salaries are due bi-weekly. Rent is due in the first week of the month, while utilities and phone/internet are due in the third and fourth weeks, respectively. CCAO makes two insurance payments per month in the first and third weeks. General office supplies, and supplies specifically for programs, are purchased in the final week of the month in order to replenish for the following month. Workshop instructors are paid in the first and third weeks of the month. A monthly total for each category is shown, in bold, in the rightmost column.

The total disbursements (b) for each week are shown in bold, with a monthly total shown on the right. Adding the amounts in the Monthly Totals column is equal to the sum of the amounts shown in the Disbursements Totals row.

TABLE 1.8 CCAO Statement of Cash Flows

*Statement of Cash Flows: Capital City Arts Organization
Period Ending April 30, 20XX*

	Week One	Week Two	Week Three	Week Four	Monthly totals
Disbursements					
Salaries		110,000		110,000	220,000
Office rent/mortgage	6000				6,000
Utilities			250		250
Phone and internet				520	520
Insurance	300		300		600
General office supplies				500	500
Program supplies				300	300
Instructor fees	1,275		1,275		2,550
Disbursements Totals (b)	7,575	110,000	1,825	111,320	230,720
Receipts					
Grant A		50,000			50,000
Grant B					
Donation 1	90,000				90,000
Donation 2		29,000		29,000	58,000
Spring performance tickets	7,320	500	8,300	2,225	18,345
Sponsorship	20,000				20,000
Concessions					
Gift shop sales	420	385	72	665	1,542
Receipts Totals	117,740	79,885	8,372	31,890	237,887
Transfers from previous week	36,440	146,605	116,490	123,037	
Receipts and transfer total (a)	154,180	226,490	124,862	154,927	660,459
Weekly Net Total (a - b = net total)	146,605	116,490	123,037	43,607	429,739

In Sunil's sample Statement of Cash Flows, funds received are unrestricted, and so can be used toward all of the disbursements listed. In the case of restricted funds, however, Sunil can create a separate Statement of Cash Flows for each donor or grant restricted fund.

What to Notice

- Because financial activities are cumulative (that is, they are ongoing over the organization's life), the cash flow statement should include prior activity. In the example, the remaining cash from the previous month is included in the calculations. Sunil transferred \$36,440 from the March cash flow statement, which he shows in the Week One column, which is then added to Week One's total receipts.
- The Receipts and Transfer Total (a) shows the cash available each week that can be used to cover that week's cost items.
- Subtracting the Disbursements Total (b), from the Receipts and Transfer Total (a) results in the Weekly Net Total. This amount is then transferred to Week Two and added to Week Two Receipts, and so on for each week.
- The Monthly Totals column does not show an amount for the previous week's transfers because the amount is already accounted for in the monthly total shown in the Receipts and Transfer Total.
- The final, cash amount shown for Receipts and Transfer Total (\$660,459), subtracted from the total monthly disbursements (\$230,720) equals the Weekly Net Total for the month (\$429,739), which Sunil can transfer to the May Statement of Cash Flows as a Transfer from Previous Week.

SUMMING-UP FINANCIAL REPORTS

Sunil can track changes in the organization's financial health, over time, by comparing previous statements to current statements, previous years' statements from the same period, or beginning of the year and end of year statements. He can also use the monthly statements to build end of year statements. The various reports will help him see how the organization is doing over time.

Even though the internal reports Sunil creates are working reports primarily for his own, everyday use, they should nonetheless be:

- Professional looking, well-organized, accurate, and typed.
- Appropriately titled for easy identification (including the name of the organization, the type of financial document, and the period covered)
- Easy to understand so that the average person (someone who is not an accountant) can grasp the financial picture of the organization.
- Concise so that a person reviewing them will not get lost in unnecessary detail.
- But with enough detail so that the financial picture is clear.
- Comprehensive of the scope and range of activities you are representing.

- Clearly connected to other financial reports—the Budget, and the Statements of Financial Position, Activities, Functional Expenses, and Cash Flow should reflect the same information.

THE ROLE OF THE BOARD OF DIRECTORS AND CEO

The duty of Board members to act responsibly in financial matters requires that they stay informed of any and all financial activities involving the organization. Staying informed means that they take an active role in seeking information and understanding the information they receive. At the same time, the CEO and staff have a duty to provide accurate, timely, and understandable information to Board members. This reciprocal duty between Board and staff/CEO is served well when financial reports are readily available to the Board for thorough review. Although these reports should be made available, at any time, on request from the Board, they are typically supplied at regular (such as monthly) Board meetings. If the board has a Finance Committee, it is likely that the chair and members of this committee (along with accounting staff) will present the financial statements for discussion by the full board.

For their part, Board members should have the financial literacy to understand basic terminology, read and evaluate financial statements, and be able to ask relevant and pertinent questions about the financial health of the organization. Questions they might ask include:

- Is the budget in line with the organization's strategic and long-term plans?
- Does the budget show realistic costs and revenues?
- Are the cash flow projections credible?
- Are we on target to achieve our programming and financial goals?
- Do we need to make adjustments to our plans? If so, in what areas and in what timeframe?

Although the organizational staff, beginning with the CEO, are responsible for the day-to-day financial activities, major decisions are made only with the approval of the Board of Directors. In fact, Board members have a legal duty to stay informed about the financial matters of the organization and to act upon them responsibly, ethically, and in accordance with organizational policies and applicable laws. A significant role of Board members, in fact, is to draft policies that govern how funds will be handled and how financial records will be kept and disseminated, as well as other policies relating to organizational finances.

In contrast to the Board, the CEO's role is to provide an explanation of the organization's activities as represented in the financial reports, give context for priorities, and justification for decisions about how money was used or will be used. Staff may also take part in providing explanations, context, and justifications for programs they work on, as needed. In some cases, the CEO, rather than the Finance Committee will present the financial reports to the Board. More than just read the reports out loud in the course

of a Board meeting, the presenter should give context to the reports in relation to the organization's priorities and current activities, making sure to highlight areas of success as well as problem areas that require added attention.

The Board also takes an active role in formulating financial policies for the organization, including (and importantly) those relating to record-keeping. Although the policies may actually be drafted by staff, or the CEO, the Board will approve and formally adopt them, as well as provide oversight in making sure they are being followed.

FINANCIAL POLICIES AND RECORD-KEEPING

The nature of many nonprofit organizations is that they run on a shoestring with too few resources and not enough staff. Delivering programs, mounting exhibitions and performances, and the daily need to meet deadlines seem to leave little time for other things, no matter how necessary. Financial record-keeping, however, isn't an option, or a task that should be left for some moment when there is a lull in other activities. It is a minimum, ongoing requirement.

Keeping good records of financial transactions is both an ethical duty and a legal obligation. Many jurisdictions require nonprofit organizations to have formally adopted, record retention policies specifying which records will be retained and for how long. Record retention templates and samples are widely available from web sources, although organizations should make sure to read them over carefully and adapt them appropriately for their own use.

Records providing proof of how donations and grants are spent may be requested by donors or granting agencies, as well as by governmental regulators. But more than just meeting these obligations, good record-keeping tracks the financial well-being of the organization over time, contributing to smoother operations and better control of resources. It also provides information that can be used in forward planning. It is far easier to consult budgets and financial reports you created in the past than to develop wholly new ones each time you need them.

To meet these ethical, legal, and practical needs, an organization should consider how to best keep records, what records to keep, in what format, and who should (or can) have access. These days, most records are kept digitally. Regular backups of data help ensure that important records won't be lost.

What records should the organization keep? Legal requirements in the particular country and state in which the nonprofit is located are a good starting point. The list may also include reports unique to the particular organization and its activities. A good rule to follow is to keep all records relating to financial matters, including any of the following that pertain to the organization's circumstances:

- Accounting ledgers;
- Audit reports;
- Bank transactions and statements;
- Contracts (current and expired);

- Correspondence relating to financial matters;
- Reports, correspondence, receipts, and other documentation relating to grants and donations;
- Employment and salary records;
- Financial statements;
- Insurance records;
- Invoices;
- Tax reports.

The list is not exhaustive; it includes only some of the more common record types relating to financial activities. Nonprofits are typically required to keep many other non-financial records, as well, that can be subject to the same internal policies.

How long should records be kept? Once again, local regulations and common practices are a good guide. Bank transactions, tax reports, and audit reports may be kept for up to ten years, while some reports may be retained for shorter periods of time. In developing policies, organizations should consider long-term needs for access to records, both internally, and externally (by donors, granting agencies, and government regulators).

Finally, who should have access to financial reports? Greater transparency means greater access by a wider group of people. Here again, local regulations and the needs of the organization are good guides. In sum, there is no one-size-fits-all solution to record-keeping apart from government regulations that must be adhered to. Rather than leave it to chance, Board, CEO, and staff should examine the organization's circumstances and needs, then draft and enforce sound record-keeping policies. Failure to do risks financial mishaps and relinquishes important financial control.

LEGAL AND ETHICAL CONSIDERATIONS

As noted throughout this chapter, nonprofit organizations are governed by legal requirements. Because they differ from country to country, and, in some cases, by region, state, and municipality, the legal requirements pertaining to the financial management of arts nonprofits are not provided here. It is the responsibility of the nonprofit organization, its staff, and the Board of Directors to know the applicable laws and to comply. In some cases, individuals can be personally liable for ignoring or failing to comply with legal requirements. Good record-keeping is one way to provide evidence (to yourself and others) that you are in compliance. Internal policies relating to good financial practices can guide all members of the organization to avoid unintentional incidences of non-compliance.

The Board of Directors, CEO, and accounting team should work together to make sure such policies are in place, and that they are reviewed and updated periodically. An organization creating policies for the first time can find information online, from legal firms specializing in nonprofit regulations or other nonprofits operating in the same geographic area.

Ethical issues can be dealt with in a similar way. In fact, the absence of policies is, itself, a compromise of good ethical standards. Sound policies contribute to your organization's credibility among donors, granting agencies, stakeholders, and internal staff. As an ethical matter, financial information should be transparent and usable by multiple users in the organization, not only the accounting team, Board, or CEO. While the accounting team's role is to keep the organization on a sound financial track, the role of the remaining staff, CEO, and Board is to make sound decisions using financial information that is openly available. Transparency also inspires trust. People reading your financial reports and assessing your financial outlook have to believe that they are getting the true picture. Painting a rosier picture than is warranted is not only unethical, but it also isn't very helpful in the nonprofit context. Doing so can lead to ignoring financial problems rather than fixing them and can permanently damage the organization's reputation among funders and stakeholders.

The CEO should work closely with the organization's financial officer (or accountant) to make sure that decision-making reports for day-to-day use align with official accounting reports. Transparency is a key element in the relationships between the Board, CEO, and accounting personnel. If anything seems amiss, incorrect, or unjustified, every partner in the relationship has a duty to raise questions and demand answers. In sum, the best relationship between CEO and Board of Directors is one of collaboration and mutual trust balanced with a commitment to the organization as the primary value and duty.

At the same time, the organization should not allow the pursuit of revenues to dictate decision-making and mission but rather establish priorities that are supported by a sound financial framework. For his own part, Sunil has come to realize the ethical import of increasing his knowledge and taking a more active role in the financial health of CCAO; his fuller awareness means that he can make more meaningful contributions to management, understood as the effective control and use of resources to achieve organizational goals.

SCENARIO DENOUEMENT

Sunil made good on his intention to improve his understanding of financial reports. He met with CCAO's accountant to gain the data needed to create a set of reports reflecting the financial activities of his programs and the organization as a whole. His intent was not to duplicate official accounting reports but to create a set of documents to aid his understanding, that could be shared with other staff members to promote transparency, stimulate discussions about program decisions and goals, and as the beginning point for grant applications and requests from donors. Creating the reports promoted better knowledge, which translated into his increased participation in Board meetings where he was able to pose pertinent questions about financial realities. It also provided him greater context for explaining his programs to Board members in relevant financial terms relating to organizational mission. Sunil is certain Jeff was both surprised and impressed with Sunil's recently acquired facility in discussing financial matters. Sunil also has a greater appreciation of his own role and that of the Board in organizational

decision-making. He is even thinking of re-opening the discussion of his new program, confident that this time, he will be able to convince the Board that it is a sound (financial) investment toward fulfilling the organizational mission.

SUMMARY

An important lesson of this chapter is that the success of an arts organization depends on good decision-making more so than how much money is taken in. Just as importantly, however, arts organizations, like any enterprise, depend on revenues to operate successfully. Although their primary goal is not to raise money, but rather to deliver arts services in line with their missions, they can't ignore financial realities. Good decision-making depends on laying plans for organizational activities, all of which will have financial implications, of necessity.

The focus of this chapter is creating simple, internal financial reports for everyday use by organizational staff, including an organizational budget and statements of financial position, financial activities, functional expenses, and cash flows. It covers how to create, and read, these financial reports, and how they can stimulate effective planning through reflection and focused questions. The aim is not to replace accountants and good accounting practices, but to provide more accessible, easy-to-use information that encourages greater participation in the financial side of a nonprofit arts organization. The chapter lays a foundation for individuals with a minimal financial background but also functions as a resource for more experienced cultural managers.

As noted, throughout the chapter, the topics addressed are focused rather than comprehensive in that many aspects of financial management are not covered. For example, the chapter does not address such things as creating and negotiating contracts, long-term financial planning, investments, or preparing and conducting financial audits, to name just a few. Its aim is to provide greater confidence to cultural managers who have limited knowledge in this area, but who also want to add confidence in pursuing additional knowledge about the relationship between financial reports and decision-making in nonprofit arts organizations.

KEY TERMS

Administrative overhead

Business

Bottom line

Cost-benefit

Direct cost

Efficiency

For-profit

Functional classifications

Indirect cost
Intangible benefits
Management
Natural classifications
Nonprofit
Operational grants
Organizational grants
Productivity
Restricted funds
Temporarily restricted funds
Unrestricted funds

STUDY QUESTIONS

1. What are the important differences between for-profit and nonprofit organizations?
2. Who should have access to the financial reports you create for day-to-day management activities?
3. How can an organization demonstrate to a donor that donated funds are being used wisely and for the purposes for which the funds were donated?
4. Why might it be useful to organize a financial document showing expenses or disbursements before revenue or income?
5. How can financial reports be used to generate questions leading to effective decision-making?
6. What value might come from planning that begins with passion and vision rather than a pre-defined budget?

GAIN EXPERIENCE

1. Work with a partner to create a one-column budget for an arts organization. You can use an existing organization or an imaginary organization. Using the information from your budget, also create a Statement of Activities, Statement of Financial Position, Statement of Functional Expenses, and Statement of Cash Flows. Exchange your reports with another group and gain their feedback.
2. Using the same financial reports you created in the previous field activity, practice delivering a financial report. You can work with a group and imagine that they are the Board of Directors of the organization. Highlight important information, explain the overall financial health of the organization, and respond to any questions they pose.

ADDITIONAL RESOURCES

- National Council of Nonprofits (United States): www.councilofnonprofits.org/tools-resources-categories/financial-management
- International Financial Reporting for Nonprofit Organisations: www.ifr4npo.org/
- Example nonprofit organization financial statements: www.ifr4npo.org/financial-statements/
- Guidestar Nonprofit Profiles (United States): www.guidestar.org/

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Fundraising in the Arts

Victoria D. Alexander and Oonagh Murphy

SCENARIO

Birgitta landed her first job, post-graduation, in a new, small-but-ambitious arts organization, MetropArts, in the northern megalopolis of Metropa. As part of her duties (general administration and support), she took on the grand title of “Development Director,” with her first task to secure funds for a photography exhibition happening in just three months. She eagerly embraced this charge. She had seen the artwork, which she thought was excellent. And she believed in MetropArts. After all, how hard could fundraising be when the cause was a good one?

To start, she chatted with the Creative Director, Seamus, to learn about the artist, Will Ramble, whose closeups of people’s feet were first featured in a local newspaper, and about Seamus’s plans for the exhibition. *Walking | Will Ramble* would be the artist’s first solo exhibition. Birgitta used the conversations with Seamus to prepare a fundraising letter that described the event in detail. She was confident that she understood everything that he said, and so she decided not to take up his time by asking him to review the letter. It also did not occur to her to run the letter by Valerie, MetropArts’ Managing Director, or by Andrew, who handled marketing and publicity.

Birgitta was excited by the possibility of bringing in money for the show. She knew that it was sensible to diversify funding sources, but she secretly hoped that all of her efforts would bring in the funds needed and imagined how pleased this would make her colleagues. It occurred to her that a shoe company might be a good sponsor given the exhibition’s theme, so she sent her letter to the headquarters of major and minor brands asking if they would sponsor the show. Then, using an internet search, she found a charitable foundation offering grants to arts organizations to support young and emerging artists. She enthusiastically downloaded the application form and filled it in to the best of her ability using MetropArts’ webpage for inspiration. She plugged in her letter and sent it off. She also filled in an expression of interest for development funds from the National Arts Council, cutting and pasting from material she wrote for the shoe companies and the foundation.

Two months later, and despite these numerous actions, MetropArts received no major funding. Birgitta had not heard back at all from most of the shoe companies and the feedback from the foundation was negative. (Its rejection letter suggested that MetropArts had “not done its homework” before completing the application.) A phone call to the National Arts Council revealed that the decision panel for the development funds had yet to be appointed and no decisions would be made for some time. To add to these failures, two local businesses that had donated in the past did not contribute again this year. Birgitta had not contacted them because she assumed that since they had given previously, they would automatically do so again. Worse, Birgitta’s only success was Andarta Athletic, a sneaker company that provided a very small donation from its Community Fund. Alas, Andarta was involved in unethical labor practices in its factories abroad. Birgitta only found out about this when Andrew showed her a social media post on child labor associated with the company, which had gone viral. However, a condition of the funding was that the company’s logo would appear on all publicity material and be displayed prominently at the entrance of the exhibition. Birgitta was worried that MetropArts could be tainted by association. She said jokingly to Andrew that perhaps they could “forget” to put the logo on the exhibition and was embarrassed when he replied that doing so would be a serious breach of ethics.

Birgitta was at a loss for what to do. In a few days, she was scheduled to provide an update about her fundraising progress to the Board of Directors. Sensing that her job might be at risk, Birgitta thought she had better find a solution as quickly as possible.

In sum, Birgitta worked too much on her own and without involving the rest of the organization or the Board of Directors. As a result, her funding proposals risked misalignment with the goals of MetropArts; her narrative of the exhibition could have contradicted the vision of the Creative Director or the artist. She did not do enough research before contacting organizations or filling in applications and she underestimated the importance of making initial contacts before requesting funding. She did not realize that one of the shoe companies had recently been in the news for using child labor and, consequently, she did not consider the ethical implications. She did not fully appreciate the differences among types of funders, so all of her applications were written in exactly the same style. She did not allow enough time to develop new contacts, nor did she realize that a successful fundraising strategy should include care for existing supporters. Birgitta was also at a disadvantage from the start, since MetropArts had not yet created a coherent fundraising strategy. In sum, her problems included:

ISSUES

- Failure to seek input from colleagues and board members;
- Ignoring the differences among various types of funders;
- Neglecting to customize funding proposals for each donor or sponsor;
- Lack of research to understand donor and sponsor motivations;
- Forgetting about existing donors;
- Not allowing sufficient time to develop leads;
- Inability to draw on a fully developed fundraising strategy.

INTRODUCTION

Because lack of money translates into little or no arts programming, arts managers need to bring in funds to support the organizations they manage. *Fundraising* refers to the wide variety of activities involved in requesting voluntary contributions of money (or other resources) from large corporations, small businesses, charitable trusts and foundations, government agencies, and individuals. Fundraising stands in contrast to other types of income generation, which include income from an endowment or other investments and *earned income*. By definition, earned income comes from the sale of goods or services (for instance, admission tickets, charges for special events, sales of food, souvenirs, event parking, or fees for other services).

Unless your organization is fully and automatically funded every year (a very rare situation these days) or earns enough income to support all activities (also rare), you will need to fundraise. This takes a variety of skills and knowledge. Importantly, successful fundraising takes diligence, practice, planning, research, and ingenuity.

This chapter focuses on strategies for fundraising for nonprofit arts organizations. It provides an introductory guide that suggests ways to investigate and approach different types of funders. It does not cover issues such as how to create earned income or make investment decisions. We begin with a few definitions and a brief overview of funding targets, types of funding, and kinds of resources. Next, we provide more detail on a range of funding types and offer two practical guides. The first of these sets out how to create a funding strategy, and the second, how to build a case for support. We provide some further advice on approaching individuals, seeking business sponsors, and writing successful grants. The chapter also covers fundraising ethics and future directions in digital fundraising.

Starting Definitions

The targets for fundraising include:

- *Individuals*. This includes wealthy philanthropists who provide large-sum major gifts and individuals of more modest means, who support the arts through small contributions.
- *Large corporations and small businesses*. Entities that tend to give for a specific return such as publicity or preferred access for employees or clients.
- *Charitable trusts and foundations*. Charities that are chartered to give support to specific causes for the public good, often providing grants for organizations or projects. Wealthy individuals seeking to formalize their philanthropic efforts may establish a distinct foundation, which can bear their names.
- *Government agencies*. This can include national, regional, or local governments as well as their affiliated bodies, such as arts councils. Their interest in the arts varies across countries, but many government agencies offer grants to which arts organizations may apply.

Relationships between funders and arts organizations fall into distinct categories of giving:

- *Donation* is a one-way process whereby a donor (individual or organization) offers resources to an organization without expecting any explicit return. Donors may gain implicit benefits, however, such as prestige or satisfaction from having supported an organization.
- *Sponsorship* is a two-way process, whereby an external organization pledges money to support an arts organization in return for stated benefits. These benefits can include access (such as preferred seating, private viewings, backstage tours, or catered events), branding and advertising, or other forms of value. Sponsorship is a formal business deal and normally comes with a detailed contract that protects both parties.
- *Grants* are financial awards made by foundations or governmental agencies to arts organizations, usually for a specific stated purpose (such as social change, educational attainment, or cultural impact).

And funders can offer different kinds of resources:

- Money (funds) is the most common kind of donation. Financial contributions can be *restricted* to certain types of activities or they can be *unrestricted* to give receivers the choice in how to spend them. *Match funding* is where a donor agrees to give in proportion to funds raised from other sources, often on a 1:1 basis (for each dollar raised elsewhere, the funder agrees to give another dollar).
- *In-kind contribution* includes support in the form of goods and services rather than cash. This can include professional services such as marketing, legal, or human resources support, or the provision of venues or equipment.

Having a range of funding sources, called the *funding mix*, means that you do not become overly dependent on any one source. A healthy organization has a wide variety of income sources rather than the risky strategy of relying on just a few.

Who Does Fundraising?

Fundraising is, in many ways, an organization-wide responsibility that extends from the Board of Directors down to the volunteers. Everyone should understand the organization's purpose and act as ambassadors for it. Of course, fundraising must be planned, researched, and coordinated. While individual staff members can answer questions and gather useful feedback from the public or be a source of information on prospective funders, they should never independently solicit funds. To do so risks being at cross-purposes with ongoing efforts of the fundraising staff that could conflict with, or undermine, an overall fundraising strategy.

Larger arts organizations often have a fundraising officer, or even a fundraising team, whereas in smaller organizations, seeking funding might be the job of the managing

director. Fundraisers are often described as *development* officers, directors, teams, or departments. This term focuses on the act of fundraising and its role, which is developing the organization's work (such as the art itself and its social impact), alongside the development of relationships with funders so as to ensure ongoing or future funding. Even when a specific person or team is in charge, the whole organization needs to contribute to fundraising by working together for a common goal. A fundraising strategy can help with such coordination and is discussed later in this chapter.

In some countries, board members are central to fundraising. However, there are national differences. In the United States, board members are expected to “give, get, or get off” (*give* funds themselves, use their personal networks to *get* funding from others, or step down from, or *get off*, the board). In the Netherlands, board members are not involved in fundraising (as it is deemed a conflict of interest). If you wish board members to be involved in fundraising, your organization should consider potential board members' capacity to bring in funding before appointing them. However, keep in mind that the role of the board in its strategic guidance of the organization includes, but is not limited to, funding. Even if board members are not directly involved in soliciting donations, they can and should offer a range of skills and perspectives.

The Importance of Research

A crucial aspect of fundraising is research. You will need to investigate who to ask, how to ask, what to say, who does the asking, and how much to ask for. This is often called *prospect research*. (A *prospect* is a person or organization that might potentially become a funder.) You may also conduct *feasibility studies*, which are analyses of specific funding streams to deem which best aligns with the work of your organization (in terms of artistic vision and your fundraising strategy), their costs to support and administer, and their potential for success. Sources for your research include the internet, newspapers, your staff, your board, and your contacts. Each type of funding requires preliminary research—sometimes a great deal of research—before a potential funder is approached. The main approach, where you specifically request funds, is called *the ask*.

KEY TYPES OF FUNDING

In this section, we introduce different kinds of funding and offer some preliminary advice on each. Your organization may not have all of these income streams but should include more than one source in the funding mix.

- *Major gifts*. Individuals, including *high net worth individuals* (very wealthy people), can be the most cost-effective source of donation income. But major gifts are not a quick fix. Plan for an average of at least 18 months from identifying a prospective major gift donor to receiving an initial donation from those you identify. Soliciting major gifts requires thorough research, delicacy of approach, and is highly dependent on the nature of the philanthropic purpose and the quality of the ask (for

instance, the ask might ideally be made by a current donor who is also from the same peer group as the prospect).

- *Legacies.* Individuals may bequeath funds (or works of art) to arts organizations. Leaving a legacy can be attractive for people who cannot donate now but could do so in their wills. Seeking legacies is also not a quick fix but can bring long-term income. A legacy program will usually start to yield legacy commitments after four years. Legacy donors tend to prefer established organizations that show a strong likelihood of being around long into the future. For that reason, new organizations may find it harder to make a case for legacies. Looking to the long-term future requires a promise that the organization will continue to exist for generations. Older organizations with well-established histories are best positioned for this.
- *Individual giving (low-level donors, friends).* This type of fundraising is aimed at your organization's audiences as a whole rather than specific key individuals. It can be used to build an ongoing income stream and a bank of advocates. In some places, it is also referred to as *annual giving*. Donations can be requested on the premises, in exhibition or performance programs, in newsletters or direct mail efforts, at check-out for ticket sales, and online. Your website should have information on donations and, ideally, offer the possibility of making donations online or via mobile devices (text donations on cell phones). Web-based prompts tied to key events (anniversaries and special appeals connected to specific performances or special occasions) can encourage small donations, although effectiveness depends on website traffic. These activities are designed to encourage small donations (such as the amount equivalent to an inexpensive or mid-priced restaurant meal), which can add up over time.

Friends (or membership) schemes can also provide a reliable income stream. Such schemes involve designing a reciprocation program for supporters, which may be as simple as "early bird" offers or invitations to one or more special events but can extend to discounted tickets or free entry. Friends can be cultivated to step up to a higher level giving at a later stage. The majority of people who become donors or join Friends schemes attend three or more exhibitions/performance/events a year.

- *Trusts and foundations.* These nonprofit organizations offer reasonably predictable sources of funds, given that many aim, or are required, to give away money according to their organizational charters. However, your funding proposal must be directed to an appropriate trust. Your proposal must meet strict guidelines and be relevant to the trust's aims. Trusts can be researched online. They normally publish their funding interests and decision-making dates. Keep in mind that funding from trusts is competitive. Other organizations will be applying at the same time.
- *Corporate donations and sponsorship.* Engaging with the corporate sector usually represents the highest cost in terms of staff time. Statistically, it has the lowest return. Many months can be spent trying to match a corporation's marketing position with an arts organization's activities only to result in little or no return. For this reason, your efforts are best supported by a robust fundraising operation that understands the needs of the prospect companies and can invest in considerable relationship building. It is also the case, however, that some major companies have existing programs for giving with formal application procedures that can reduce the need for elaborate relationship development. Local businesses may be willing to build their

reputations in the community by sponsoring or donating to your organization in small amounts.

In all cases, fundraising from the corporate sector should be approached as a transaction. You are, in effect, selling benefits to the corporation. Most corporations funding the arts do so to meet either marketing, public relations (PR), or *corporate social responsibility* (CSR) objectives. CSR is a movement whereby businesses show that they care about social issues by engaging in philanthropic activity. CSR, often focused on humanitarian or educational issues rather than the arts, is seen to enhance the brand of the corporation. Keep in mind that some corporate sponsorship is in-kind (provision of services, materials, or space in place of money donations). When doing your research, look for a connection between the products and services of the corporation and your organization or project. Corporations are also more likely to sponsor arts organizations in their own geographical area.

- *Fundraising events.* Events designed to raise funds or to cultivate donors need very careful planning. It may be tempting to use staff time to plan and run events, but without clearly articulated and researched goals, the result can be a net loss of money. Events need to be finely tuned with a clear purpose and realistic cost estimates (including staff time), as well as anticipated net return. Any event that attracts more than 30 people can be considered a large-scale event and is likely to need 12 months of advance planning. *Cultivation events* are smaller, targeted activities that aim to recruit people with influence who are likely to give. The purpose is to bring in potential funders so that they become more familiar with your organization, but you do not make the ask yet.

Events can be used for both individual and corporate funders. They are not likely to be useful for trust and government funding, as these often follow specified guidelines in funding decisions. Your main goal for events is to generate interest in your organization. Events can also be used as direct fundraising mechanisms; however, returns are riskier and attendance at such events can be low.

- *Public funding.* Some arts organizations are regularly funded by their national, regional/state, or local governments. Many others do not receive regular funding but are eligible to apply for grants. Like trusts, government agencies publish available grants and associated guidelines. In most countries, governments require applicants to meet particular policy demands, such as youth engagement, urban regeneration, or community coherence through their arts offerings. In other words, they need to demonstrate that their performances, programs, or exhibits address these policy issues in some way. Your application should clearly articulate how your organization and programs will meet the policy demand. Avoid discussing how the funder will help your organization and focus instead on presenting your exciting, policy-supporting work. Many larger, more strategic funding programs require partnerships or collaborations—working, for instance, with other arts providers or with community-based organizations. Government agencies normally have specific application forms or procedures, strict deadlines for applications, and a reasonably predictable timetable for the publication of results, although project start times can be delayed by the bureaucratic process of contracting and setting service level agreements.

FUNDRAISING STRATEGY: A PRACTICAL GUIDE

A *fundraising strategy* is a written plan of action that identifies potential sources of funding, timelines, and the roles, responsibilities, and key actions required to make the timelines realistic and achievable. A fundraising strategy typically has a lifespan of three to five years but is also a living document that can be updated. It is very useful to develop a fundraising strategy so that all fundraising activities are approached in a unified and systematic way and efforts in one direction do not undermine efforts in another. Here is an eight-step guide for creating your fundraising strategy.

Step 1: Introduction

The introduction frames your fundraising strategy within the mission and wider strategic plan of the organization. It should be brief and include:

- Mission statement;
- Aims and objectives of your organization;
- Core activities of your organization;
- Context of the document—who has written it, when, and why?

A *mission statement* conveys the core belief or value of the organization in a single statement. It explains why the organization exists and what makes it stand out from the crowd. All of the activities of your organization, including fundraising, are logically derived from the mission statement.

Aims and objectives set out how the organization will achieve its mission. Aims are more general (such as “creating a program of exhibitions and activities to promote emerging visual artists”), and objectives are more specific steps (such as “mount two large and two small exhibitions each year”).

Core activities are descriptions of the main functions, such as exhibiting or performing artwork, as well as subsidiary activities such as community outreach or artists’ residencies.

These statements of mission, aims, objectives, and core activities (along with the context of the document) set the stage for your fundraising strategy. Importantly, successful fundraising relies on the ability to convince people or organizations to give you money to achieve your mission, aims, and objectives. Fundraising will be much more difficult, or impossible, if you are not able to be clear about exactly what you are asking donors to support. If your organization has not set out the statements of mission, aims, and objectives, you should create these so as to provide a solid basis for fundraising.

Step 2: External Analyses

Fundraising requires appeals to entities outside your organization, making it important to analyze your *external environment*. The external environment is everything outside of your organization that might affect it, including your potential audience, other organizations that might compete for audiences (or artists) or that might be collaborators,

the general economic situation in your location, government regulations, and the like. There are a number of different models that can help support this analysis, but two key approaches are SWOT and PEST analyses (Tables 2.1 and 2.2).

Step 3: Internal Resources

Fundraising involves a number of tasks and functions, including:

- Research;
- Administration;
- Skill and time to write trust and public-sector grant applications;
- Events;
- Relationship development;
- Donor care.

Your fundraising strategy should specify who is responsible for each of these, including:

- Full and part-time fundraisers;
- Staff members who contribute to fundraising as part of their larger role;
- Administrative support personnel;
- Board members with fundraising skills or contacts.

TABLE 2.1 SWOT Chart

SWOT: Analyze the strengths, weaknesses, opportunities, and threats of/to your organization. (We provide some examples of each.)

Strengths

These are areas where your organization is already performing well, or where it has competitive advantage.

- Acclaimed creative program;
- Popular, engaging educational activities;
- Low-cost administration;
- Central location with good parking.

Weaknesses

These are areas where your organization has omissions, needs to build capacity, or where it is at a disadvantage.

- Lack of staff capacity to deliver a comprehensive fundraising program;
- No membership program or materials;
- Low fundraising expertise on the board;
- Lack of fundraising structure;
- Ad hoc fundraising history;
- High dependency on one funding source.

Opportunities

These offer possibilities to your organization.

- Schools announce new arts-focused activities, offering the potential to expand our educational outreach;
- Planned recruitment of new board members, offering the potential to increase diversity and fundraising expertise.

Threats

These are potential hazards for your organization.

- Competition for the same funding sources, exacerbated by an economic downturn;
- Possible closure of a local business that was a reliable sponsor.

TABLE 2.2 PEST Chart

PEST: Analyze external factors, including political, economic, social, and technological features of your environment. (We provide some examples of each.)

Political

- Policies of local or national government;
- Influence of regulatory bodies (including those covering labor laws or tax policies);
- Change in funding grant priorities.

Economic

- Impact of recession or growth of the economy;
- Allocation of public funds.

Social

- Demographics (proportion of age and social groups in society);
- General social attitudes toward the arts;
- Your user groups' attitudes and opinions.

Technological

- Impact of computer software to undertake prospect research;
- Change in internet or cell phone technology.

Step 4: Structures for (Future) Effective Fundraising

Your fundraising strategy should be a working document, a handbook that guides daily operations and decision-making. As such it should include important information that will be useful when developing prospects, namely:

- Case(s) for support, well researched and well argued for core work and/or projects (see Case for Support: A Practical Guide, later in this chapter);
- Administrative procedures and core fundraising materials (these depend on your fundraising priorities);
- A *product menu*, which is a list of activities that have donor appeal;
- A statement outlining demonstrable competitive advantage (your strengths).

Step 5: Current Income Analysis

The chart shown in Table 2.3 provides a means for tracking and analyzing your current income sources. We show a completed chart to illustrate how it works.

This template can also be used to research past funders to assess whether some of them have the potential for future funding opportunities. It can be further developed to include unsuccessful funding applications, helping you to map all fundraising activities against income raised.

Step 6: Future Income Sources

A fundraising strategy helps to turn research into action. Having identified potential sources of income through desk-based research, network analysis, and evaluation of former funders or databases, the next step is linking potential funders to your organization's work. Table 2.4 will help you allocate resources to prospect research and development.

TABLE 2.3 Current Income Analysis

<i>Income source</i>	<i>Area of work supported</i>	<i>Annual income</i>	<i>Funding end date</i>	<i>Will this funding be available again?</i>	<i>Does an alternative source of funding need to be found to support this area of work?</i>	<i>Importance</i>
National Arts Council	Annual Spring Exhibition	10,000	May 2021	We will need to reapply	Yes, although we will reapply for next year's exhibition	High
Intellig Inc.	School workshops	7,000	September 2022	Unlikely	Yes	Low
Ladybird Jones-Smith	Unrestricted donation	20,000	Donates regularly	Likely, and may leave a legacy in her will	Not in the short term (but must not become overly dependent on one major donor)	High

TABLE 2.4 Future Income Sources

Source	Process	Staff days per prospect	Financial investment	Timescale for result
Major Gifts from Individuals	<ul style="list-style-type: none"> • Research and identification of prospects, create profiles on database, and match against product menu. • Plan and create small-scale cultivation events and assess for success. • Set up standard, tailored mailing/emailing program as <i>affirmation communications</i> (positive messages) for donors and prospects. 			
Legacies	<ul style="list-style-type: none"> • Identify potential prospects from research and regular supporters; create profiles. • Set up standard, tailored mailing/emailing program as <i>affirmation communications</i> for confirmed and potential legacy donors. 			
Trusts and Foundations	<ul style="list-style-type: none"> • Research guidelines of a range of trusts and foundations and match their priorities to your organization's product menu. • Set up standard materials: background, needs, annual report, and accounts. • Create an annual Trust Plan showing identified trusts and target income. • Set up specific information required by trusts (many require a workplan and evaluation reports; most require monitoring information). 			
Corporate	<ul style="list-style-type: none"> • Major gifts work may lead to key corporate contacts, as wealthy individuals often come from the corporate world. • Research businesses local to your organization and locations where future projects may take place, looking for business and CSR objectives. • Create a database of profiles and segment them to how well they fit your organization and projects. • Identify what your organization could offer companies and for what return. • Create fundraising materials, such as case for support and proposal templates. • Set up standard tailored mailing/emailing program as <i>affirmation communications</i> for corporate donors and prospects. 			

(Continued)

TABLE 2.4 Continued

Source	Process	Staff days per prospect	Financial investment	Timescale for result
Individual Giving (low- and mid-level)	<ul style="list-style-type: none"> • Identify prospects from audience data, and profile them according to those who engage with your arts organization (regular attendees, volunteers, and the like). • Prepare a standard script to enable any member of the organization to talk to audiences. Ask what attracted them to come and why do they like the organization. • Identify potential giving mechanisms (e.g., donation boxes at performances, invitations to donate at point of ticket sales). • Be aware of tax deduction or relief in your country and convey this to visitors. • Design a Friends program if research shows viability. • Create fundraising materials (application forms for Friends schemes, signage). • Set up tailored mailing/emailing program as affirmation communications. 			
Events	<ul style="list-style-type: none"> • Define outcomes of events and identify target audiences. • Calculate planning lead time. • Budget carefully, identifying potential for sponsorships (financial or in-kind). • Follow-up plan. 			
Public funds	<ul style="list-style-type: none"> • Identify and research government funding rounds (national, regional, and local level) and other opportunities (e.g., national lottery or similar). • Research and map funds' required outputs against your organization's projects. • Plan procurement processes, such as competitive tender on certain expenses (increasingly required by public funders). • Check that your quality assurance systems are sufficiently robust. • Complete application form and submit to (strict) deadline. • Ensure mechanisms are in place for onerous reporting requirements. 			

Examples are given for each broad type of giving, but without details on staff time, costs, and timescale, as these vary enormously with the characteristics of the funder, the amount sought, and the capacity of your organization. In your own table, sources are likely to be listed more specifically (in narrower categories of funders and/or by each potential funder).

Step 7: Screening

The template shown in Table 2.5 is designed to allow you to prioritize your approach to fundraising. The most important column in this template is *importance screening* for narrowing down potential funders so that you can make strategic investments in funding relationships with a smaller, targeted pool of prospects, and in turn, drive up the success rate of funding asks.

Once you have prioritized prospects, create separate documents for each in a *fundraising plan*. These short, specific documents outline all the tasks for making a single funding approach. They include staff requirements, timetable, budget, and how this individual plan fits into the overall fundraising strategy. If you decide to mount a broader campaign with funding from more than one donor, you may wish to create a *gift range chart*, which outlines the size and number of gifts at each level of giving to achieve the campaign goal. This helps your campaign manager to place appropriate emphasis on a variety of large and small funders.

TABLE 2.5 Fundraising Prioritization Chart

<i>Area of work to be supported</i>	<i>Income needed</i>	<i>Name of potential funder</i>	<i>Application process and key dates</i>	<i>Funding interests</i>	<i>Importance screening</i>
Autumn exhibition	12,000	National Arts Council	Grant. Application due: December 15	Budgeted items (staff, installation, publicity, and insurance) for events	High
School workshops	7,000	Mr. and Mrs. Richie Croesus	Prospect to be cultivated	Have given to educational charities, recently expanding to art education for children	Medium
Program brochure	1,000	Brown's Funeral Home	Local business, donated previously	Regularly purchase advertising space in programs	Medium

Step 8: Donor Care

Fundraising does not stop at the point that funds are secured. It is essential that donors, sponsors, and granting agencies are treated with care and respect, and that you continue to communicate. Ensure that follow-up communication with supporters is consistent and high quality across all income streams and ask yourself, “*what have we done for our donors lately?*”

You must also meet the donor’s specific requirements (grants often require a particular kind of reporting, while individuals might need an occasional “good news” type communication). This is part of servicing your funders: ensuring their terms and conditions are met, that other staff in your organization know about the terms and conditions, and that reporting and budgets go out on time.

Minimum donor care guidelines:

- Act, always, in a courteous, disciplined, and professional manner.
- Follow up with donors by email or letter within two days of any face-to-face meeting. Always send a thank you note after any meeting, even if the contact did not donate (this time).
- Abide by donor requests regarding frequency and type of communications.
- Ensure confidentiality and privacy of donor information from a legal (data protection) perspective and on request by donors and prospects.
- Acknowledge and thank donors in writing within three days of receipt of their donation.
- Respond to all donor or contact queries within three days.
- Respond to all donor or contact complaints within one day.
- Ensure that all donors receive a report at the end of each project supported, within three months of completion, or as per their requirements.
- Comply with best practice guidelines as defined by fundraising profession associations in your country.
- Ensure robust systematic methods of capturing information. Recording and evaluating such information on a regular basis is central to successful fundraising. Keep accurate records. Write down everything and establish a system so that if a funder comes into your office, you can immediately demonstrate compliance and impact.

CASE FOR SUPPORT: A PRACTICAL GUIDE

Once you have a funding strategy in place, it is useful to develop a set of materials that can be adapted to the circumstances of each funder. Your aim is to develop an inspiring statement—brief, well-crafted, and evocative—that creates a uniform message about why you are important as an organization, how you make a difference, and what people can do to support you or get involved. The case for support (also called a case statement) is the cornerstone of any fundraising activity. It captures who you are, what you do, what your goals are, and why people should join with you to achieve these goals.

A general case for support sets out the core information that you want to communicate to a range of donors. You may have one for the whole organization and one for each project or activity that needs funding. These should be tailored to meet the needs and requirements of the specific funders you approach. Here is a step-by-step guide to developing a case for support:

Step 1: Who You Are

- State your organization's mission and values.
- Concisely explain why your organization is unique.
- Paint a picture: when was your organization founded, what is your legal status, how large is your staff, and where you are based?

Step 2: Key Achievements

- Evidence the impact of your work.
- List some of your previous achievements, including successful shows or performances.
- Draw attention to any awards you have won.

Step 3: Project Outline

- Set out the project and briefly state the core components, such as the number of workshops or shows. Present the project so that it is appealing to people reading your application.
- Present a timescale.
- State how you plan to evaluate the work.

Step 4: Project Importance

- Who is your target audience?
- How many people will benefit (include participants and staff)?
- Is there a need for this work? What evidence do you have to support this claim?
- Convey a sense of urgency, why does this project need funding now?
- Include key facts and figures, along with personal quotes or supporting statements from audience members, artists, or staff.

Step 5: Precedence

- Have you got quotes from participants in previous projects? Use these to breathe life into your case for support.

Step 6: Requested Support

- If you are asking for financial support, set out how this money will be spent.
- If you are asking for support in-kind, outline what support you would like.

Step 7: Benefits of Funding

- Does funding your project/organization help a trust or foundation fulfill its mission?
- Does it help fill a company's strategic priorities?
- Does it bring joy to the world or benefit a specific target group?

Step 8: Review, Design, Improve

- The case for support should be brief, compelling, and interesting. It should make the reader want to find out more.
- Make your case for support visually appealing using images, diagrams, large format statistics, and quotes to make the core points stand out.
- Proofread and check the accuracy of facts and statistics.
- Get feedback on your case for support, from inside and outside your organization. Give selected people your case for support for one minute and then take it away and ask them to tell you what it said. This will help you to refine your key messages. Is the reader understanding what you want them to? Is it memorable?
- Proofread again.

General Advice

A case for support should be written clearly and concisely. The length will vary according to the level of funding being sought. However, if unsure, err on the side of brevity. The case for support should whet the appetite and create interest. In most cases, more information can be provided, if required, in follow-up meetings. Although a case for support should always be specifically tailored to a given funder, there will be parts in it that can be used in multiple documents with little or no change (such as the description of the organization, though be sure to update as needed). The visual look and design of a case for support are very important. It conveys the values of your organization and is public-facing, so be sure that it is produced to high standards. Include carefully considered images (photos, charts, graphics), but remember the text is also important. Use clear, straightforward language (consult a writing guide if needed). Signpost the reader with diagrams and quotes; draw attention to the things that make your organization stand out.

ETHICS

When identifying potential funders, your organization's ethical position needs to be considered alongside more general principles of fundraising ethics. Ethical fundraising requires you to:

- Act in a polite, professional manner in all contacts with funders, applying a high level of honesty, transparency, and integrity to all interactions.
- Put the overall goals and mission of your organization first, followed by the organization's fundraising goals. You must never seek personal gain (beyond the good feelings from the successful performance of your role), and must strictly avoid unethical or illegal behavior, such as taking kickbacks or a cut of the donation.

- Ensure that your organization is presented in a positive light and avoid actions that would bring it, the fundraising profession, or yourself into disrepute. Do not disparage businesses, individuals, or other arts organizations.
- Present all fundraising materials clearly and accurately.
- Keep careful records of how donated funds are used and prepare accurate, transparent reports to funders as appropriate to agreements or contracts in a timely manner.
- Consider the needs of donors, treating them with dignity and respect. Do not encourage donations or activities that would bring harm to the donor.
- Safeguard the privacy of donors. Do not disclose confidential information to unauthorized individuals in your organization (through gossip, for instance) or to outside entities. Gain explicit consent from donors before sharing any information about them (for instance, before selling a mailing list to a third party).
- Disclose any conflicts of interest.
- Value cultural diversity and value differences as you approach donors.
- Follow the letter and spirit of fundraising laws in your country.

A *conflict of interest* occurs when a professional seeks personal gain from their role. Clearly, individual fundraisers should avoid conflicts of interest, as mentioned previously. Other conflicts can arise, for instance, in a situation in which a donor offers funding in return for, say, exhibiting a collection or artist, the market value of which will rise as a result. Such situations need to be considered carefully, and in some instances, the funding must be refused in order to avoid reputational damage. Of course, it is better not to solicit troublesome funding in the first place. Careful research can indicate negative issues and allow you to avoid them. However, an explicit quid pro quo (transactional funding) is not necessarily unethical and is indeed central to business sponsorship. For instance, businesses might ask for their logo to appear at the entrance to sponsored exhibitions and on all advertising materials and exhibition publications such as brochures and catalogs. Or businesses might request private viewings or other events for their own stakeholders in return for funding. These are not unethical.

Your organization may also wish to prepare a statement of ethics in fundraising, considering such issues as funding by corporations involved in sectors that some consider problematic (such as tobacco, petrochemicals, or pharmaceuticals) or individuals that may have gained wealth through those sectors. This is not a straightforward issue, and the cost of foregone potential funding must be set against the potential for reputational damage to your organization. This is more often a consideration for large, high-profile arts organizations. Smaller-scale and community arts organizations are less likely to encounter these issues.

PUTTING IT INTO PRACTICE

Once you have a fundraising strategy in place and have developed a general case for support that can (and should) be customized to each source you approach, you are ready to do the groundwork that will lead to the ask. Here we cover three key approaches: to individuals, to businesses for sponsorship, and to trusts, foundations, and government agencies for grants.

INDIVIDUALS

The biggest challenge when it comes to cultivating individual giving is time. Individual relationships must be cultivated, and they may not amount to any financial gifts for years. It is important to make strategic, targeted, considered, and personal approaches, which place you in a good position to leverage support from individuals. Arts organizations must demonstrate why arts matter to our society, and why donors may wish to invest in protecting the arts for future generations

Step 1: Research

Most individuals donate because, in one way or another, they love art and want to feel a part of your organization. Three motivating factors affect individuals' giving: their ability to give (wealth), willingness to give (including philanthropic history), and personal connection with your organization or the specific cause.

Research your audience and identify who your key advocates are. Think about why they are important to your organization. Some key advocates might only be in a position to contribute a small amount of money but will help to grow your small-scale donor portfolio, while others may be able to contribute larger amounts of money but may be less influential when it comes to inspiring others to donate. Therefore, be sure to map your advocates in terms of social capital (who they know and what social networks they belong to), as well as financial capital.

- Make a list of people who are committed to the organization (regular attendees) but who are able to make only small contributions, and a separate list of potential patrons, with an ability to give at greater levels.
- Set targets that are realistic both in terms of funds raised and also your organization's ability to manage the necessary fundraising activities.
- Ask your audiences if they would be willing to become members, and what membership perks or levels would appeal to them. Knowing the age and address of your potential donors can help you create a more targeted ask that is realistic in terms of that audience's ability to give, for example, by analyzing general wealth levels in their neighborhoods. Consider how will you ask your audience: online surveys or post-show or exit surveys.
- More generally, give your audiences and visitors ample opportunities to tell you what matters to them. This can inform you on ways to provide them with a stronger sense of involvement.
- Supplement organization-specific research on your current audience with available data sources to help you cross-tabulate audience data against wider giving trends.

Step 2: Plan

Individual giving is an organization-wide priority. Key to the success of an individual donor campaign is cooperation across the organization (rather than pitting box office

and fundraising teams against one another, for instance) to create positive momentum for the organization as a whole.

- List all those individuals and departments in your organization that can actively support individual giving.
- Annotate this list with ways you can engage those people and departments to support the development of an individual giving campaign. This might include training, the opportunity to contribute to the development and planning of a campaign, or the opportunity to provide feedback and report concerns while a campaign is live.
- Consider *campaign costs*, expenditures that are deemed essential to the planning and operation of a fundraising campaign and that are directly related to campaign budget projections. These might include staff costs, postage, and printing.
- Promise only what you can deliver. Though it is tempting to gain individual support by promising many benefits and rewards, be realistic about what your organization can genuinely offer and what is affordable.

Step 3: Start the Conversation

The cornerstone of any fundraising campaign is making a compelling case for support and outlining financial need. Does your audience know who funds your work? Do they know what percentage of your income you have to fundraise? Do they know how you spend the money you receive as grants? Some people mistakenly believe that arts are all champagne receptions and air kissing rehearsals, so it is important that your audiences recognize where the majority of your income is spent, such as on programming or education. Being open and frank about money is the first step in gaining trust from your audience, visitors, and patrons.

- Consider how your organization conveys how it spends income.
- Plan to communicate positive information clearly, perhaps through signage, information in programs and brochures, or online.
- Meet personally with potential large donors, asking what else they give to and why they care about your organization. Listen to them. Allow them to talk more than you do in initial cultivation meetings so that you can get to know them.

Step 4: Make the Ask

It is important that you create the right mechanisms for supporting donations in your organization. Some examples include:

- Donation box;
- Online donation platform;
- Text donation (via cell phones);
- Direct mail and leaflets;
- Telephone calling;

- Membership schemes, with automatic, monthly, or yearly payments;
- Patrons' circles, philanthropy-focused Friends groups with dedicated programming;
- Ticket-based donations.

The ask for larger donations should be specifically tailored to that person, and the ask grows out of the conversations you have in the earlier, cultivation stage. Also, be aware that in many countries, donations are tax-deductible or attract tax relief. Be prepared to indicate how this works for your donors.

Step 5: Acknowledge

Whether someone opts to pay a token donation when buying a ticket or signs up for a monthly membership payment, it is important to recognize this contribution appropriately. Possible methods include:

- A prepared script for all staff that ensures when someone contributes onsite, they are warmly thanked at the point of sale.
- A return text or an online message can indicate appreciation for a donation.
- For memberships or larger contributions, a personal letter can make a donor feel special and valued.
- The larger the donation the more care and attention is needed in the acknowledgment; however, do not neglect small donors.

Step 6: Strengthen Your Relationship with Donors

Donors, be they small-scale contributors or serious philanthropists, do not want to be treated like cash cows. Instead, they want to feel like part of the family. As part of your funding strategy, consider how you develop positive, ongoing relationships with donors.

SPONSORS

As mentioned previously, sponsorship is a business transaction. Companies sponsor arts organizations for specific objectives, often a PR or CSR goal. Sponsorship money often comes from a company's marketing or advertising budget and will be provided to arts organizations that can raise the sponsor's profile or influence positive public sentiment about the company, its products, or its services. The company will want specific returns on the money they invest in sponsorships; this might include publicity, credibility, public approval, and employee or community engagement. Brokering successful sponsorship deals is based on *the offer* and what your organization can do for a company. In essence, they are clients, not donors.

Step 1: Research

As with individual donors, you should start with research and embed your approach in the fundraising strategy. Collect information such as:

- Owner's name (small business) or name and title of the person responsible for sponsorship (larger corporation).
- History of giving or sponsorship from the company you wish to approach.
- Information on the company, its brand position, products, and services.
- Be prepared to show that you know some details about the company and understand its position.

As part of the planning process, you should also thoughtfully consider what you can offer the company. Sponsorship is a business transaction based on value, so it is important to identify your *value proposition*. This is the way in which your organization can provide a positive outcome, or *return on investment* (ROI), for the company. Specifically, ROI is a measure of the returns on money spent. This return can be financial (increased sales), PR (increased brand awareness), or marketing (visibility of the company's logo, increased social media traffic). There are several areas in which the arts can uniquely generate a high ROI, such as access to a target audience, brand alignment, sponsor appreciation, and employee engagement.

Step 2: Draft the Sponsorship Proposal

It is helpful to develop a *sponsorship proposal* as a concise, factual, and evidence-based document that demonstrates why it makes business sense to sponsor your organization or project. Here are the components you need to prepare to create an appropriate sponsorship proposal:

Part A: Introduce Your Organization and the Project for Which You Are Seeking Sponsorship

- Keep this short and concise.
- Your organization's case for support document will provide a good foundation for this section of your proposal.

Part B: Marketing Plan

- Outline planned marketing activities (include plans for print, digital, or other marketing means, and specifically mention any companies that will be supporting your marketing activities, from graphic designers to digital agencies).
- Outline the reach of planned marketing activities.
- Evidence previous success in your marketing campaigns. Ideally, include key figures and use visuals, for example, screenshots or magazine layouts, from those campaigns.

Part C: Sponsorship Relevance

- This is your opportunity to show that you have researched the company. Do this with a brief statement about the company and its current work. Use appropriate statements such as, "we know you are keen to engage with young people as part of your CSR policy," "having recently expanded," "as you are invested in raising

awareness of environmental issues,” or “we know that (company name) is committed to delivering financial literacy training in the community.”

- Having identified the company’s need, outline how your project helps to fulfill that need.
- The emphasis of this section is solutions-focused, what you can do to help this company fulfill a challenge they are currently facing.

Part D: Sponsorship Benefits

- Outline different sponsorship options and the benefits of each option. These could include sole naming rights, joint naming rights, sponsoring an individual artist or program, or sponsoring an event or an element of an event such as a post-show production. You could also offer the business access in exchange for sponsorship, for instance, a special event for employees or clients, backstage tours, or access to corporate hospitality in your restaurant, foyer, or galleries.
- Do not provide too many options; three options are usually sufficient. This allows the company to see that you can be adaptable in your sponsorship offer without making the offer too confusing.
- These should be intended as a guide and to show flexibility. You can note at the end of the benefits section that you would be happy to tailor a sponsorship package to the company.

Part E: Investment

- Outline financial options for sponsorship. It might be that for a larger fee you can offer the company sole sponsorship rights, but for a lesser fee, you can offer joint sponsorship rights.
- This section should be presented in a factual, financially measured way that shows that your organization is business savvy and knows the value of its work.

Part F: Sampling Meeting

- When presenting a sponsorship proposal to a company, it is a good idea to offer an opportunity to sample what you do, for instance, through a site visit, venue tour, or attending an exhibition or performance. The sampling meeting will breathe life into your proposal and provides a scheduled opportunity to follow up. The sampling experience should be linked to the proposal and the sponsorship offer.
- Outline what your product sampling experience will look like, and who will host the meeting. In your planning work, be sure to decide who will be in charge and what resources will be available to them for the activity.

Be sure that your sponsorship proposal is clear, compelling, well-written, and visually appealing.

Step 3: Start the Conversation

Once you have done the preparation, research, and planning, make initial contact. This might include inviting sponsor representatives for a venue tour, to attend one of your

TABLE 2.6 Sample Sponsorship Letter*Sample sponsorship approach letter*

Dear Ms. Zapato,

I am reaching out to you to see if you would be interested in working with MetropArts on our new photography exhibition *Walking*. MetropArts is a small but ambitious artist-run space in the Hamford neighborhood of Metropa. We provide mentoring and exhibition space for emerging artists and are proud members of the Hamford community. Our next exhibition is by Will Ramble, whose work you may have seen featured on social media and in the local paper recently. His work, which examines the juxtaposition between feet and nature, feels particularly timely in a world where the space between home and nature is increasingly segregated.

As regular customers of yours, and big fans of your store, we would be keen to develop an ongoing relationship with you and feel that this exhibition provides a timely opportunity to collaborate. We would love to invite you to MetropArts for lunch so you can find out more about our work and can explore possible partnership opportunities that would be mutually beneficial for Soul Shoes and the gallery. If this sounds interesting, perhaps we could set a date in a couple of weeks? We are currently free on [suggest dates].

Do drop me an email to fix a date or give me a call on [number] to discuss further.

Best wishes,

Brigitta Anderson

Development Director

MetropArts

b.anderson@metroparts.org

events, or for an informal meeting. Potential new sponsors are interested in the affinity of their brand with your organization or project. Be friendly and enthusiastic. Table 2.6 provides a sample approach letter.

Step 4: Make the Pitch

Once a sponsor's interest has been piqued, the conversation should become more structured, with the arts organization taking the lead by highlighting the value and impact of sponsorship. Revisit the sponsorship proposal, updating it with what you learned in the initial meeting. Present this to the company at a follow-up meeting or event.

Step 5: Agree

After a successful pitch, you will need to:

- Sign a written *sponsorship agreement*. A sponsorship agreement is a contract that outlines the roles and contributions of both partners in a sponsorship including the responsibilities of each party, the length of the partnership, and how the sponsorship will be evaluated to ensure it is mutually beneficial.
- A sponsorship agreement is a legal contract. As such, it needs careful thought, and it may be prudent to have it checked by a lawyer before you offer it to a company. You may be able to find a template online or from fundraising colleagues to use as the

basis for a tailored document for your organization. Choose a template relevant to your national context because contract laws vary among countries. Be sure to create a draft sponsorship agreement before making the pitch so that it is easily adjusted and ready to sign if sponsorship is forthcoming.

Step 6: Focus on Sponsor Care

Finally, and very importantly, you must manage a sponsorship partnership on an ongoing basis:

- Signing a sponsorship agreement is the start rather than the end of the sponsorship process.
- It is important that *all* members of staff recognize the value of sponsors, viewing them as important clients. Providing a staff briefing is a useful way to get your entire team on board.
- It is important to speak with your sponsor regularly and carry out a post-partnership evaluation. A happy sponsor may ultimately become one of your biggest cheerleaders, leading to more sponsorships or donations.
- A company may invest money in your work, but for the partnership to be a success, you must invest time in managing the relationship. In your planning work, be sure to outline who will be responsible for managing sponsor relations and consider how they will do so effectively.

GRANTS

Trusts, foundations, and government agencies support a variety of short- and long-term activities and capital costs of arts organizations through grants. Grants may cover staff costs, equipment, construction costs, core programs, overheads/operational costs, education and community projects, and one-off projects. Each granting organization has its own priorities and areas of interest, so it is vitally important to do research to effectively target applications. It is often helpful to develop relationships with these funders as well. Here is a step-by-step guide to help you make successful funding applications.

Step 1: Scope

Before thinking about funders, you need to think about what you need funding for and when you need it. Make a list of projects, staff, and operational costs that you would like a granting body to fund. Be realistic about what you can deliver to ensure the positive outcome of a successful grant. This will make it easier to demonstrate that you should be funded again in the future by this, or another, granting body.

Step 2: Research

Each trust, foundation, and local, regional, or national government agency is an independent funder with different application processes, funding priorities, and timelines.

Carry out an initial survey of potential funders, listing those that might support your work. There are numerous lists that provide details on trusts and foundations, and most government organizations announce grants through *funding calls* that can be checked for relevance.

Step 3: Target

Prioritize the funding bodies you listed in Step 2 based on eligibility criteria, key deadlines, and their application processes. Once you have prioritized potential funders and grants, develop a task list for *each* grant as a means to identify and allocate tasks and resources. The purpose of this activity is to think about the implications and resources required to apply in order to refine your list. The goal is to complete fewer but more successful applications. Table 2.7 (with examples) provides a template you can use to outline funding bodies you are interested in and the tasks you would need to perform.

Step 4: Connect

Once you have developed a targeted list of granting bodies, you can invest time in developing a relationship with those funders in order to understand what they are most likely to fund. Read everything you can about that funder's work, for example, websites and publications, as well as press releases about other projects they have funded. Your goal is to help those reviewing your application to understand your priorities, inspire them by what you do, and demonstrate that *you can help them meet their charitable or policy objectives*. So be sure to do this first. Many granting organizations prefer an initial contact before you make an application, but some do not. Most are willing to answer your questions (but do not expect them to help you develop your application—that is your job). Do your research and then speak to them, as appropriate.

TABLE 2.7 Grant Task List

<i>Granting body</i>	<i>Tasks</i>
National Arts Council	<ul style="list-style-type: none"> • Write a case for support (draw from the general case for support in the funding strategy); • Collect and prepare governance documents; • Commission an architect to develop plans for proposed capital project; • Plan the financial statements.
Frontier Foundation	<ul style="list-style-type: none"> • Write a case for support (draw from the general case for support in the funding strategy); • Write artistic statement; • Commission an HR consultant to develop a new job specification; • Set out the scope of the artistic event and accompanying lectures to be funded; • Set out costs for the event and new personnel clearly.

Step 5: Write

Having invested time in finding granting bodies that are sympathetic to and enthusiastic about the type of work your organization does, it is time to complete the application documentation. At this point, you have completed extensive research and spoken with the funder and perhaps another organization that received funding from them. Now, write with confidence. Think of your application as an evidence-based, compelling document that is easy to read and presents a clear narrative of what you can deliver if you receive funding.

Be sure to answer all of the questions and provide all of the information that is required but be concise. Keep in mind that grant applications must be fully complete when submitted; if information is missing, the decision panel is likely to reject your application. Respect all word counts, character counts, or other limitations on length, and do not provide extraneous information. After writing a draft of the application:

- Get someone who was not part of writing the grant to review it.
- Edit for length, clarity, and succinctness. Ensure that it is complete and compelling.
- Proofread!
- Submit before the deadline (these are often very strict, and applications can be rejected for being even a minute late, so be careful).

Step 6: Review

Whether your application is successful or not, it is important to review it and learn lessons.

- Think about return on investment: how many hours did it take to complete this application?
- What would you do differently next time?
- What feedback, if any, did you receive from the funder?

If your application is successful, you must now deliver on the promises made in the application. As with other funders, you must keep in touch with your granting body and provide them with reports and financial statements as required in the grant agreement the funder will provide.

CLOSING THOUGHTS

There are many steps you can take to develop effective funding for your organization, as detailed in this chapter. But a key message is, “If you don’t ask, you don’t get.” You must request that people and organizations support your organization, and this is much easier if you have prepared a compelling case and done your research. If you ask but get a negative answer, do not take it personally! Many approaches do not result in support,

and that is to be expected. Learn what you can from unsuccessful attempts but be aware that even if you did everything correctly, the timing or the prospect may be wrong. Similarly, even if a grant application was flawed, you have a chance to improve next time. The application may even have been strong, but there was intense competition this round. You can explore whether “no” means “not this time” or “not ever,” and you can try again later, in the next funding round, with a different project, or perhaps with a different funder. While successful fundraising is the goal, each no (as well as each yes) is a chance to learn and hone your fundraising skills. In any case, keep the conversations with funders and prospects going.

Cast your net widely for sources of advice and information. Audiences are a big source of information; be sure to speak to them regularly about what they like and care about. Your organizational colleagues and members of the Board are also excellent sources of information. They may be able to facilitate an introduction through their personal networks. Fundraisers from other organizations can be good sources of advice. Maintain a strong network of peers and colleagues across the sector. Talking through an issue with someone outside your organization can be invaluable. While you are unlikely to share the contact details of your hottest prospects, other fundraisers are not competitors but resources. Indeed, fundraising professionals share the same goal: support for artistic work they believe in.

New Directions

Digital culture has permeated every aspect of society, and fundraising is no exception. Digital platforms such as Instagram and Facebook, and digital culture such as memes and digital challenges, increasingly shape how arts organization manage their fundraising efforts.

Digital activities can enhance traditional campaigns. For example, social media can be used to develop membership schemes or create added value for corporate sponsors. It can support affirmation communications, give you an opportunity for storytelling, and allow you to provide evidence to your supporters on the impact of your work. Email allows you to make direct asks to individuals and members. As well as supporting these traditional modes of fundraising, digital technologies provide new platforms and modes of fundraising that facilitate creative and transformational fundraising campaigns. These are defined as *digital-first campaigns*.

Crowdfunding uses online platforms to help organizations gain funding from a variety of individual backers. Unlike traditional sources of funding such as public funders, corporations, or foundations, which might single-handedly fund a project, crowdfunding relies on multiple small funders. Individual donors might back a campaign with as little as \$1, while others will pledge significantly more. Many platforms offer rewards to those that back a campaign, and these rewards can determine how much someone chooses to pledge. Although crowdfunding is a relatively new concept, it is not dissimilar to traditional fundraising and sponsorship campaigns such as “sponsor a seat” in a performance venue, or “buy a brick” in a building fund. Crowdfunding is a great way to gain funding for a project that might not fit into traditional funding criteria. It also allows you to

sound out a project idea to your target market. If your audience likes it, they will fund it! This means crowdfunding is a great way to develop a stronger relationship with new and existing audiences. Crowdfunding is typically focused on financially supporting an individual, time-limited project; however, the model has evolved to also provide a means to facilitate ongoing support. The website Patreon has taken the age-old concept of patronage and blended it with crowdfunding to allow individuals to become patrons of their favorite art, artists, and arts organizations, through a monthly subscription service. This opens up the idea of patronage to anyone (not just the wealthy).

Digital-first fundraising works best when it is driven by an immediate need, or developed in response to social, political, or economic developments. For example, one organization was able to raise a significant sum of money in a matter of a few days through crowdfunding when its building was destroyed by fire. Crowdfunding generates unrestricted funds in one sense, as organizations do not need to create a detailed budget when they launch a campaign; instead, the fundraising campaign focuses heavily on concept. However, while this mode of funding does not require a detailed financial report to be delivered to funders after a project has been delivered, arts organizations do need to ensure continued engagement with people who funded their campaign, provide promised rewards, and develop an ongoing relationship with them as audience members and supporters.

Theoretical Reflections

This chapter has provided practical guidance on fundraising. Our advice draws on the perspectives of fundraising professionals and is also informed by scholarship and empirical research. Arts managers can gain theoretical insights to support the development of new or more efficient practices by taking an inquisitive and interdisciplinary interest in empirical research on fundraising and philanthropy.

Fundraising is a field of study with both empirical and theoretical foundations. It engages with a broad range of academic disciplines including linguistics, management, and social policy. For instance, Whillans (2016) shows how insights from sociology, psychology, and economics can improve fundraising. Research in other fields can also be valuable. For instance, the science of pricing can help you to decide how to price tickets for a gala dinner or annual member fees (Smith 2015). This literature covers a wide variety of topics, such as the motivations of wealthy donors (Ostrower 1997) or relationships between art and the state (Alexander & Rueschemeyer 2005). Some very critical work on corporate funding (Evans 2015; Wu 2002) highlights issues of fundraising ethics and sponsorship agreements.

The science of fundraising is important, as it helps fundraising professionals work more effectively by providing a solid basis in evidence. As you develop as a fundraising professional, it is useful to engage with this literature, either directly, by reading scholarly articles in journals that specialize in fundraising, philanthropy, arts management, or nonprofit organizations, or indirectly by reading summaries in blogs and websites. This will provide a greater understanding of what is effective and why, expand your fundraising repertoire, and support a thoughtful and reflective approach to your vocation.

SCENARIO DENOUEMENT

Birgitta could not think of how to solve her dilemma, but she realized she could not keep the situation secret. She asked for a meeting with the Managing Director, Valerie, and confessed all. Fortunately, Valerie recognized that Birgitta was smart, hard-working, and committed, and moreover, Valerie realized that Birgitta should have had more support in her role from the start. Valerie had been connecting with a potential board member with significant fundraising experience. Valerie's contact had discussed some principles of fundraising with her at a drinks reception and she realized that MetropArts needed a much more structured and carefully planned approach, which included support for her part-time fundraiser, Birgitta.

The exhibition, *Walking | Will Ramble*, was successfully mounted and gained positive press reports. Fortunately, MetropArts' annual budgeting had already included support for the exhibition from other restricted and unrestricted funds, so any income Birgitta might have generated would have been useful but not essential. After extensive debate, the donation from Andarta Athletic went ahead. Audience research suggested that the ubiquity of the Andarta logo in the city of Metropa, and the world, meant that audiences were not as troubled by the presence of the logo as perhaps they might have been, and MetropArts was small enough not to become a target of activists. In any case, the contract was already signed, so refusing the donation could have been awkward. Nevertheless, concerned about aligning itself with brands with unfair labor practices, MetropArts developed an internal Ethics Statement to preempt such situations in the future.

While her inexperience was a problem, once Birgitta learned more about fundraising, her enthusiasm and willingness to ask for funds was a strength. She realized the importance of internal and external contacts, doing due diligence through research, and writing in different voices for different audiences. She worked with the managing director, and the rest of the organization, to develop a fundraising strategy, which would be reviewed regularly. She now works with the creative director to understand the true value and impact of the organization's work, with the Marketing Director to ensure consistency of message, and with the Board and other colleagues to find and develop prospects. A year into her role, she has increased the organization's income from donations and sponsorship and has plans in place for future successes.

SUMMARY

The key points from the chapter are:

- Start with your organization's mission as the springboard for all fundraising activities.
- Set out a fundraising strategy for the whole organization.
- Prepare a case for support for your organization and adjust it to specific projects and the specific needs and requirements of the funding source.
- Do careful research on prospective funders.

- Prepare a fundraising plan for each potential funder.
- Allow sufficient time to develop contacts, establish a relationship with individual philanthropists and corporate sponsors, and write clear and compelling applications to government agencies, trusts, and foundations.
- Recognize that fundraising entails care of funders after donations are received and that existing funders need continued cultivation to encourage future support.
- Align fundraising with general and organization-specific ethical principles.
- Be patient and keep asking.

KEY TERMS

Affirmation communications

Campaign costs

Case for support

Conflict of interest

Corporate social responsibility (CSR)

Crowdfunding

Cultivation event

Digital-first campaigns

Donation

Earned income

External environment

Feasibility study

Funding calls

Fundraising

Fundraising plan

Fundraising strategy

Gift range chart

Grants

High net worth individuals

Importance screening

In-kind contribution

Match funding

Mission statement

PEST analysis

Product menu

Prospect

Prospect research

Restricted funds

Return on investment

Sponsorship

Sponsorship agreement

Sponsorship proposal
SWOT analysis
The ask
The offer
Unrestricted funds
Value proposition

STUDY QUESTIONS

1. What are some of the current fundraising challenges for arts organizations?
2. Why is the organization's mission so important in fundraising?
3. Can a successful case for support, approach letter, sponsorship pitch, or grant application be recycled for other funding opportunities?
4. Why is it a good idea to have a range of funders in your funding mix?
5. Why do different kinds of donors give to the arts?
6. How does research support fundraising initiatives?

GAIN EXPERIENCE

1. Using the guide provided in this chapter, define a fundraising strategy for your organization (or, as an exercise, for an organization you can learn about online).
2. Using the guide, develop a case for support for your organization (or, as an exercise, for another chosen organization).
3. Using the donor care guidelines in this chapter, write a generic plan for donor care as part of your fundraising strategy.

ADDITIONAL RESOURCES

Websites

- Association of Charitable Foundations (UK): www.acf.org.uk
- Association of Fundraising Professionals (US): www.afpnet.org
- Association of Fundraising Professionals (Canada): <https://afpglobal.org/afp-canada>
- Candid (previously, Foundation Center, US): <https://candid.org>
- Chronicle of Philanthropy (US): www.philanthropy.com

- Directory of Social Change (UK): www.dsc.org.uk
- Funding Central (UK): www.fundingcentral.org
- Fundraising Institute Australia: <https://fia.org.au>
- Fundraising Institute of New Zealand: <https://www.finz.org.nz>
- Grantmakers in the Arts (US): www.giarts.org
- Institute of Fundraising (UK): www.institute-of-fundraising.org.uk
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Arts Marketing

David Ocón

SCENARIO

Gillian has been working as an arts manager for a mid-size nonprofit theater company for two years. The company is ten years old and has a well-established reputation. It employs young and up-and-coming actors and produces good quality performances. The company rents office and rehearsal spaces close to the city center, and partners with venues across the city to present its creations. Gillian was first engaged with the company as an intern immediately after completing her arts management studies at a local university. After a few months, the company hired her as the communications officer, the job she has held since then. Being in charge of communications includes managing social media platforms, a website, and media engagements. Gillian feels quite comfortable in this position: after two years, she has carved a space where she feels appreciated for her work. Additionally, she has developed a vast network of contacts and a good reputation in the country's arts sector. But the recent departure of a colleague in charge of marketing triggered a reorganization of the company's tasks. Marketing (voilà!) has landed on Gillian's plate, and it is now part of her work portfolio, together with communications. Despite her arts management degree, her knowledge of marketing is pretty basic. She is committed to her new role and wants to excel in it, but she is panicking a bit (actually, far more than a bit). Gillian has reviewed some general books on marketing (the author Philip Kotler seems to know something about it). However, everything she reads seems to focus on commercial marketing, and she is struggling to understand how to apply the tools and techniques to an arts nonprofit. She's also consulted some books on arts and creative marketing. However, while more relevant to her current job profile, they do not always consider some of the particular issues she is dealing with.

Gillian's situation is rather typical. While many large organizations have a dedicated marketing staff, mid-sized and smaller organizations tend to combine jobs in a single individual, such as communications and marketing in Gillian's case, or marketing and fundraising, or marketing and any other job for which there is no dedicated staff.

For Gillian to succeed, she needs to know how marketing fits into the organization's overall functions. Is there a simple guide or toolkit for her to manage her daily work? How can she move forward with this new portfolio in a way that promotes organizational visibility, positive image, and, ultimately, good ticket sales? Could digital marketing be a solution? It seems to be straightforward, manageable, and cheap. However, if it is so accessible, how come other arts organizations are still committing resources to traditional marketing such as leaflets, posters, and ads?

Although there are hundreds of resources on traditional and commercial marketing, the materials available specifically for arts marketing are scarce, posing additional challenges for Gillian. Furthermore, while some focus on arts management, few of them address marketing from the perspective of a small-to-medium (often financially struggling) arts organization. An organization like Gillian's often has limited resources, both financial and human, and can only approach marketing informally. However, it experiences the same pressures to perform well as larger arts institutions. Often, survival depends on how well it implements the marketing strategies that marketing staff create on their own.

This chapter is addressed, in particular, to arts managers like Gillian. It proposes a systematic approach to marketing in the arts sector supported by easy-to-implement tools and methodologies that can apply to a variety of arts organizations: theater, dance, visual arts, music, and community organizations.

ISSUES

- Lack of knowledge about marketing;
- Inadequate financial resources and limited time to commit to marketing;
- Too few staff stretched over multiple areas of responsibility;
- Pressure to increase ticket sales (easily measurable) and improve the organization's image (challenging to measure);
- Uncertainty about the need to create a marketing plan and how to translate a marketing plan into implementable marketing actions.

INTRODUCTION

As consumers, we experience marketing daily. One way or another, we are surrounded by its messages and effects and, at times, overwhelmed by them. In fact, humans have used marketing tools to sell products, merchandise, commodities, and ideas for hundreds of years. However, the application of marketing to the nonprofit world, and in particular to the arts, is relatively recent.

It wasn't until the late 20th century that marketers began to consider that "marketing is a relevant discipline for all organizations insofar as all organizations can be said to have

customers and products” (Kotler 1972, 46)—including arts nonprofits. The idea initially met with some criticism. Many people believed that the arts were not merely a product and that the people served by arts organizations were not simply customers. The notion, however, soon took off, first in North America and then, progressively, worldwide. In the late 20th century, arts marketing became increasingly sophisticated in methods and approaches (Boorsma & Chiaravallotti 2010), with arts organizations gradually applying techniques borrowed largely from the for-profit marketing sector. Although there remains considerable controversy over how well traditional or commercial marketing principles work for the nonprofit arts sector, it is useful to look at a couple of classic descriptions to understand how arts managers, like Gillian, can make use of its principles and strategies, adapting them, as needed, to the arts management context.

Marketing can be defined as “the intermediary between the customer and the business” (Moore & Pareek 2006, 8). The American Marketing Association sees it as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (2021). In other words, marketing is what brings customers to products or businesses, especially when they might not otherwise do so. In a nutshell, the purpose of marketing is to optimize the relationship between a company (business) and its customers (clients) so that both parties can maximize value and mutual satisfaction. In the case of nonprofit arts organizations like Gillian’s, who may think of their audiences more as patrons than customers, marketing provides a means to demonstrate organizational value to potential audiences so that they purchase tickets, come to performances and shows, and provide support in other ways, for instance, through donations.

Gillian wonders how marketing became such an essential activity in an organization’s daily life. Marketing practices as we know them today emerged from commercial activities developed in the 20th century: companies selling goods and services strove to differentiate themselves from others to find customers and successfully derive profits. However, marketing practices have been with us for millennia and can be traced to antiquity (Dixon et al. 1968). Etymologically, we can trace marketing from the Latin *mercatus*, meaning marketplace. Marketing, thus, can be thought of as facilitating *exchange activities*. These first exchanges took the form of bartering, where trust was essential for a mutually beneficial trading relationship. This led to the development of exchange specialists who helped individual vendors promote their wares so they would stand out from the competition. Buyers and sellers gathered in marketplaces, where vendors used image-based signs depicting their primary goods or services, which they displayed outside their doors or near their market stalls. Often, merchants would gain attention by shouting and hawking their goods. In China, since antiquity, candy makers played bamboo flutes to attract customers, a practice that we sometimes see today with ice cream trucks. From as early as 200 BCE, packaging and branding were used to signal family, place names, and product quality. Today, sophisticated print, digital, and social media replace ancient shouting and flute playing as marketing strategies. However, the spirit of “shouting” as a tool to attract potential customers’ attention remains central to modern marketing.

Fast forward to the 20th century and the arrival of creative communication, advertising, and selling. Gradually, marketing became more aggressive as competition increased. Understanding a customer's needs, wants, and behaviors became vital for the survival of businesses, which in turn increased the demand for marketing strategies. An emphasis on distribution channels, pricing strategies, and modern marketing research characterized this period. Toward the end of the 20th century, gaining a customer's trust and loyalty was seen as pivotal to success. The establishment of long-term relationships, with customers and other partners, is seen as essential to marketing in the 21st century, where customer-business interactions increasingly prioritize more value-added and mutually beneficial relations that are more personalized, real-time, and digital.

Relevant to the nonprofit sector, and Gillian's desire to understand the place of marketing, is the idea of building relationships. That is something Gillian understands well, and which she can use as the basis for attracting customers/patrons to her organization.

PRODUCT AS THE EXPERIENCE

Arts marketing was first mentioned in 1967 by marketing guru Philip Kotler, who pointed out that cultural organizations (museums and concert halls), producers, and presenters of cultural goods need to compete for consumers' attention and their share of resources. In the 1980s, Holbrook and Hirschman (1982) underscored the uniqueness of artistic products and their subjective features and symbolic meanings, highlighting the "experiential aspects of consumer behavior" (138). In the following decades, marketing scholars emphasized the uniqueness of artistic products, where the *experiences* triggered are fundamental to the relationship with audiences. For instance, Colbert (2012) accentuates the experiential nature of arts organizations operating as providers of symbols and tools to create meaning, fire the imagination, and guide subjective experiences with patrons as "co-creators of the experience" (114). Hill et al. (2018) underscore the importance of a dual approach to arts marketing, where "mutually satisfying exchange relationships with customers" are crucial "as the route to achieving organizational and artistic objectives" (2). Walmsley (2019) advocates prioritizing and developing richer and deeper long-term relationships with audiences, leading to "more creative, immersive, and meaningful, and even transformational experiences" (44).

These authors speak to arts managers like Gillian with the message that the arts are different from other transactional endeavors, and their distinctive products are situated in the foreground of any marketing strategy. This is a radical departure from traditional or commercial marketing, which tends to put consumer demand ahead of the product and commonly starts with a need in the market. In contrast, arts organizations find patrons for their product rather than creating a product in response to audience demand (Meyer & Even 1998; Petkus 2004; Hill et al. 2018). Focusing on artistic goals rather than exclusively on financial profitability has significant implications for the ways arts

managers engage in marketing. A theater company like Gillian's produces a play for interested audiences rather than creating works to satisfy a specific audience's demands. Hence, arts marketing is commonly labeled *product-centered marketing*. The product can be an exhibition, theater performance, dance show, literary event, outdoor concert, culinary display, or graffiti competition. The task of arts managers like Gillian is to identify potential patrons and provide them with a holistic artistic experience, or as Radbourne (2014) calls it, an "experience journey" (212). In the case of Gillian's organization, the journey can mean patrons gain more knowledge, aesthetic exposure, or simply pure entertainment as a result of the plays offered. Whatever patrons may gain from Gillian's organization, they can only do so if they first attend a performance or event. That means that they have to buy a ticket. Gillian's job is to get them to make that purchase using marketing strategies she develops.

The following sections in this chapter guide Gillian in doing just that. To get started, and before she can decide on the strategies that work best for her organization, Gillian needs to assess several things: what is possible given her organization's needs and goals? the staff's capacity? and the resources—including money—that are available to her? Gillian also needs to identify, understand, and assess her potential patrons, the audiences.

UNDERSTANDING AND DEVELOPING AUDIENCES

Just because Gillian's theater offers performances to the public doesn't mean people will attend, even if they are genuinely interested. On any given day, in any city or town, there is typically an assortment of alternative leisure or entertainment choices that people can choose from. In such an environment, Gillian's job is to help people focus on her organization's offerings rather than the many other available choices. This is where the notion of *customer relationship management* (CRM) may come in handy. Kotler and Armstrong define CRM as "the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction" (2017, 13).

The idea of a beneficial relationship undergirds the arts marketer's aim to create the highest perceived value in which the benefits of an offer are (or at least seem) greater than costs. The perceived value of attending a performance, visiting a gallery, or engaging in any other sort of artistic activity needs to be higher than the perceived value of the ticket price and/or the cost of time invested.

Generating superior patron value is not always straightforward: Gillian needs to create value for audience members in a way that also provides sufficient revenue. That is not always easy. For instance, one of her first efforts was to buy ads on national television and in newspapers. Gillian thought she had scored big as her organization's visibility was tremendous, and many people talked about the play. However, she also spent nearly the entire marketing budget promoting just one play, and subsequent shows suffered from a lack of promotion. Following this experience, she decided to cautiously avoid investing too many resources in a single strategy and opted for free and inexpensive ads on social media. The result was very poor attendance. She realized only later that many of the people who would normally attend her theater performances don't regularly use social

media, so they never found out about the show. In the end, Gillian learned that she should pursue a balance of strategies in order to reach the largest number of prospective audience members with the least expenditure of resources. And, she must think in terms of audience development, rather than merely audience advertising.

What Is an Audience?

Developing audiences is a fundamental responsibility of arts marketing. The Audience Agency, a charity in the United Kingdom, provides a definition of *audience development* Gillian might relate to:

A planned, organization-wide approach to extending the range and nature of relationships with the public, it helps a cultural organization to achieve its mission, balancing social purpose, financial sustainability and creative ambitions.

(2020, 33)

In practice, this means that arts managers like Gillian need to motivate people in ways that make them want to attend performances, exhibitions, or purchase artworks or crafts more than they want to do something else. In other words, they have to make the choice to attend rather than not attend. To effectively motivate potential audience members, Gillian must understand their needs, desires, and motivations. Many factors can affect these relationships and thereby impact arts attendance:

- *Cultural factors.* The sets of values and behaviors created by a group of people or a society, and generally accepted by its members. For instance, Gillian's organization explores social issues through thought-provoking, stimulating, and sometimes challenging shows. However, some people might not feel comfortable confronting these issues in a theater setting. What would motivate them to attend a play anyway?
- *Reference groups.* For instance, family, friends, and colleagues with whom an individual identifies, and who contribute to the formation of an individual's values, attitudes, and behavior patterns. Gillian knows that word of mouth works well in this context: those who like a show will tell friends and family members who might also attend. How can she encourage them to share their experiences of the play with others?
- *Social class.* Those with similar rank in society tend to develop similar attitudes, values, and behavior patterns (Bourdieu 1987; Hill et al. 2018). An informed audience with some disposable income is more likely to attend Gillian's theater company's shows. How can Gillian appeal to multiple social classes in ways that make them all feel welcomed?
- *Personal factors.* For instance, age, gender, family life cycle, income, education, occupation, ethnicity, language, religion, family size, or type. What are the best ways to appeal to such diversity among potential audience members?
- *Psychological factors.* For instance, perception, personality, beliefs, and attitudes, as well as motivation. Are there ways for Gillian to tap into these factors?

Box 3.1 Motivation

Motivation is a compelling concept: What motivates individuals and groups to attend an arts event? Why do people leave the comfort of their homes to explore issues in a theater or an exhibition space? Ajzen's *Theory of Planned Behavior* (1985, 1991) has extensively been applied to understand and predict people's behaviors in a variety of fields and environments. The theory states that a combination of three factors (attitudes, subjective norms, and perceived behavioral control) determines people's behavioral intentions (motivation) and ultimately directs their actions. When applied to arts marketing, many factors can drive people's motivation to attend an event: enjoyment, and in some cases, passion; self-enrichment, as they create spaces to broaden the mind, learn something new, and expand creative minds (typically, participating in an enriching experience provokes a sense of accomplishment); an opportunity to socialize with friends and family and meet with people; because of a friend's recommendation; positive reviews or comments about a show; to relate to a particular heritage and culture; glamour or significance of a venue; affordability or free experiences; and, to support an artist, a cause, or a community event.

Motivation

Motivation is what leads people to make one choice over another. With her limited resources, Gillian may not be able to do the kind of sophisticated research needed to fully understand audience motivation. But what she can do is to try to understand both the triggers and the obstacles that influence an individual's decision to attend an event. How can she gain the knowledge she needs? Managers like Gillian need to engage in research and planning in a process that can be broken down into a series of simple steps:

- Understanding your organization (the research phase);
- Planning (translating research into a well-conceived plan);
- Action (carrying out the plan);
- Monitoring and evaluation (making sure that the plan is followed and is working).

This knowledge better equips her to design strategies and actionable plans to:

- Retain audiences by deepening the relationship with them, for instance, via loyalty programs, membership cards, special discounts, and programs such as post-show events, which guarantee a regular stream of income and support for the organization.
- Widen and diversify audiences with proposals that cater to a larger pool of potential supporters, for instance, via outreach programs to groups such as students or the elderly, strategic partnerships with educational institutions, training courses or workshops, or special privileges or discounts for a tryout.

At the same time, there are many *barriers* that prevent or make it difficult for people to engage with the arts. These barriers can be physical, for example, an inaccessible or distant venue with no public transportation or parking facilities, expensive ticket prices, or lack of access to needed information. They can also be psychological or perceived, linked to values, lifestyle, personal interests, purchasing behavior, benefits sought (from attending a performance), and brand loyalty (the extent to which Gillian's patrons are loyal to her organization). Barriers can include people's perception of a show as irrelevant or uninteresting, a dislike for a particular art form or artist, lack of disposable time, preference for discounted tickets, or not having anyone to go with. In other words, the factors that influence a person's decision to go to a performance, or not to go, are myriad and complex, and multiple factors both pro and con could be operating on an individual at the same time. Whatever her research uncovers, Gillian will use the information as the basis for a marketing plan.

MARKETING PLANS FOR ARTS ORGANIZATIONS

The typical arts marketing plan has four main phases:

- Understanding the organization and its environment
- Planning
- Action
- Monitoring and Evaluation

Phase 1: Understanding the Organization and Its Environment

Having a good understanding of your organization and your environment is crucial when engaging in marketing. To do so, Gillian needs to respond to the following questions concerning her organization:

- Who are we?
- What are we trying to achieve?
- What is happening around us?

Being clear about her *company identity* will inform the design and implementation of the marketing plan. This identity (Who are we?) comprises the organization's values, attitudes, aspirations, approach, and ideas, and typically is encapsulated in its mission statement. Together with the organization's goals (What are we trying to achieve?), specific broad declarations that pin the organization's mid and long-term aims, it is the starting point for any marketing plan. This information is the "entry point" to Gillian's organization for the people she is trying to reach and must be as accessible as possible (easy to understand), concise (to the point), and useful (so that Gillian and her staff can inform others about what the organization does and guide internal decisions). Two

notable examples of organization statements from two well-known museums are shown below:

The Museum of Modern Art in New York (MoMA) aspires to “share great modern and contemporary art with the public.”

The Metropolitan Museum of Art in New York (The Met) “collects, studies, conserves, and presents significant works of art across all times and cultures in order to connect people to creativity, knowledge, and ideas.”

These examples are well-articulated, concise, and focused statements that not only inform but can also guide the organizations in their activities.

Preliminary analyses of her theater company will help Gillian identify what makes her organization stand out from others, especially its competitors, thus casting light on its unique qualities. In this process, Gillian should also gather relevant external information about the environment in which her organization operates (What is happening around us?). For this, Gillian can use a *SWOT Analysis*, which stands for Strengths and Weaknesses (internal elements), and Opportunities and Threats (external elements). A SWOT analysis can help Gillian produce a summary of areas her organization should concentrate on developing. She can carry out the analysis by asking targeted questions and doing the research needed to answer them, as shown below:

- *Strengths*. What is good about the organization? What are the positives about the team, programs, audiences, and infrastructure?
- *Weaknesses*. What are the shortcomings of the organization? Where might its processes need to be improved?
- *Opportunities*. Are there new potential audiences to reach? Is there any alternative line of funding to tap into? Are there any macro-environmental changes that could benefit the organization?
- *Threats*. What is the nature of the competition? Are there any social trends or changes that can negatively impact our plans? What are the uncertainties regarding future public funding or income generation? Are there any macro-environmental changes that could affect the organization negatively?

Rather than just answer the questions on her own, Gillian poses them to staff, stakeholders, Board members, and the public. She writes down answers, then organizes them into a grid that allows her to look at the responses to see what patterns might emerge (Table 3.1).

Phase 2: Planning

In this second phase, Gillian should set specific targets in the form of marketing objectives by asking and answering some additional key questions:

- Where do we want to be?
- How do we get there?

TABLE 3.1 Marketing SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Artistic excellence • Well-established reputation • A decade of experience in the field • Loyal core audiences • Young and up-coming actors 	<p>Opportunities</p> <ul style="list-style-type: none"> • New generations are interested in discussing social issues • The <i>National Arts Council</i> provides access to production grants regularly • Partnerships with other organizations • New digital tools can open up new spaces to engage with audiences
<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of regular funding • No big names or stars • Not owning its performance venue • Delicate social topics that can be controversial 	<p>Threats</p> <ul style="list-style-type: none"> • Financial or health crises can impact arts attendance • Not receiving sponsorship or funding can affect production's scale and visibility • Competitors designing better products

The “how” is answered by the marketing objectives Gillian defines for her organization. *Marketing objectives* are practical action items that relate directly to the organization's identity and features outlined in Phase 1. They directly build on the organization's ethos and aspirations and address the relationship with its audiences and stakeholders. Useful objectives are specific (usually expressed numerically) about the outcomes an organization hopes to achieve, for example, to diversify and expand audiences. Effectively articulated objectives are *SMART* (Specific, Measurable, Achievable, Realistic, and Time-Bound or Time-Specific). For example:

- To increase the attendance of young people (18–25 years old) across all events by 20 percent from October to December.
- To expand outreach among seniors by holding five workshops for a total of 100 senior citizens in the coming year.
- To widen brand exposure by gaining 5,000 followers on Facebook and 10,000 on Instagram by the end of the current season.

Marketing strategies refer to the specific actions taken by the organization to achieve its marketing objectives. They revolve around two main areas:

- Maintaining and growing relationships with existing audiences and stakeholders; and
- Developing audiences, approaching alternative market segments, and forming new relationships with stakeholders.

There are various strategies for retaining, diversifying, widening, and growing audiences. They can include pricing tactics, distribution schemes, partnerships, outreach, and education initiatives.

Phase 3: Action

In the third phase, Gillian should answer the following questions:

- What is the best way to get there?
- When will we (or should we) get there?
- How much (in money and other resources) will it take to get there?

Gillian needs to carefully select and combine different strategies to encourage audiences to attend her theater company's offerings. A variety of factors, external and internal, determine the combination of strategies an organization selects to achieve its objectives. This "magic recipe" is known as the *marketing mix* (What is the best way to get there), which is made up of the *four Ps*:

- *Product*. The scope of arts experiences provided.
- *Promotion*. The communication approaches to reach the audiences. This combination can include, for instance, ensuring that all the media material, also known as *collaterals*, used to reach audiences are integrated and aligned to promote the organization's uniqueness. Collaterals can include printed material such as flyers or posters, or digital material such as web content and e-newsletters.
- *Place or distribution*. Making the arts experiences available either in person or through digital means, as well as informing potential patrons how easy it is to attend. It also includes, for example, making sure the venue is accessible and comfortable.
- *Price*. The general principle determining how much to charge for the experience to different audience segments. This can include special pricing for seniors or young people and setting the price of a seat in relation to its position to the stage.

A successful marketing mix needs a realistic *timeline* (when to get there) and a *budget plan* (how much will it cost to get there). These two elements are crucial for ensuring that the marketing plan stays on track and delivers what is needed. To draft the timeline and the budget as accurately as possible, Gillian can pose questions such as: How many attendees do I need to attract? How much money do I have to spend? How many brochures do I need? How long does it take to produce and distribute them? While planning the timeline, Gillian needs to ensure that she leaves enough margin when setting deadlines and considers staff and public holidays, volunteer and part-time staff availability, design delays, and anything else that might affect her ability to deliver on time.

The budget plan details the planned expenditures associated with the marketing activities proposed. It serves a multifold purpose: it ensures that the spending is within the constraints of the organization; it guarantees that the risks are calculated; it proves to stakeholders that the organization's plans maximize the resources in a balanced manner; and it helps to monitor the progress and milestones of the project.

Ultimately, Gillian also needs to write down the marketing plan and communicate it to relevant interested parties. These can include other staff within the organization, sponsors, funding bodies, and the organization's Board. The written plan includes all the main components outlined earlier, plus a section for monitoring and evaluation.

Phase 4: Monitoring and Evaluation

In the fourth phase, Gillian should answer the following questions:

- Am I making progress toward the objectives?
- Did I meet the deadline and accomplish the objectives?

Implementation of the marketing plan should be continually monitored and evaluated given that many factors can influence its impact and effectiveness. *Monitoring* is a combination of data collection and analysis during the plan implementation phase and compares progress results against the marketing plan's desired results. With periodic and continuous monitoring, Gillian can identify problems at an early stage and take corrective measures.

Evaluation is a systematic, retrospective assessment of the marketing plan's outcomes, conducted objectively. It analyzes quantitative and qualitative metrics associated with the implementation of the marketing plan. *Quantifiable metrics* can include the number of tickets sold, social media reach, and income generated through food and beverage (F&B) sales or spin-off products (such as merchandising). *Qualitative metrics* include measures of patron experiences (in the form of surveys) and press and social media reviews. Evaluation can be conducted internally by members of the staff or by external independent evaluators. Through evaluation, Gillian can learn from experience and identify opportunities to improve future marketing plans: for instance, by understanding target audiences' needs and how to meet them, by developing precise, achievable, and measurable objectives that can increase the programs' effectiveness, and by providing relevant information and data to submit to funding bodies.

TARGETING AUDIENCES: SEGMENTATION AND POSITIONING

Patron satisfaction and loyalty facilitate the *consolidation* of an organization's brand identity and positive reputation. Consolidation has to do with the coherency of an organization's brand. To illustrate, imagine an organization that is a combination of a children's theater, car wash, and used appliance store. Such an identity is hardly coherent; its brand identity would be hard to convey to potential customers, patrons, or audiences. A unified, or consolidated, identity is facilitated, however, by a better understanding of the target audience and the extent to which an organization addresses their values and needs.

A way of acquiring that knowledge is by establishing communication channels: What does the target audience want? How do they view the organization? How much are they willing to pay for the experience? What else do they do with their free time? This knowledge can facilitate Gillian's marketing analysis and is indispensable for an effective marketing strategy.

Market segmentation refers to the process of separating a market (a group of consumers) into several audience subgroups (segments) with similar needs, preferences, tastes, and behaviors. This segmentation will allow an arts organization to find out to what extent audiences' demands are similar and why, and to formulate marketing strategies

accordingly. For segments to be relevant, they need to fulfill some essential criteria. Segments should:

- Be homogenous, while the various subgroups are heterogeneous in terms of their needs, people within each subgroup should have similar needs;
- Be significant, so that they can be differentiated from other segments;
- Have sufficient size, ideally with measurable characteristics;
- Be accessible and reasonably stable, without too many changes over time;
- Include patrons that respond in similar ways to proposals and incentives;
- Provide revenue to the organization.

Gillian should also consider several segmentation variables or descriptors that impact the segmentation process:

- Location classifies patrons according to where they live or stay, for instance, region, municipality, degree of urbanization, or postcode. This variable can help optimize resources and avoid wasted effort, such as distributing leaflets or organizing promotional events. In Gillian's case, there are areas in her city that traditionally house young people (newly developed neighborhoods), families (generally with good access to schools), the elderly (more mature neighborhoods), students (near the universities), and tourists (adjoining the city center). For the latter, approaching the tourist offices and providing translations into several languages at main tourist and cultural attractions are good options to consider.
- Demographics include age, gender, family size, family phase (age and number of children), ethnicity and race, religion, language, profession and annual income, educational level, and housing type.
- Psychographics are determined by preference or choice, values, lifestyle (activities, interests, and opinions), personality, and universal values. To Gillian, it might be useful to know specific behavior patterns in her theater's patrons, such as arts attendance habits: Do people prefer to attend social theater shows with families or with friends? Do they mind going alone or is there some social stigma linked to it?
- Expectations, or experiences sought, include specific inherent benefits desired in an artistic engagement, such as aesthetic growth, creative fulfillment, entertainment, a satisfactory learning or thought-provoking experience, and price (for instance, affordable or free, or a combination of them).

Market segmentation can help Gillian approach potential audience members in a more targeted way and to better use her resources. Furthermore, based on that knowledge, she can consider implementing strategies originating from her analysis. This active response is called *Market positioning* and refers to the use of marketing strategies and promotional schemes to fit the tastes, needs, and expectations of audiences in the different target groups identified. Positioning can help create a perception in the consumer's mind about the organization and its offerings and can help with branding and image-building. Typically, managers such as Gillian can use three types of positioning strategies to advance an arts organization's marketing:

- *Concentration strategy* usually focuses on a single market segment that demands a specific approach, for instance, children’s theater, the elderly, or performance in the language of a minority group. This positioning targets one particular segment and is typically used by small cultural organizations with limited human resources and budgets. For instance, through segmentation, Gillian has identified single professionals and young couples as potential audiences. This group has the disposable income and availability that other segments do not have and is reasonably homogeneous. Using the concentration strategy, Gillian can target them as potential patrons for her theater’s evening shows.
- *Multi-segment strategy* aims to attract a more diverse audience through various messages about the organization’s activities and events. Gillian could use this strategy to advertise forthcoming shows on TV, radio, or even taxis and bus stop billboard marquees. She can also distribute leaflets and affix posters and banners in the city center. While this strategy’s reach is considerably more extensive, the multi-segment approach can be costly and time-consuming and might not be the most suitable for Gillian. Larger organizations with bigger marketing teams and considerable experience in using mass media communication tools and ticketing systems often use this approach.
- *Against competition strategy* implies identifying competitors, assessing them, and understanding their strengths and weaknesses. Gillian can formulate strategies to counteract her theater competitors’ efforts and advance her marketing aims. These competitors can be *direct*, those who offer similar products with similar objectives. For instance, in Gillian’s case, independent theater companies or theater companies that, like hers, offer performances with social issue themes. Competitors can also be *indirect*, with different products, but targeting similar audiences, such as cinemas offering independent movies or art galleries with social justice-themed exhibitions. To know more about her competitors, Gillian can ask questions such as: What are their strengths and weaknesses? What do they do better? Are their ticket prices lower? Are their productions of higher quality? What marketing strategies do they use? Are their marketing materials more engaging? The answers to these questions can help Gillian improve her marketing strategies to convince potential audience members that her organization offers the better value.

MARKETING RESEARCH

“It is time-consuming and expensive”; “It is complicated, and I do not have enough knowledge”; “In any case, we know our audiences well and what they want.” These are phrases Gillian hears when she mentions marketing research to colleagues and peers. At first, marketing research sounds challenging and even daunting, an unnecessary investment in time and money, especially for small arts organizations that constantly juggle resources and time. The reality, however, could not be more different: market research is indeed an investment, but it is one of the best that small and mid-size arts organizations can make. Without market research, Gillian would never be able to answer the questions posed in the previous sections of this chapter.

Bonita Kolb describes market research as a “detailed search for the truth,” (2018, 8). Indeed, although the truth may be impossible to reach, research is far more accurate than guesswork or common sense in identifying target segments, and knowing what audiences need, want, and desire. Ultimately, decisions about the marketing mix are better informed after conducting marketing research.

Marketing research can help Gillian identify her target audiences more precisely, design methods to collect information about their profiles, behaviors, and preferences, and provide data for her to analyze in order to make sense of those findings to implement concrete actions. She can use her research to determine, for instance, what the best time is to open a show on a weekday or which alternative days and times are best; which locations attract audiences; how much they are willing to pay for a show; what merchandising or bar items they are more likely to purchase; or even provide suggestions on the type of shows they are keener to attend.

There are many types of research approaches that Gillian can use to inform her marketing actions: *audience profiling* to identify audience segments with similar characteristics and preferences, from age, income, education, and occupation to the transportation they use to arrive at a venue; *customer experience* to recognize audiences’ perceptions and expectations; *motivation* to understand the reasons behind arts attendance or the reluctance to attend; *competition* to know how audiences perceive the organization in comparison with similar organizations; *pricing* to formulate the most suitable set of prices; and *promotional* to gather evidence about the most persuasive techniques used, usually by linking them to attendance figures.

Before getting started with any marketing research methodology, Gillian should define what she needs or wants to know: her specific *marketing research objectives*. These objectives can be *exploratory*, thus broad in scope. For example, an arts marketer might try to understand what leads arts attendees to behave in the ways they do: for instance, to determine if a location’s residents are keen on contemporary art and, if so, are they willing to pay to visit an exhibition? Objectives can also be *descriptive*, aimed at finding more concrete evidence to support specific decisions: for instance, to examine the visitors of a contemporary art museum and determine if they would be interested in visiting other museums in the area. If so, a savvy marketer might collaborate with other museums to offer a museum pass for area museums. Objectives can also be *causal*, aimed at pinpointing cause-and-effect associations (why things happen), such as experiments to test different pricing scales or concessions, and monitoring their impact on audience size and composition.

Gillian can apply two main types of research methodologies: *secondary research* (or desk research), which refers to the gathering and analysis of existing data, and *primary research*, which involves generating original data. Usually, marketers such as Gillian start collecting secondary sources before designing a direct data collection strategy via primary research.

Secondary Research

External research includes data and statistics published by government agencies, academic and research institutions, and other arts organizations. This research is usually published online and is generally free of charge. For instance, every two years, Singapore’s National Arts Council publishes a *Population Survey on the Arts* that examines citizens’ perceptions

of the value of arts and culture, the level of engagement, and the motivations and barriers faced in attending arts cultural events and activities. Similarly, the United Kingdom's Department for Culture, Media, and Sport administers *The Taking Part Survey*, the United States' National Endowment for the Arts has the *Survey of Public Participation in the Arts*, and France's Ministère de la Culture has the *Statistiques Culturelle*. Sources like these regularly release free data and statistics that can support the work of arts managers like Gillian. The International Federation of Arts Councils and Culture Agencies (IFACCA, www.iffacca.org), a global network that convenes over 70 arts councils and ministries of culture, also provides resources for managers interested in accessing data from other countries. Additionally, Gillian can use other general geodemographic profiling systems that link similarity in interests, attitudes, and behavior patterns (purchasing habits) to a location or neighborhood. They can usually be accessed via national or regional statistics agencies (for instance, in China, Australia, or Nigeria, *National Bureaus of Statistics* provide data on a wide range of economic, environmental, and social issues).

Internal research includes analysis of an arts organization's box office ticketing systems (making sure, however, to comply with data protection requirements for your country). The more sophisticated systems can associate ticketing transactions to a single central customer database for consolidated information on a patron, from particulars (name, address, date of birth) to preferences (events attended, type of ticket) and behavior (time and frequency of bookings).

Box 3.2 Analytics

Analytics is information based on the data and statistics generated by websites, social media, digital advertising, and digital apps. Arts organizations can use **website analytics** to obtain valuable information on page views, visitors, downloads, and spikes in visitor numbers. They also show how people arrived at a website, how long they stayed on different pages, and their geographic location. Some platforms include *Open Web Analytics*, *Google Analytics*, *Mixpanel*, or *Heap*, which offer free packages or provide the data free of charge. If more specific requirements are needed, organizations can use **actionable analytics**, which associate actions by website users (for example, those who watched a promotional video before opening a theater season) with observed results (who bought tickets or signed up for a newsletter). Arts organizations can also use **social media analytics**, which, similar to website analytics, can provide information on visitors (followers) and their behaviors (number of shares, comments, mentions, referrals). Having followers who have many followers (influencers) is typically a good sign. Social media analytics can also give information on behavior when using social networks, for instance, the regularity or frequency of engagement with social media followers.

Primary Research

Direct collection of data and information by the marketing manager or a hired specialized firm is called primary research. It often requires a sizable investment of resources,

so careful planning is needed for the type of information the research will pursue, whom to get it from, and how to get it. The procedure involves collecting data, analyzing it, and interpreting it to make decisions. Primary research can be either qualitative or quantitative.

Qualitative research is primarily exploratory and focuses on obtaining data through open-ended and conversational communication. This technique is not only about what people think but also why they think the way they do. Gillian can use such methods to understand her audiences' underlying reasons, opinions, and motivations about attending performances and uncover behavioral patterns or trends. With qualitative research, the sample size is typically small, and some standard methods of data collection include focus groups (group discussions), usually with a facilitator; in-depth one-on-one interviews; case studies; contextual observation of people's behavior; and testing of some marketing initiative on a small scale, then observing and measuring the results.

Quantitative research is used to measure attitudes, opinions, or behaviors by generating data to transform into usable statistics. Because it uses larger sample groups than qualitative research, quantitative data can help uncover specific patterns, making it easier to generalize results. This type of research popular is used in the arts for exploring the nature of audiences.

Box 3.3 Surveys

Surveys are popular quantitative and/or qualitative data collection methods. They can be web-based or face to face, distributed by e-mail, or over the telephone. Surveys can also be self-administered, for instance, by giving them at the exit of a performance, placing them on seats, through touchscreen devices, or by providing audiences with a web link or QR code. To streamline resources before conducting a survey, arts managers need to consider the following: what is the most appropriate means to conduct the survey; when is the right time to do it; who will be surveyed; and how many people will be surveyed. Surveys should be clear, brief, relevant, unbiased, and carefully crafted. They can contain open-ended or closed questions, for instance, multiple-choice type questions such as a rating scale, Likert scale, checkboxes, or ranking. Managers can use these techniques to know more about audiences' preferences and provide informed answers, for instance, why some weekday evenings are more booked than others or why more women than men attend specific sessions.

MARKETING COMMUNICATIONS (PROMOTION)

Once Gillian has done appropriate research, she can use the information to decide how to reach potential audience members. The following section covers some of the primary strategies. Gillian will select those that make the most sense for reaching the populations she wants to attract.

Direct marketing is a promotional method an arts organization uses to communicate directly to individuals or selected groups of potential audiences, requesting specific actions. This one-to-one personal conversation is vital in the arts. Sending or sharing collaterals by post, text, e-mail, social media, and online or digital advertising, such as display ads and search engine-associated ads, are some of the most common direct marketing methods currently used. Today, more websites are also adopting a targeted approach to their relationships with visitors, guiding them through personalized visits based on their preferences.

Box 3.4 Word of Mouth

Word of Mouth (WOM) is one of the most effective direct marketing methods for generating buzz among potential audiences. It encompasses a personal approach that expresses a genuine interest in the audience's opinion and often triggers direct reactions (join an event, purchase a ticket to attend a show). **Word-of-mouth marketing (WOMM)** involves others' cooperation, for instance, performers, artists, peers, and even your audiences. These collaborators proactively promote the organization by sharing their experiences and recommending its works to others. Arts managers can nurture these relationships by inviting supporters to see rehearsals, premieres, or other special events. In the last few years, social media has become a central tool of WOMM. Arts and culture organizations can use social media tools such as Twitter, Instagram, TikTok, or Facebook to engage audiences before, during, and after an event. This involves audiences in the artistic co-creation process, enhances community-building efforts, and encourages artistic expression (Kolb 2014).

When thinking about direct marketing, Gillian needs to reflect on her organization's uniqueness, or its *unique selling proposition* (USP), which differentiates it from its competitors. This distinctive characteristic has to be strong enough to persuade patrons, and the promotional activity needs to pivot around this unique proposition. We find uniqueness in arts organizations in their mission, the art form they propose, their shows' content, their size, the type of audiences they serve, their actors and performers, their geographical location, and even their ease of access. For Gillian's theater company, the USP message takes the following form: thought-provoking, original, locally produced shows that debate critical social issues pertinent to the community.

Advertising is a marketing communication tactic that involves paying for space to promote a product or a service to a target audience. The actual promotional messages are called *advertisements*, or *ads* for short. They can take the form of radio or TV commercials, billboards, newspaper and magazine ads, or paid social media posts, among others. The central theme in advertising is persuasion, or convincing people to believe in, desire, or do something. Images are a fundamental element in advertising. They drive attention, stimulate curiosity, delineate a personality for the product by associating it with certain symbols and lifestyles, and help to anchor the brand identity in the target audience's minds. However, in the arts field, products tend to be complex (frequently experiential, intangible, and ephemeral), the target audiences are small and budgets are

limited. These features, added to the limited life span of advertising messages, make it difficult for arts organizations to take full advantage of mass communication techniques.

Box 3.5 Integrated Marketing Communications

When committing resources to advertising, arts managers need to keep in mind the notion of **integrated marketing communications** (IMC). IMC is the process of coordinating the organization's marketing communication initiatives and materials across all media platforms with the ultimate objective of delivering a consistent message. Goal-directed, IMC closely aligns with the organization's marketing strategy. The purpose of IMC is to create a "synergy of persuasive voices" (Thorson & Moore 1996), where the message is consistent, and each persuasive tool is used to best effect. When approaching target audiences, managers can communicate with them (for instance, information about the organization's latest event) via social media posts, a radio commercial, bus stop ads around the city center, or a magazine ad. In their effort to reach out, arts managers need to design and adapt the different messages to various media platforms, each projecting the most appropriate advantage. Although each message explores the most effective ways of persuading the target audiences, they need to speak with a single voice, consistently and clearly, with enough impact to consolidate the organization's branding and positioning in the market. This integrated approach to online and offline marketing communications is crucial for an organization's effective and efficient use of resources (Hede 2014).

Public relations (PR) refers to the activities that promote a positive image and generate awareness about an organization and its offerings without traditional advertising. PR entails interacting with various publics (employees, sponsors, patrons, and government agencies). Many arts and culture organizations concentrate their efforts on *publicity*, which uses media relations to advance understanding and support for an organization and its products—for example, its artistic creations. Gillian can choose from many activities when considering media relations. For instance, hosting events, organizing media conferences, delivering presentations at specialized forums, media releases, or participating free of charge in TV, radio, or social media activities, such as interviews or debates. These activities imply a dialogue with audiences and two-way communication with influential members of society (such as opinion leaders), journalists, and bloggers who can convey messages about the organization.

From the media relations tools on offer, an arts organization such as Gillian's is likely to be involved in the following:

- Pitching stories to the media to generate newsworthy stories that create the right image and reputation for an organization and its offerings.
- Press conferences, organized when the organization has something important to announce, entail meeting newsmakers face-to-face. Press conferences require thorough preparation to address the *five Ws* (who, what, where, why, and when) and *one*

H (how). Specifically: Who (to invite and who will speak for the organization?), What (to say to about the organization?), Where (is a suitable venue?), Why (are we doing this—stated as clear objectives?), When (is the right date and time?), and How (prepare a checklist for difficult questions).

- Media releases, crafted in such a way that they immediately catch journalists' attention and can be reproduced for publication without much work. Arts managers design media releases with the audience in mind. Therefore, the first paragraph, as with press conferences, responds to the structure of five Ws and one H. The structure of a media release follows an inverted pyramid pattern, with the essential information on the top (the must-know facts), followed by the details (the need-to-know facts, followed by the nice-to-know facts), and other general information, including contact details.
- Press kit refers to the package of materials an organization gives to journalists. They can be printed and distributed in a folder or a thumb drive, or in electronic media kits for an online platform. They typically include a media release, the background or history of the organization, biography of the artists involved, the latest annual report, fact sheets, details of the show, pictures, a leaflet or brochure, and a business card or contact details.
- Media previews occur when the organization is launching a show or event and allow the media to see it first and generate publicity.
- Reviews, which happen when the press attends a show with the rest of the public (invited or incognito) with a published, critical review as the intended outcome.

One of the main reasons an organization like Gillian's should engage in PR is financial. Small arts and culture organizations such as Gillian's often cannot afford major advertising campaigns on TV, radio, print media, or social media. PR, thus, becomes the primary vehicle to inform potential patrons because it is inexpensive and can have a broad impact. Apart from financial reasons, arts organizations use PR as an outreach tool to approach and educate younger, new, and other prospective audiences and to communicate or explain controversies that come up from time to time in any organization. PR also comes with disadvantages. One of the most prominent ones is that organizations do not control all aspects of the coverage (the precise message, frequency of publication, or dissemination). Media outlets have the final say in deciding whether to report on your organization and what they decide to say. This can considerably impact the PR reach and an audience's perception of both the organization and its products.

DISTRIBUTION (PLACE)

Arts distribution refers to an organization's (or an artist's) ability to make creations available when and where they are needed. Good distribution means more opportunities and broader audiences, and it includes: ensuring that tickets are accessible; making sure signs in a venue are readable and well-placed; offering shows nationally or internationally (for instance, through tours and traveling exhibitions); and streaming or making available

online popular shows to broaden reach. In the arts, distribution is profoundly affected by the product, which, as we saw earlier, precedes the demand and is central to marketing efforts.

Physical Distribution

The success of a marketing strategy also depends on how accessible the art product is to the patron. In that regard, the physical distribution and location of a venue can have an enormous impact. An unstaffed ticket office, lack of a website or a poorly functioning one, shortage of parking facilities or public transportation, and an inconvenient location are some of the challenges potential patrons encounter that can affect attendance. The more convenient it is to attend an event, the more likely it is to attract an audience.

Arts organizations looking to increase the convenience of the art experience should consider the suggestions below. They are as much a part of marketing as advertising and public relations. Many of the ideas are low cost enough for any organization, no matter its budget.

- *Accessibility.* Is there public transport servicing the venue? Does it have extended hours to cater to late performances? Is parking available? If a venue is out-of-the-way, arts organizations can offer alternative transportation arrangements such as charter buses, particularly for late-night events, in order to make increase the possibility of attendance.
- *Scheduling.* Does the schedule of events match the needs of attendees? Are events scheduled at the same time as those of major competitors? Offering opening hours that align with patrons' needs makes it more likely that they will attend. For instance, exhibition spaces and museums that are open on weeknights and weekends and performing spaces that offer weekend and mid-week matinee shows provide added convenience.
- *Food and beverage (F&B).* Are audiences able to find food options near the venue? Is it safe or convenient to access them? Is it an option to offer F&B at the venue? Allowing audiences to consume food and beverages at your venue, especially if the venue is off the beaten path, can promote attendance.
- *Facilities.* Is the venue comfortable? Are the washrooms easy to get to, clean, and with signs that are readable and well-placed? Are there adequate spaces to accommodate people with reduced mobility? Providing an appropriate environment, with comfortable seats, ramps for strollers, disabled access, baby changing, and family areas can impact a patron's experience.
- Apart from these day-to-day key elements, arts organizations can provide enhanced and diversified experiences by offering *alternative venues* to the traditional ones: for instance, considering site-specific festivals, pop-up or outdoor spaces, or cinemas for screenings of performances. Arts organizations, particularly large ones, can also expand their impact by *licensing* or franchising their brand and products in return for royalties. Arts companies can further expand their transnational influence by engaging in *international exchanges and tours*.

Digital Distribution

Digital distribution of artistic and cultural products refers to delivering (through downloading or streaming) any artistic and cultural content via digital stores or streaming services to create broader access and generate new audiences, and new income sources. In the last two decades, digital distribution has opened a wide range of opportunities for arts organizations and patrons. It is now easier than ever to access and purchase cultural products online, such as e-books, music, videos, and cultural-educational resources, which allow the opportunity to explore artworks in new, engaging ways. The digital world enables creators, performers, and organizations to expand the accessibility and reach of their products: artists can set up websites to sell their creations; authors can self-publish books and offer them online; musicians can record tracks and make them available digitally; museums and galleries can extend their sales through their websites, and with the support of technologies such as 360-degree capturing and virtual reality, organizations can offer virtual tours, backstage access, and interviews with performers as a complement to their shows.

Some arts organizations, especially those with strong financial backing (to cover production skills and technologies, and exhibition rights), have explored offering their artistic products online. For instance, some famous opera houses and musical theaters offer live performances streamed in cinemas and other venues. This *live to digital content* alternative helps expand the performance's reach and engage more audiences, particularly in opening night shows that are likely to sell out in the original venue. However, until recently, only a handful of organizations had maximized the opportunities opened by the digital world.

The Covid-19 pandemic that shook the world's foundations in the early 2020s profoundly impacted the nonprofit arts sector. As the pandemic progressed worldwide, arts organizations dealt with severe lockdowns and distancing measures that limited accessibility to venues and reduced income streams. In this context, thousands of small and mid-size organizations turned to technology. They joined the ranks of those offering digital content, not as an addition, but as the core of their connection with audiences. The Covid-19 pandemic triggered worldwide reactions out of necessity, which contributed to breaking down geographical and physical barriers to accessing the arts. Suddenly, audiences from anywhere in the world could enjoy performances from otherwise local organizations, such as Gillian's, and similarly, local audiences could attend events from arts organizations previously inaccessible to them. The long-term effects of this in the arts and culture world still require analysis. However, despite the commotion caused by the pandemic, digital technologies are unlocking sizeable new possibilities for expansion and growth for the arts.

PRICING

Gillian's theater company generates income in various ways: ticket sales (box office), revenues from activities (F&B sales, merchandising, and income from renting out its studio in town), sponsorships and donations, and public subsidies. Pricing is a strategic variable

used by arts organizations that includes these and other income-generation techniques, which greatly impact their operations.

An organization cannot rely on any simple formula when setting its products' prices since pricing results from many factors. Every organization must select the best possible price strategy, given its specific circumstances. Factors that influence price include the reputation of an organization; the popularity of the artists involved; the venue, which can consist of location, comfort, size, ambiance, or prestige; the type of show presented; the competition; the marketing campaign materials; and in some cases, even guidelines given by government agencies. Charging more for popular artists might work in some cases, but not if there are local policies that put limits on what can be charged.

Matching price and value can be a challenging task in the arts. The aesthetic value of a cultural product can be highly personal and subjective. Setting a price sends a signal about the artistic creation and has an impact on its perceived value. For instance, once Gillian priced a show relatively high because it featured famous actors. She thought that patrons would be willing to pay a lot to see them perform, and she felt the high price would also indicate high quality. While it did attract some new, more affluent patrons, it also discouraged many regular attendees who were unwilling to pay, even for the chance to see a famous actor on stage. For the following show, Gillian decided to price it substantially lower, which instantly enticed a broader patron range. However, many of the new patrons gained from the higher-priced performance did not return. A reputation based on low or high prices may prove difficult to change when the organization wants to offer other, higher priced, products or services. So, rather than experimenting too much, it is better to determine pricing based on the evidence gathered about audiences, their preferences, and habits.

An organization's financial and marketing objectives also heavily influence *pricing strategies*: Does it want to break even? Is it aiming to generate surplus revenues? Does it want to build loyal core audiences while also developing new ones? Is it hoping to generate prestige and reputation (for instance, as an organization that provides excellent customer service, quality performances, or accessibility)? Some arts organizations strive to set their prices relatively low, whether to encourage consumption, make their product accessible, or expand their customer base. For them, generating revenue may not be the primary objective. This pricing strategy is called *market-penetration strategy*. In contrast, when an arts organization chooses a *skimming strategy*, it sets the price of its services high, assuming a lower number of customers with higher purchasing power. Suppose an organization has an established reputation in the market. In that case, it can use *prestige pricing*, thus setting prices based on a perceived added value that patrons get simply from attending the performance.

For Gillian's mid-sized theater company, the chief financial concern is to balance revenues and expenses: when her organization generates surpluses, it usually reinvests them in future shows. Most arts organizations set a range of prices to reach out to broader groups of audiences. This strategy is called *dynamic* or *segmented pricing*. They set different prices for the same product (for instance, a performance or an exhibition) according to parameters such as consumer segments, consumer behavior, or time of consumption, and they can change as these variables evolve. This type of pricing links closely to market segmentation. Dynamic pricing assumes that different groups value products

and services differently and that some are willing to pay more than others for them, for instance, based on their buying power or availability. These are some of the adjustments Gillian could make as part of a dynamic pricing strategy:

- *Time of the show.* Taking into account the time of the day (matinees typically offer more affordable tickets than weekend evenings) and the day of the week (variable prices depending on when the show takes place, such as mid-week, weekend, or on a public holiday).
- *Date of the show.* For instance, if it is part of a regular season or takes place during major holidays.
- *Discounts.* For group bookings, concessions for seniors and students, special prices for young people, discounts associated with subscriptions or partner memberships (credit cards), early bird sales, special promotion rebates such as buy-one-get-one-free, and standby or late availability reductions.
- *Scaling the house.* Setting the price of a seat relative to the stage. Less desirable seats are cheaper (those with a restricted view), and those close to the stage and with better visibility or with privacy (theater boxes) are more expensive.
- *Pay what you can.* A scheme where audiences pay only the price they can afford.
- *Pay what you want or decide.* A system where audiences pay an amount of money based on their perception of a show's value.
- *Yield management or real-time pricing.* Designed initially for the airline industry, it has recently expanded to other fields, including the arts, and calculates the best pricing policy for optimizing revenues based on real-time modeling and forecasting of demand.

ETHICAL DIMENSIONS

Pricing provides a jumping-off point to consider some ethical dilemmas and considerations when engaging in arts marketing. The practice of real-time pricing, introduced above, for instance, has been criticized when implemented in nonprofit contexts, raising questions about its suitability and applicability (Metters & Vargas 1999). Setting prices in the nonprofit arts and culture sector needs to be fair and transparent, with prices clear to patrons from the beginning of the relationship until the point of purchase (avoiding hidden booking fees, for example, for online transactions).

Beyond pricing, due to the nature of art as experiential, with manifold impacts on people's lives (McCarthy et al. 2004), arts marketing encounters ethical issues in multi-layered ways. Arts organizations often receive public funds or subsidies. Marketers thus face the challenge of investing resources in messages that sell tickets, while at the same time needing to align with goals that aim toward societal benefits, that are nonetheless experienced by individuals, beyond the artistic experience itself (O'Sullivan 2014). Ethical dilemmas can arise from the misuse of marketing research, which can harm, or annoy, prospective audiences and increase resentment in patrons who might perceive it as an invasion of privacy or as a disguised sales pitch (Kotler & Keller 2012).

Authenticity, reliability, and integrity should be at the core of any marketing message, but even more so in an experiential field like the arts. An ethical approach will generate trust with prospective audiences and be rewarded when those audiences feel good about supporting the arts organization through ticket purchases, attendance, donations, and other means. An arts marketer has to provide patrons with honest marketing approaches that are consistent, transparent, and aligned with the actual artistic experience.

SCENARIO DENOUEMENT

When Gillian first took over as the marketing manager, she wasn't sure how to begin and was more than a little intimidated by what she perceived as an enormous task. Recognizing marketing's long history, however, helped Gillian put her job into context and reminded her how commonplace and familiar marketing is. She also learned that marketing is a matter of well-defined steps, from research and planning to implementation, which starts with an accurate description of her organization to identify better and understand her potential audiences. She now knows that targeted research will help her segment potential audiences more precisely and, ultimately, to allocate and maximize her organization's resources for marketing strategies and actions to develop her audiences more effectively. And, although a marketing plan can initially be seen as a commitment of time and effort, it is also a profound investment in her organization's future. Having now answered the core questions she posed at the beginning, and equipped herself with these new tools, Gillian can also be more efficient and informed in her job and minimize mistakes and risks in her daily work as a marketer.

Gillian also discovered a wealth of existing, specialized sources she could rely on—academic researchers like Kotler, Colbert, Kolb, Hill et al., and others who provide concrete advice for those willing to seek it out. Even though each arts organization is unique, the information Gillian gleans from written resources can help her decide which approach best suits her organization's needs. And now that she knows something about research methods, Gillian can augment published secondary research with her own primary research. Gillian has come to realize that arts marketing requires a delicate balance of artistic creativity and business acumen. A smooth association between the two is critical to shaping effective and sustainable practices that align with the needs of artists, audiences, and the organization.

SUMMARY

Contemplating what she learned over the course of coming to terms with her new job as arts marketer, Gillian developed a bullet list of key points.

- Most arts managers will engage with marketing at some point in their careers.
- The marketing of the arts demands a unique, product-centered approach focused on experiences. For this reason, arts marketers need to use tools that match the unique

characteristics of the arts rather than simply co-opt methods designed for non-arts purposes.

- Marketing can be valuable for arts managers in multiple ways beyond the apparent drive of ticket sales and increased attendance to events. Arts marketing can be an asset to get an edge over competitors, especially in crises. It can also provide means to know audiences better (profiles, preferences, behavioral patterns) and create public awareness for arts organizations and their products.
- Audiences in the arts are not limited to those buying tickets or attending events. Audiences can also include sponsors, government agencies, donors, the press, social media commentators, and educational establishments.
- There are multiple reasons people engage with the arts and factors (cultural, psychographic, reference groups, motivation) that affect attendance.
- Marketing segmentation, informed by a range of variables (location, demographic, psychographic, or expectations), and marketing positioning, through various strategies (competition, multi-segment, against competition), can help organizations understand and address audiences better.
- Marketing does not need to be costly. Using a combination of tools such as partnerships and collaborations, free or affordable marketing provided by the new technologies, media coverage, and word of mouth, small and mid-sized arts organizations can go a long distance.
- Marketing research, whether it is secondary (for instance, via external data and statistics) or internal (via ticketing systems and website and social media analytics), supports arts organizations. Surveys provide a diverse and affordable way of compiling information about patrons, audiences, and the organization and its products.
- Marketing plans are an essential part of the marketing profession. When done in a systematic and organized way, they are a straightforward tool that can decisively support arts managers' work.
- Marketing communications (Promotion) is a crucial marketing mix ingredient. It includes strategies such as direct marketing, advertising, and public relations.
- Good distribution (place), whether it is physical (accessibility, scheduling, F&B, facilities) or digital (streaming, downloading), can make a difference when making artistic products available to potential audiences.
- Dynamic or segmented pricing strategies set a range of prices to reach broader audiences.
- Arts marketers need to consider various ethical challenges in areas such as governance, pricing, transparency, and fairness.

KEY TERMS

Four Ps

Advertising

Audiences

Audience development

Customer relationship management (CRM)
Digital distribution
Direct marketing
Distribution (place)
Dynamic pricing
Experiences
Integrated marketing communications (IMC)
Live to digital content
Market-penetration strategy
Marketing history
Marketing mix
Marketing plan
Marketing strategies
Media release
Prestige pricing
Pricing strategies
Pitching stories
Positioning
Press conference
Press kit
Product
Promotion (marketing communications)
Public relations (PR)
Segmentation
Shared value
Skimming strategy
SWOT analysis
Unique selling proposition (USP)
Value-added
Word-of-mouth marketing

STUDY QUESTIONS

1. What purposes can arts marketing serve?
2. How is arts marketing defined? What are the origins of marketing?
3. Why do we say that often the product in the arts is an experience? What are the challenges of marketing an experience?
4. What are some of the drivers and barriers that can affect arts attendance?
5. What is market segmentation? What factors affect market segmentation?

6. What are the three main positioning strategies arts organizations can use?
7. What is the difference between primary and secondary research? How can analytics help arts organizations?
8. What is a marketing plan, and why does an organization need one?
9. Identify an arts organization you are familiar with. Can you define its unique selling proposition (USP)?
10. What are some of the most commonly used media relations tools?
11. What opportunities do digital technologies provide for marketing that may not be available in more traditional marketing?
12. What is dynamic pricing? What are some of its most common features?

GAIN EXPERIENCE

1. Choose an arts organization you are familiar with. Do some research on the organization in order to create a SWOT analysis. Using your analysis, decide what marketing recommendations you might make.

ADDITIONAL RESOURCES

- Arts Marketing Association: www.a-m-a.co.uk/
- *Arts Marketing: An International Journal*: www.emerald.com/insight/publication/issn/2044-2084

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Facilities Management

Jim Richerson

SCENARIO

Abigail is the new Director of Facilities at Mountain Arts Center, a multi-faceted, non-profit facility with several art galleries, classrooms, a library, a 500-seat theater, a conference room, a children's museum, a café, and an outdoor performance area. In addition to hosting performances and exhibitions, the multiple spaces are rented out to individuals and groups for added income. Abigail's new position comes with great expectations from the Arts Center's CEO and Board of Trustees. Previously, the Center made do without a facilities director, and the various functions of the facilities director role were dispersed among multiple staff members. Maintenance and repairs for the art galleries were delegated to the gallery director, for example, and security was handled by the CEO's assistant. But the difficulties in coordinating multiple schedules for equipment repairs and maintenance, as well as communication problems and staff time to collectively manage the facility, produced inefficiencies that took a toll on the smooth function of the Center. Routine maintenance, cleaning, and repairs were too often put on the back burner, complaints from clients and regular visitors had increased dramatically over the previous year, and increased costs were eating away at the Center's revenues. The primary directive issued to Abigail when she was hired was to improve guest services and increase revenues while maintaining a strong connection to the Center's mission as the community's local arts center.

Abigail had never worked for a nonprofit organization, and she quickly realized that her past experience in facilities management at a local retail center didn't translate easily into her new role. At the retail center, Abigail dealt only with long-term rentals and a staff of one part-time assistant, with services like cleaning and security contracted out for a monthly fee. She had no experience with arts events or artists.

At the Arts Center, Abigail realized, her job wasn't just to care for a facility. It included overseeing the needs of a large staff, collaborating with directors of the facility's other areas, working with arts groups and artists who wanted to rent the facility, and ensuring the health, safety, and enjoyment of the various individuals who used the facility.

Because rentals are an important revenue source for the Arts Center and account for approximately one-third of the Center's income, Abigail decided to start by researching previous events and clients to get a sense of their needs. Reviewing old invoices, set-up sheets, schematics, and agreements, Abigail soon discovered that many past agreements had been poorly managed, resulting in lost clients or lost revenue. She found many unsigned, handwritten notes amending the standard rental contract to allow for special agreements for individual clients. Frustratingly, when those clients contacted Abigail to rent space again, they expected the same preferential treatment as before. Just a few weeks into her job, Abigail began to see that there were many misperceptions about what the Arts Center could do for its clients. She decided that the best strategy was to create a set of policies to standardize operations and be fair and consistent with her organization and clients.

Despite her best efforts, returning rental clients quickly became angry that Abigail intended to carry out their rental agreements as written. She had many tense conversations explaining to returning clients that the exceptions they expected (often agreed to verbally with staff or Board members) could no longer be honored.

To add to her difficulties, Abigail wasn't knowledgeable about the particular needs of some of the facility's users—namely the artists and arts groups who rented the facility for exhibitions and performances. She realized she had a lot to learn about the lighting needs of gallery spaces and maintenance for dance floors or how much time a performance group might need for rehearsal. She'd already made mistakes by allowing patrons to walk on one of the dance floors with outdoor shoes and ordering cleaning staff to wet mop the dance floor daily, both sure ways to ruin the floor's surface. Fortunately, her staff felt comfortable pointing out the errors before too much harm was done.

Although Abigail was developing a good rapport with her staff, there were problems with communication and reporting lines because facility functions had previously been dispersed among other organizational units. The café manager persisted in making work assignments for the cleaning crew without consulting Abigail and, as a result, the staff complained that they were caught in the middle. When an after-hours emergency arose involving a water pipe in one of the restrooms, the staff person on duty was unsure who to call and phoned the CEO instead of Abigail. To top it off, several staff members were forgetting to log completed tasks, leading Abigail to assume that they had been left unfinished, only to discover the mistake once she had reassigned the tasks.

All the missteps were taking up plenty of staff time and Abigail's time. Abigail was beginning to worry that she wouldn't be the facilities director at Mountain Arts Center for very long. She realized that to keep her job—and excel in it—she needed to fix these problems in order to move on to her assigned objectives: raising revenues and increasing client satisfaction. Clarifying the problems was her first task.

ISSUES

- Lack of internal organizational policies for facilities management functions;
- Decentralized systems for repair, maintenance, scheduling, and rentals;
- Poor communication;
- Unclear reporting lines for staff;
- Cost inefficiencies;
- No prior experience in managing an arts facility.

INTRODUCTION

Although nonprofit organizations often own facilities, there is an important distinction between organizational mission and the requirements for operating a facility. Organizational mission drives programming, and smooth facility operations allow the organization to achieve mission-driven programming. Without a physical space to operate, most organizations would be unable to fulfill their missions.

The building or space an organization occupies is an important asset that has to be managed well for overall success. A poorly maintained building not only reflects badly on an organization, but may also violate health and safety regulations, putting staff, volunteers, and patrons at risk. The focus of this chapter is the management, operation, and protection of the organization's building space.

Facilities management is defined for this chapter as the management of a building or other built environment as a property asset of an organization. In her job as facilities manager, Abigail's role is to ensure the safety, comfort, functionality, and efficient use of Mountain Arts Center buildings, grounds, and related infrastructure. Generally speaking, operating and maintaining a facility is an expensive endeavor, even if an organization receives public subsidies to maintain it. Over time, windows, doors, roofs, ceilings, and floorings will require cleaning and repair in order to be kept in good condition. The grounds surrounding a facility must also be clean, safe, and well-tended. Most facilities will need to pass annual health and safety inspections, especially if buildings and grounds are open to the public. Equipment needs to be repaired and sometimes replaced. Internal areas need to be regularly cleaned. Whether the building is used solely as office space, or for exhibitions and performances, it needs to be safe and secure for users and occupants. In sum, buildings need to be maintained. The expense, time, and resources needed can be daunting and is a reason why many nonprofit arts organizations choose to rent, rather than own their own facilities. If your organization is just getting started, how do you determine if ownership or a multi-year lease is the right path to pursue?

Whether you own or lease a space or building is an important decision that can have an impact on funding and finances, management, and programming for the life of the organization. Owning the facility in which your performances and exhibits take place

provides a great deal of flexibility for how you use the building to the benefit of your programs and services. Ownership means you can schedule events and programs as you see fit rather than trying to squeeze them into someone else's schedule. You won't need to worry about paying rental fees or competing for use of space with other organizations. On the other hand, owning a building means that you are responsible for repairs and maintenance, utilities, technology infrastructure, and mortgage payments if you purchased the building with a loan. Further, there are rules and regulations that apply to building owners, and a higher need for insurance to cover risks and liabilities. An organization seeking to own its own building must consider these factors and make the decision to buy rather than rent only after a careful assessment of current and future finances. Owning a building, when it is beyond an organization's ability to take care of it, can lead to financial ruin. Since Mountain Arts Center owns its facility, part of Abigail's job is to make sure that she manages it in a way that is cost-efficient and does not put undue strain on the organization's budget.

It is also important to note the multiple uses for any type of arts facility. There are facilities for showing art, making art, lectures, classes and performances, and other facilities that combine all of these functions. Each specialty area within a facility requires specific considerations. Mountain Arts Center, for example, offers ceramics classes. Abigail has to account for the particular maintenance needs of kilns, clay mixers, and pottery wheels. Dance classes require special flooring as well as practice spaces that are separate from performance spaces.

Some facilities combine different but related activities. For example, some offer food service as a convenience to their users or artists, or as a way to increase *dwelt time*, the time that patrons stay in a facility before or after an event. Some parts of your facility may be primarily for children or tourists, others may serve elderly patrons, and many combine a diverse mix of visitors and patrons of all ages and abilities. In most cases, a facility will serve a broad, general audience, where there is a great overlap in the type of visitors. Before Abigail can adequately manage Mountain Arts Center's facilities, she has to understand its likely users and uses. A space set up for elderly patrons, for example, may not be suitable for young children and vice versa. As a multi-use facility, Mountain Arts Center serves both patrons of arts events and individuals who rent parts of the facility for other purposes. For Abigail, that means that the facilities and grounds should satisfy the needs and expectations of a wide range of users.

Whatever takes place in your facility and whoever your patrons are, it is important to understand how to prepare, schedule, program, and cross-market for multiple audiences and purposes. In order to do this efficiently, Abigail assesses each area of the Mountain Arts Center in relation to its most common uses. She wants to determine if each exhibition space is adequate for the types of exhibitions it holds. In consultation with the exhibition staff, she will determine if there is adequate lighting, for example, or if the existing walls will accommodate the artworks for a particular exhibit. Similarly, she will assess performance spaces (acoustics, capacity, accessibility, emergency exits) and classrooms (sufficient workspace, seating, audio-visual equipment) to make sure that they are suitable for their intended uses. She also wants to know if existing space can be put to other uses. For example, the exhibition space could serve for receptions,

meetings, or workshops. A performance space could be used for lectures, presentations, or learning seminars. In this way, Abigail can increase the overall number of visitors to Mountain Arts Center and enhance organizational income. She also knows, however, that the increased use of each space will mean more maintenance—and more cost—so she must balance all of these considerations in her calculations.

Each use of facility spaces may need its own set of rules, or policies, outlining how it can be used, by whom, and under what conditions. Policies can also include how the space may be used by others, external to your organization, who may want to rent or borrow the space. Such rules or policies are generally specific to an organization, but generic guidelines or templates can often be found online or can be adapted from the existing policies of other organizations. One such policy or procedure is a complaints policy, which outlines how the organization receives and processes complaints. Another pertains to the number of guards that must be present in galleries that are also rented out for receptions. Part of Abigail's overall assessment of facility needs is to examine whether existing policies are adequate or need revision and whether additional policies should be put in place.

What she is beginning to realize is that a multi-purpose facility has unique demands on organizational management. Managing and operating a facility requires ongoing commitment from the entire organization: Board of Directors, Board committees, CEO, and staff. Hiring and supervision of staff and maintaining strong organizational communication are some of the most important roles of the facilities manager.

PEOPLE AND ORGANIZATIONAL MANAGEMENT FOR FACILITIES

The Right Team: Staffing

Securing the right person for a position is critical. The first step in building your team is to determine what positions are needed, and the second is to create accurate position descriptions that will help you hire the best people for the job (Collins 2001). The size of the facility is a driving factor. Smaller facilities require fewer people for their operations and often have staff fulfilling multiple roles. A larger facility will require a larger staff of individuals who specialize in specific areas of facilities care.

The organization chart shown in Figure 4.1 includes common staff positions for a mid-sized to large multi-purpose facility. Mid-sized to large nonprofit organizations will usually have an executive director (frequently also known as the Chief Executive Officer or CEO) at the top, with various directors or managers at the next level. The facilities director is equal in organizational rank to the program directors in an organization who reports directly to the CEO.

Individuals who report to Abigail include the maintenance staff, security, and technical support staff. In addition, there may be specialized technical staff, for example, lighting technicians, IT staff, rental contracting staff, visitor services personnel, or others, depending on the needs of an organization.

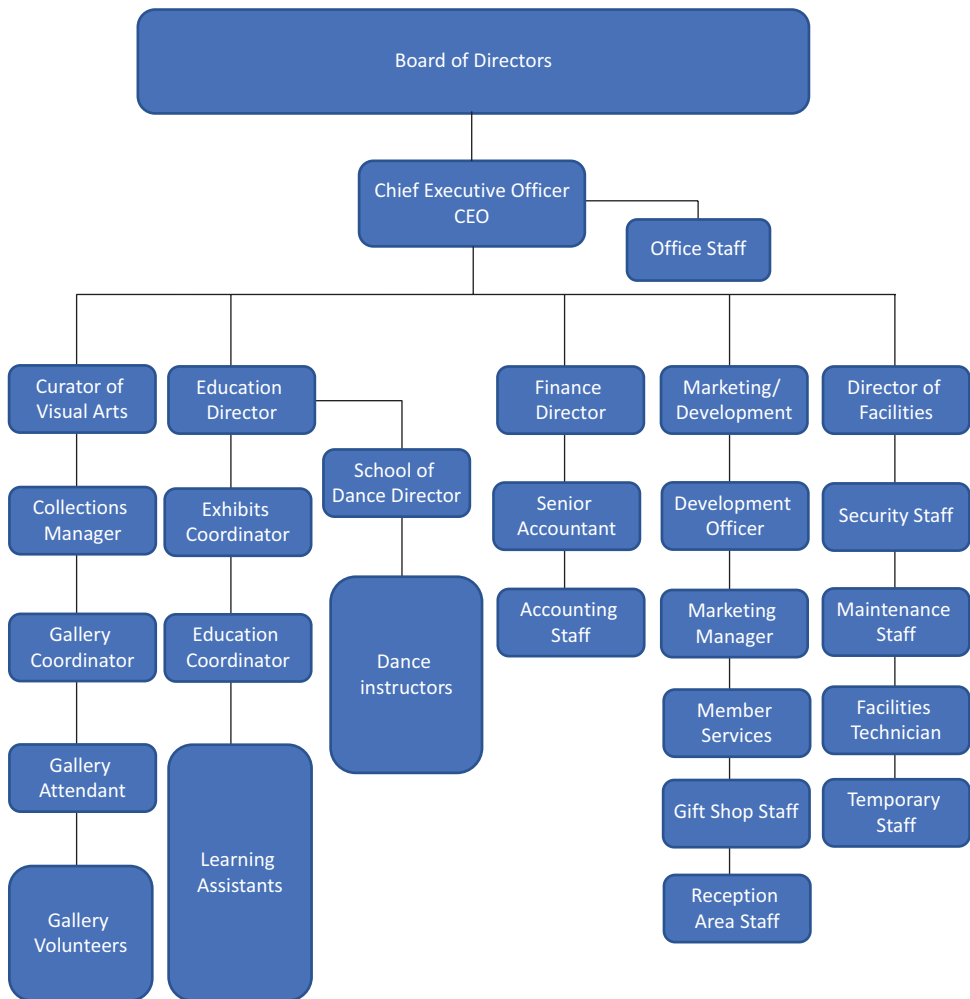


FIGURE 4.1 Sample Facilities Organization Chart

The Role of the CEO

The organization's CEO plays a key role in facility management. In addition to hiring and overseeing a facilities director like Abigail, the CEO is responsible for developing the organization's annual performance plan and ensuring that the facility operations are integrated into the overall performance of the organization. For that reason, Abigail and her staff should have a good working relationship with the CEO and be aware of the ways that their roles fit into the organization as a whole.

In addition to providing input to the CEO on the performance plan and other matters, Abigail should expect to take part in regular meetings with higher administration that help her translate their decisions into directives for her staff and allow her to bring forward the concerns and interests of her staff to the CEO. In this way, Abigail

contributes to good communication and organizational effectiveness across departments. Regular conversations between Abigail and the CEO help determine what is and is not working in order to make adjustments as needed. When there is good communication, coordinated efforts, and regular meetings, organizations are better able to adapt and innovate by learning from shared experience and efforts, a concept known as the *learning organization* (Akhlaghi 1999). A learning organization can identify improvements as it performs its daily functions through strong communication and working toward shared interests.

The CEO also works with the Board of Directors to set policies to protect the organization from liability that might arise from operating the facility. For example, more and more nonprofits require background checks before hiring a new staff person, especially those that offer children's programs. Although Abigail doesn't set the organizational policies for Mountain Arts Center, she is instrumental in the process. As the person managing the facility, she has the knowledge needed by the Board and CEO to create policies that reflect the needs and realities of the facility's space, equipment, and staff. Similarly, Abigail should work with the CEO and Board on matters relating to her staff. It is up to the CEO and Board to make decisions about health insurance, family leave, paid time off, sick leave, and similar benefits. Abigail's input can help ensure that benefits and compensation fit with job descriptions, and that can attract quality individuals for staff positions.

The Role of the Board of Directors

Boards of Directors typically have an arms-length role in facilities management, which means they are not involved in day-to-day matters. Instead, their function is to ensure that the building or space the organization occupies, as an organizational asset, is maintained and preserved. This oversight is in line with the board's legal duties of care (prudent use of assets), loyalty (operating in the best interest of the organization), and obedience (following applicable laws, rules, and obligations). Since Abigail reports to the CEO, the Board of Directors does not supervise her, but they can make it known to the CEO if they feel Abigail is not living up to expectations in maintaining the housekeeping and safety standards. Abigail has direct interaction with the Board during the monthly board meetings when she gives her facilities report and responds to their questions and concerns. In addition, she works closely with Board Committees, especially the *Facilities Committee*, which regularly tours the grounds and buildings of the Center in order to make recommendations to the full board on needs and improvements. Abigail has also made recommendations for adding new Board members who have expertise in areas such as capital construction and lease management in order to benefit from their knowledge.

Facilities Staff

As the facilities director, Abigail is in charge of workflow, hiring, and supervision of staff, which includes training and maintaining good employee relations, writing and revising

position descriptions, regular evaluations, organizing and running regular departmental meetings, budgeting both annual and long-term capital needs for the facility, visitor relations, setting schedules with appropriate staffing, maintaining all necessary supplies, handling vendor relations, communicating with the other organizational directors in order to coordinate overall scheduling, and interfacing with members of the Board of Trustees and the Facilities Committee (if one exists). A Facilities Committee is made up of staff who work in the facility, Board members, and sometimes local experts in the field. Such a committee is helpful for providing a forum to better understand long-term facility needs like equipment replacement, keeping up with local codes and ordinances, or providing expertise in specialized areas like machine maintenance schedules. Abigail's job description was well-encapsulated in the job announcement she responded to for Mountain Arts Center. Shown in Box 4.1, it is useful as an ongoing guide for performing her job, and a template for creating job descriptions for other members of her staff.

Box 4.1 Sample Job Description: Facilities Director

Director of Facilities, Mountain Arts Center

The Mountain Arts Center is a dynamic and multi-faceted nonprofit facility. We present performing and visual art programs and host a wide range of events and conferences. Our campus includes several art galleries, classrooms, a library, a 500-seat theater, a conference room, a children's museum, a café, and an outdoor performance area.

The Director of Facilities will be responsible for the financial management and operation of physical security, custodial, emergency response, MEP (mechanical, electrical, plumbing) systems, HVAC, utilities, mail services, telecommunication, signage, parking, service vendors, and relocation or renovation for all of the facilities on the Mountain Arts Center campus. You will supervise two full-time and seven part-time direct reports in facilities maintenance and security. The role requires collaborating with internal MAC departments and service vendors as necessary to execute completion of work orders and projects and is responsible for the oversight of venue space and event management.

Because this role involves overseeing specialized arts spaces, including those used for visual arts, music, and dance, the ideal candidate has some familiarity with or interest in learning about the particularities and needs of arts facilities. Additionally, the position requires strong organizational and management skills and a deep understanding of customer service.

Essential Position Responsibilities:

- Oversee the physical campus maintenance, operation, and custodial needs for all facilities, grounds, and utility systems owned and operated by MAC.
- Prioritize, schedule, and supervise repair and maintenance work on MAC facilities and equipment.

- Coordinate capital budget/deferred maintenance planning projects, ensuring integration with MAC's strategic plans and goals.
- Collaborate with the leadership team to lead facilities master planning.
- Oversee facilities staff, performing personnel functions including searching, hiring, and daily supervision and management.
- Ensure quality and responsiveness of maintenance and operations activities to patron needs.
- Identify, budget, maintain, and inventory appropriate levels of routine parts and supplies.
- Participate in the development of annual MAC budget; develop annual facilities budgets; monitor and control expenditures to comply with budgetary constraints.
- Coordinate with vendors, contractors, and state and local inspectors regarding maintenance operations and activities, inspections, scheduling, and MAC policies and procedure.
- Assure safe operation of a variety of vehicles and equipment, including van, carts, mowers, and power tools.
- Oversees inspections of all buildings as needed for compliance (fire alarms, elevator, etc.).
- Ensures that all necessary technical, logistical, and infrastructure support for MAC programming (including HVAC) is available and functioning.

Qualifications:

- Five (5) years of related leadership experience.
- Ability to work cooperatively with diverse groups.
- Outstanding customer service ability.
- Strong problem-solving skills and ability to respond quickly and appropriately to urgent or emergency situations.
- Extensive facilities and/or project management experience preferred.
- Experience working in arts organizations preferred.
- Bachelor's degree in hospitality, business administration, the arts, or related field is preferred.

Due to the size of the campus and breadth of programming activities, this position requires occasional weekend, nights, and holiday work.

Essential personnel under the facilities director include a manager to oversee facilities upkeep, as well as security personnel. The facilities manager trains staff for cleaning, changeovers, equipment repair, and replacement cycles. A *changeover* is when an area might be set up for one purpose, for example, with tables and chairs for a meeting, then changed over to be used for a drawing class or some other purpose.

The security manager oversees both staff and visitor security and is responsible for security devices like cameras and alarms. The security manager also maintains contact

with local law enforcement and fire departments to ensure fast and efficient responses when crises arise. Safety training is another essential and ongoing part of the security manager's job to make sure that appropriate staff can administer first aid and handle emergencies such as evacuating an area if danger is present, investigating a suspicious package left in one of the exhibition rooms, or even finding a lost child and returning her to her family. Under Abigail's supervision, the security manager prepares an emergency preparedness manual and plan, with input from the CEO and human resources department. An important part of the plan is to establish a *call chain* in the event of an emergency. Individuals listed on the call chain are staff members who are to be contacted when emergencies arise and who have sufficient authority to make decisions on matters relating to any crisis.

At a minimum, Abigail's safety staff should be well informed on:

- Current industry standards for health and safety in a facility;
- Compliance requirements with local safety codes;
- Specific safety practices.

Because the Mountain Arts Center is a large facility, Abigail's staff is augmented by several other important positions:

- Rental Coordinator, responsible for managing rentals of facility spaces;
- Technicians for lighting, projection, IT, and other equipment;
- Food service personnel;
- Janitorial and cleaning personnel;
- Maintenance personnel;
- Electrician;
- Carpenter;
- Lobby receptionist.

An efficient use of staff may include cross-training. Some staff may ordinarily work at the front desk or as gallery attendants, but during an event, they could be very useful as floor staff or back-of-house staff after hours when the front desk or galleries are closed. Mid-sized to large facilities may also make use of temporary and volunteer staff.

Whether permanent or temporary, Abigail must create position descriptions for each staff person, and the chain of command needs to be clear. Job descriptions help the staff know what duties each person performs, what responsibilities they hold, and how each position fits in the organization as a whole. An up-to-date organizational chart is critical. It should include position titles as well as the names, contact numbers, and (ideally) photographs of persons occupying each position.

Temporary Labor

The use of temporary labor is becoming the norm for many organizations as a necessity when more staff is needed for large set-ups or take-downs. Temporary employees may be needed for seasonal help, such as summer concerts or special events when more

setup is required than on a normal basis. Temporary help may be seasonal, such as for snow removal in the winter months or landscaping in the summer. Building a relationship with local employment agencies will help Abigail find temporary labor reliably and quickly. Clarity on what type of staff she is looking for and requiring background checks, conducted by the agency before they send temporary staff to the Arts Center, can provide Abigail with further assurance that she has the right staff for the job.

Volunteers

Some organizations quite effectively use volunteers in aspects of their facility management. A very useful role for a volunteer is that of Host, who guides visitors to their destinations or checks visitors into the facility. Mountain Center Arts volunteers also help with gardening, trash collection, painting, window washing, and a variety of other tasks that are vital to keeping the facility operating in top form. Position descriptions are needed to set expectations and to be sure that the needs of the organization and the volunteers are met. To keep abreast of changes, Abigail must regularly review and revise these descriptions.

Volunteers might be the only front-of-house staff that visitors see. For this reason, both training and regular evaluation are important. Since volunteers are unpaid, their satisfaction with the work environment and their personal fulfillment are important motivators. In some cases, volunteers might be members of the Board of Directors (who are nevertheless subject to the same rules and supervision as any volunteer).

Abigail has created training workshops specifically for volunteers; she frequently solicits their feedback in order to improve training and ensure they find their participation at Mountain Arts Center meaningful. Evaluation also helps her determine if additional training is needed, especially since volunteers may perform multiple tasks rather than just one, specialized task.

Abigail also carefully tracks the number of hours volunteers put in each month since members of the Board of Directors, elected officials, and external granting organizations often ask for this information as a way to gauge community buy-in. Since volunteers can choose the organizations that they want to engage with, the fact that they choose Abigail's is something she can point to with pride. Good volunteer management also translates into money saved by the organization that it would otherwise need to pay in salaries. Abigail also finds her volunteers regularly recommend the use of Mountain Arts Center to their friends and associates, which is yet another way that the functions of facilities management integrate with the organization as a whole.

Reviewing Staffing Needs

Since organizational needs change over time, Abigail should periodically review staff assignments. Regular staff meetings are essential and should include an assessment of workflow—that is, an appraisal of maintenance and repair scheduling and staffing. At these meetings, she can also address special, high-demand needs of the facility, for example, periods where staff can expect to put in overtime or may need additional, specialized training. Such meetings are also essential for feedback from staff. Their input

can help Abigail rethink how certain types of work are done. Are there ways to be more efficient or more effective in the work her staff is assigned?

In addition to holding her own staff meetings, Abigail will regularly attend organization-wide meetings where she can represent the needs of her department and make sure that they are integrated across the entire organization. A written, annual performance plan that is reviewed at least quarterly will help keep her on track with any benchmarks set by the CEO and Board, as well as making sure that she meets their expectations in terms of management of the facility.

With a thorough understanding and thoughtful management of staffing needs, Abigail can concentrate on the day-to-day tasks of operating the Mountain Arts Center facility. Broadly speaking, her time is divided among three main areas of responsibility: maintenance and assessment of equipment, efficient facility scheduling, and marketing the rental of the facility. Each of these areas is treated in more detail in the following sections.

MANAGING PHYSICAL SPACES

Maintenance and Assessment of Equipment Life Cycles

Maintenance, safety, and the assessment of equipment life cycles are part of Abigail's short-term and long-term planning. She knows that always being on top of maintenance directly contributes to smooth operations and satisfied visitors to the Mountain Arts Center ensuring them a pleasant experience. Abigail's maintenance and safety plan includes daily, weekly, monthly, and annual tasks depending on the particular equipment or area of the facility that needs to be addressed. A regular log or daily rounds sheet, completed by her staff, shows when a task was last completed, and by whom, so that Abigail can verify that it was done, and follow up if needed. The list below shows some of the common items to include, but the list of equipment and tasks will vary from facility to facility. Maintenance should be goal-oriented just like any other aspect of facilities management, and the list of tasks for a facility will depend on the organizational goals that the facility fulfills (Roper & Pavant 2014).

- Schedules on equipment needing filter changes;
- Carpet cleaning and repair;
- Regular check-ups on functionality and safety of doors and windows;
- Check-ups on towel dispensers or hand dryers in restrooms;
- Lighting maintenance, including emergency lighting;
- Testing and check-ups on heating and cooling systems;
- Plumbing inspections including valves and drains;
- Waste disposal.

Since Mountain Arts Center has a kitchen that serves the public, Abigail also schedules inspections by officials from the health department at regular, mandated intervals. Similarly, she schedules inspections by the local fire department and complies with their requests for modifications or repairs.

A sample daily rounds sheet from one of the buildings under Abigail's supervision is shown in Table 4.1. She maintains a separate log for each of the major areas in her facility, which includes the dates for inspections mandated by local authorities (fire and health inspectors), and space for notes and comments. Although the log serves as a tool for Abigail as the director, she makes it available for other members of staff, as needed, and to the CEO and Board upon request. In case of Abigail's absence, or if she leaves the organization, others will be able to use the log to stay on track with maintenance and repairs. The bottom line is that without such a log, Abigail, and the organization as a whole, would have difficulty keeping track of the multiplicity of tasks, requirements, and schedules that are part of the daily, monthly, and annual workflow.

Some additional common challenges to management and operations of facilities include:

- Efficient use of space and need for use policies;
- Integration of technology;
- Routine health and safety inspections;
- Emergency preparedness drills;
- Review of ongoing cleaning and maintenance procedures;
- Accessibility and planning updates as local regulations change;
- Knowledge of applicable laws and public policies;
- Adequate insurance that is reviewed annually;
- Organizational policies and procedures;
- Wayfinding signage and regular updates to that signage;
- Need for bilingual or multilingual signage;
- Long-range capital development planning.

Other common challenges to management and operations include:

Efficient Use of Space

Efficient use of facility space begins with assessing each area in your facility. In addition to each space's most common use, consider other possible uses. For example, your exhibition space might also be used for receptions, meetings, or workshops. A performance space could also be used for lectures, presentations, or learning seminars. Each of these uses may need its own set of *use policies*, or rules outlining who can use the space and under what conditions. For example, the use of one of your spaces for a children's event may require a different use policy than when it is used for a public lecture or for a reception.

You might also have instances of competing demands for the same space and may need to determine the best way to choose between them. It might be as easy as determining which event will yield the highest revenue, or your policies might state that the performances, exhibitions, and other events put on by your own organization will always get priority. However, as it is you who makes such decisions, it is best to articulate them in written form. The Facilities Committee of the Board of Directors can offer guidance on

TABLE 4.1 Daily Rounds Chart

Mountain Arts Center: Daily Rounds Chart

Inspector name: Facility:	Date of inspection: Time of inspection:		
General Housekeeping	Equipment	Acceptable	Needs attention
Waste containers clean and empty			HVAC
No spills or slip hazards	Functioning smoothly		
No tripping hazards or path obstructions	Filters current and clean		
Carpets are clean and in good condition	Inspection up to date		
Windows are clean and intact		Lighting	
No evidence of leaks or drafts	All overhead lighting is in working order		
	Restroom	All bulbs are functional	
Sinks and toilets are clean	Emergency lighting is present and working		
Hand towel dispensers are full		Electrics	
Soap dispensers are full	Electrical panels are unobstructed		
Floors are clean	Cables are damage-free and functional		

Waste baskets are clear	Outlets are functional		
Sinks and toilets are all functional	No overloaded outlets		
Building Exterior	Safety	Acceptable	Needs attention
No potholes, sidewalk cracks, or other hazards	Doors are all functional		
Pedestrian and vehicle pathways are clearly marked	Door locks are all secure		
Exterior walls are clean	Windows are all functional		
No evidence of pests	Window locks are all secure		
Gutters are clear	Handrails are in working order		
Roof is in good condition	Fire exits are unobstructed		
Roof vents clear	Fire alarm is in working order		
Roof access clear	Certified fire extinguisher is available		
Weather-stripping on windows in good condition	First aid kit is stocked and accessible		
Notes and/or comments:			

how to set priorities. Use policies will also include the use of your facility spaces by others, for example, by other organizations, local businesses, and individuals. Organizations that do not own their own facilities may want to rent or borrow parts of your facility for exhibitions or performances. Local businesses may be interested in renting space for meetings, receptions, or other events. Individuals may want to rent a room for a wedding, reception, or other parties. Abigail knows that each type of client will have very different needs. A symphony orchestra, for example, renting the facility for a series of performances, may also need rehearsal space, as well as practice rooms for musicians, and a place to store sets, costumes, or other items between performances. In some cases, an organization renting the facility (such as a dance or theater company) may need space for building a set. It is important to be aware of the multiple activities that might take place simultaneously in your facility to avoid conflicts. A wedding reception on the same day as a theater performance, held in an adjoining room, may not be a good idea, especially if some of the noise from the reception bleeds through into the performance space.

Some facilities will not book any events or activities during the week of major performances. Others may reserve space on weekends for children's events rather than during days when children are in school. Your organization's particular needs should be taken into account for scheduling and policies that establish the ground rules for individuals and groups renting the facility.

Renting Your Facility

As noted previously, many nonprofit arts organizations rent parts or all of their facilities to various clients to increase revenues and offset the costs of operating their facilities. An important thing to keep in mind is that whatever type of rentals you offer should support the overall mission and goals of the organization and that the operations of the facility serve the mission of the organization rather than the other way around. For example, since nonprofit organizations do not pay out profits to their shareholders, the facility should not be operated solely for the purpose of gaining excess revenue. A nonprofit organization can (and should) operate to earn revenues. However, there are additional, important values, aside from profit, that drive their existence and operations, such as serving the public and the community, promoting outreach and engagement, contributing to the arts infrastructure of the community, and other such values. Rental and use policies should therefore reflect these wider interests of the organization. Balancing these values with the need to bring in enough revenue to support facility operations is a good deal of Abigail's job.

Policies should also be fair and equitable. That means that use and rental policies should be equally applied to all clients. For example, Mountain Arts Center has a no alcohol policy throughout the facility during the monthly Family Sunday when entrance to exhibits is free. The policy applies to all users, so Abigail denies any rental applications for that particular day each month that state that alcohol will be served. The use policy is made publicly available on Mountain Arts Center's website, which helps inform potential clients of the rules in place. Abigail has also instituted a no-refund cleaning fee for all rentals. The fee applies to all individuals and groups renting the facility whether they are for-profit, nonprofit, or public entities.

Scheduling

A good scheduling system is indispensable to the operation of any multi-use facility. Abigail can choose from a wide selection of software that will help her allocate space and time to the various activities and functions that take place in Mountain Arts Center. The best software for her purposes depends on many factors such as how much the organization can spend, how many people will be using the software (given that licensing fees often increase by the number of users), the range of functions she needs the software to perform, and so on. Abigail has approval from the CEO and Board of Directors to make the decision without further approval. She finds, however, that consulting with the Facilities Committee is to her advantage. Some members have used scheduling software in their own businesses and can advise her on which might be best for Mountain Arts Center's purposes. As a general guide the scheduling software should support the following:

- Multiple users;
- Accessibility on multiple devices;
- Easy functionality;
- Data security;
- An efficiently organized booking page;
- Client management with detailed reporting and invoicing;
- Customizable features for the particular needs of the organization;
- Responsive customer service and technical support.

Once the ideal software for her purposes is selected, Abigail should make sure that she has the following, at minimum, in place:

- List of staff who will use the scheduling software;
- List of available spaces and their permitted uses (what types of events and activities can be accommodated in the particular space);
- Established fee amount for each space (see, also, the section on Budgeting, below);
- Policies for rental payment terms (such as money down, cleaning fees, and other terms);
- Priority policy for scheduling, and list of organizations/events that will have scheduling priority;
- *Dark days* on the calendar, or periods during which the facility is not available for rentals (for example, during periods of maintenance or inspections);
- Cancellation policies and procedures, including lead time for canceling with no charge or a partial charge;
- Waitlist procedures (are there clients willing to rent the facility in case of cancellation from another client?);
- List of existing clients with past rental history.

Abigail consults with the CEO and heads of other departments to compile the needed information. Her goal is to use the new software to develop an annual schedule for

Mountain Arts Center, so that she and other staff can be well-prepared, months in advance, for upcoming events. Such a schedule also gives ample time for needed modifications or for any problems that crop up. Renters' plans may change, or unexpected repairs may arise, which will require adjustments in the schedule. Scheduling software makes it far easier to make changes than had been possible for Mountain Arts Center in the past. The added value of the scheduling software is that it provides a central location for all schedules and transactions relating to facility usage, with permission to use the software granted only to approved and trained staff. In this way, Abigail can reduce the problem of Board members promising space rental and special accommodations to friends, as was previously the case. With policies in place requiring that all scheduling go through designated facilities staff and be recorded in the software system, she can circumvent any tendencies to work outside the system.

Scheduling is directly related to budgeting, discussed in the next section. Every year, Abigail needs to think about all possible expense lines for the facility and how those expenses will be covered by various income streams.

PLANNING AND STRATEGY FOR FACILITIES MANAGEMENT

Building a Budget

One way to think about a budget is as a road map with which to drive the organization to a particular destination and having enough fuel to make it all the way. Mountain Arts Center has an organizational budget that includes all aspects of its operations, including the expenses relating to facilities management and the income received from rentals and other fee-based activities. Abigail also has her own departmental budget, which serves as a road map for her and her staff.

At the beginning of an annual financial cycle, a budget is forward-looking (what you plan to do). During the period of time the budget applies, the budget is current (what you are doing now) and should be consulted frequently to make sure that everything is on track. Keeping with the road trip analogy, things come up along the way—unplanned stops and side trips that need to be accommodated. Or you inadvertently take a wrong turn and get lost. The budget, as a road map, helps you stay on track despite such occurrences. In the case of managing the Mountain Arts Center's facilities, Abigail knows that unanticipated repairs can happen (a piece of equipment can fail, for example), staff may leave or become ill, necessitating a replacement, and anticipated income might fall short (a renter cancels, for example, or an event sells too few tickets). For that reason, a budget should include all known expenses and revenues, both big and small, as well as enough padding to accommodate emergencies. That means that it's wise to over-estimate, by a small percentage, on the cost side of your budget, and to make sure to have enough additional income to cover extra, unanticipated expenses. Some organizations add at least 10 percent to all items on the cost side of their budgets for just this reason. Although every organization will have its own, unique set of expenses and revenues, the budget shown in Table 4.2 gives an example of what a facilities income and expense budget might typically include.

TABLE 4.2 Facilities Budget Template

*Mountain Arts Center
20XX Budget*

<i>Expense Items</i>	<i>Cost</i>
Staff	
Maintenance	
Security	
Facilities technician	
Temporary staff	
Technology	
Custodial supplies	
Building Maintenance and repair	
Roof	
Doors & windows	
Pest control	
Fire safety maintenance and testing	
Landscaping and grounds maintenance	
Equipment Maintenance and Repair	
HVAC	
Lighting	
Electrical	
Plumbing	
Other	
Utilities	
Production/exhibition expenses	
Art galleries	
Theater	
Museum	
Administrative/General Expenses	

(Continued)

TABLE 4.2 Continued

<i>Mountain Arts Center 20XX Budget</i>	
<i>Expense Items</i>	<i>Cost</i>
Total Expenses	
Revenue Items	Revenue Amount
Art galleries	
Exhibit entry	
Rentals	
Theater	
Tickets	
Rentals	
Museum	
Tickets	
Rentals	
Conferences	
Other events	
Total Revenue	

Note that the budget shows the estimated cost (the column labeled Budgeted) and the actual amount spent (in the column labeled Actual) for the facility. Abigail initially prepares her budget showing only the budgeted amount. As she spends the budgeted funds, she records the actual amount spent, which may differ from the budgeted amount. Doing so helps her track the actual costs of operating the facility. It also helps her to see where she can cut costs in case a budgeted item is more expensive than she originally planned. In this way, her budget is a living document or a management tool that helps her stay on track.

The budget is not only a means of making sure there is enough income to cover expenses. It is also a tool for developing a pricing strategy for facility rentals. Since Mountain Arts Center earns income in a variety of ways (rentals, performance and exhibit tickets, food and beverage sales, gift store sales, donations, grants, sponsorships, and government subsidies), Abigail can use the information on the revenue side to help her determine how much she needs to charge clients in order to 1) earn adequate income and 2) remain competitive. If the rental price for facility spaces is too high,

she won't attract enough clients. If it is too low, she won't bring in enough income to offset expenses. It bears repeating that a well-developed and well-organized budget is also a powerful tool for ongoing decision-making. With an accurate, organized budget, Abigail will be able to determine where she can cut costs in case of a revenue shortfall, or where she can spend more if there is an income windfall (an unexpected donor, for example, or an event that brings in more than anticipated). Although the marketing aspect of Mountain Arts Center does not fall under Abigail's duties, she works closely with the marketing team, nonetheless. Marketing is far more than just the advertising of performances and letting people know that facility spaces can be rented for a fair price, although advertising is one important aspect of marketing. But marketing is also about developing a relationship with potential clients, users, and patrons through a variety of processes and activities. In the case of facilities management, the beginning of positive relationships is Mountain Arts Center's relationship with the community, leading to increased attendance and events, and increased use of the facility by individuals and groups, resulting in their enjoyment and satisfaction. Success depends a lot on understanding the market, which is addressed in the next section.

Understanding Your Market

Pine and Gilmore (1998) coined the term *experience economy* to describe a new way of addressing the consumer market, in which experience (or more specifically, an individual's memory of it) is a sought-after product along with more traditional, consumed goods. A consumer's experience should be memorable, and transformative, in their view, encompassing all aspects of the interaction between an organization and its patrons from the ease of buying a ticket to convenient parking, clear signage, a welcoming atmosphere inside, and so on, including hygienic, pleasant smelling, and easy to locate restrooms (Pine & Gilmore 1999). For Abigail, part of understanding the market for Mountain Arts Center's services is knowing that seemingly small details can make a big difference to a person's experience of the Center. Streaks on a window in the entrance area, or an overfull waste bin in the parking lot, may be the only things out of place on a particular day, but more often than not what is out of place will draw attention. Ensuring that everyone has a good experience at Mountain Arts Center—meaning that their time at the facility will be comfortable, pleasant, and safe—is an important part of Abigail's job.

Knowing who her patrons in terms of demographics is also important for Abigail to understand her market. Weekend days at the facility draw more families and children, which may increase usage of certain areas. As a result, Abigail assigns extra staff to areas like restrooms and the café area. She also makes sure that adequate supplies are ordered for the food service area, as well as additional cleaning staff in the Children's Museum to accommodate larger crowds. In contrast, Friday and Saturday night performances draw adults and many singles who may want to linger after a performance. To make the food area more attractive for these patrons, Abigail's staff arranges bistro tables outside of the performance space and hangs string lights overhead in order to create a "date night" mood. Recently, the marketing staff have even promoted the special décor as part of their advertising campaign to attract young adult audiences.

Attention to detail characterizes Abigail's approach to promoting facility rentals to the public. Individuals who have a positive experience when attending a performance or exhibition at Mountain Arts Center are a likely market for rentals. With the marketing team, Abigail has developed informational brochures to place in the lobby where they are highly visible before and after events, and prominent information about facility rentals is also included in Mountain Arts Center event programs.

Beyond these efforts, Abigail works with the marketing team to place regular ads in community newspapers and distribute informational brochures more widely, for example, to the local Chamber of Commerce, area organizations, and social clubs, and to local hotels where out-of-town visitors can also learn about facility rental opportunities.

Repeat clients contribute a big part of the rental income at Mountain Arts Center. Facilities sometimes give their repeat clients the first choice of open rental dates before taking in new clients as an incentive for their repeat business and as a means of rewarding them for continued support. Discounts are another possible incentive, although these should only be given if current budgeting allows, since they may reduce overall revenue. The added benefit of treating repeat clients well is the word-of-mouth they will generate, which means that they are likely to tell their friends, families, and associates about the facility and the good customer service, thus providing another means to advertise.

Good customer service is not only a good business practice but further adds to the positive experience of clients. Customer service includes such things as follows:

- Responding in a timely manner to emails and phone calls from patrons, clients, and prospective clients;
- Giving attention to clients and patrons on site when they have concerns about the facility;
- Providing accurate documentation of all transactions;
- Anticipating problems and correcting them before they occur;
- Treating all individuals who use the facility with respect;
- Operating in a professional manner at all times.

Depending on the facility, its clients, and their needs, the list above may include additional items and may vary over time. To make sure that she and her staff excel at customer service, and in all aspects of facilities management, Abigail conducts regular check-ups through both formal and informal evaluations. Her evaluations use both quantitative measures, which look at such things as the number of repeat visitors, number of complaints received in a given period, number of referrals from satisfied clients, and any other aspect of customer service that can be assessed numerically, and qualitative measures, which can include written and verbal comments by clients—both positive and negative—about their interactions with staff or the facility. For example, Abigail has received several compliments about the cleanliness of the facility from three of her regular rental clients over the past month, as well as two negative reports on the conditions of the restroom during high usage after a performance. In these cases, the number of comments contributes to quantitative assessment, whereas the comments themselves provide her with qualitative information to evaluate the customer service efforts of her staff. More on how to go about evaluating facility operations is addressed in the next section.

Surveying and Evaluating Events

Evaluation is a highly sophisticated skill, and Abigail lacks formal training in developing and carrying out evaluations. Hiring a trained, external evaluator can have added value for her and the organization, but an experienced and qualified external evaluator can also be costly. For that reason, Mountain Arts Center only hires an outside evaluator for long-term planning or for acute or difficult problems they are facing for which an objective, outside assessment has great value. For ongoing needs, such as the frequent event evaluations, Abigail devises her own, internal means to conduct evaluations and assessments that afford her and the staff information that informs her if they are accomplishing goals, staying on top of facility needs, and maintaining visitor satisfaction with the facility.

Assessment entails looking at sources of data in order to improve current performance. For example, the comments Abigail receives from clients and patrons about conditions in the facility can be used to immediately respond to problems, as well as to give praise or correct staff behaviors that contribute to positive or negative conditions over time. Assessment is an ongoing process that Abigail can use to gather constructive feedback for herself and her staff.

In contrast, *evaluation* is used to judge performance in a given time period by comparison to a standard. For example, Abigail wants to increase the number of repeat clients over the next six months. Her standard is the current rate of repeat clients, which she wants to exceed. At the end of the evaluation period, she will be able to see if she achieved the goal (and by how much) or not. Ongoing evaluation is important and allows for continuous improvement in the long term, as well as providing an accurate picture of how the Center is achieving its goals. There are many resources available online that provide advice on how to build and conduct the kind of evaluations and assessments Abigail needs for her own use. She can adapt the information she finds online to develop strategies specific to the Mountain Arts Center.

Although there may be an infinite number of things Abigail can assess and evaluate, she focuses on things that relate to increasing effectiveness and efficiency in facility management, customer feedback, and, importantly, the degree to which facility operations align with the organizational mission, goals, and objectives. Collecting feedback on clients' and visitors' experiences can start with a few simple questions, such as:

- Did you find everything in working order?
- Were the staff responsive to your needs?
- How can we improve your experience with us?
- Why did you select our facility over another?
- Would you recommend us to a colleague or family member for their rental needs?

These are questions that can be posed informally to visitors, by staff, as part of a conversation at the end of a performance or event before the client or visitor leaves the facility, or as a later, follow-up survey. Another approach is to provide a short questionnaire that can be answered by just circling a number presented as part of a rating system, for example, from one to ten where one is unacceptable and ten is outstanding. Written

questionnaires can include space for additional comments. Although these evaluation and assessment methods have limitations (they generally are not rigorous methods for gathering data), they still provide useful feedback for Abigail and her team. Feedback from staff on their own experiences in the facility is also important for good management. Staff members' insight and perspectives give Abigail a fuller picture of how things are going and soliciting her staff's views lets them know that they are valued as part of her team.

SCENARIO DENOUEMENT

Abigail has now completed her six-month probationary period at Mountain Arts Center as the facility director. She feels confident that her upcoming evaluation will go well. The time she spent in the early days learning more about the facility, its clients, and the particular needs of arts groups, as users of the facility, has paid off. Working with her colleagues, staff, and CEO, she created a set of policies addressing all aspects of facilities management, including maintenance and repairs, safety and security, reporting lines for staff, scheduling, rental and user agreements, including communication guidelines, especially in the case of who to contact in emergencies. She spent time learning about the needs of artists and arts organizations as rental clients, both from her colleagues at Mountain Arts Center and from informal surveys she administered to evaluate and assess facility operations. She is confident that she can meet the expectations she was charged with, namely, improving guest services, increasing revenues, and maintaining a strong connection to the Center's goals and objectives as the community's local arts center.

SUMMARY

- Facilities management is multi-faceted in terms of stakeholders and functions, particularly for arts organizations that both produce their own shows and exhibitions and rent space to artists and organizations.
- Successful facilities management requires clear and consistent communication across your organization, including the CEO, Board of Trustees, staff, and volunteers.
- Operating an arts facility means addressing the needs of a wide range of clients, which include not only those who pay to rent individual facility spaces, but also patrons who come to enjoy arts events, eat in its café, or enjoy its outdoor areas.
- Rental income from clients can be an important revenue source. There are many important considerations related to clients using your facility, including transparent and equitable use policies for the space and proactive schedule management.
- The health, safety, and enjoyment of all users will depend on staying on top of maintenance, repairs, and cleaning, as well as addressing client concerns, maintaining schedules, adhering to policies, and communicating effectively with others.
- The experience your patrons have in your facility can rest on small details like ease of use and cleanliness. A positive experience can be an important source of return business and referrals for future clients.

- Whether an organization owns its facility or rents it on a long-term basis, good management practices are required so that the facility supports the organizational mission, goals, and objectives.

KEY TERMS

Assessment
Building a budget
Call chain
Changeover
Daily rounds sheet
Dark days
Dwell time
Equipment life cycles
Evaluation
Experience economy
Facilities Committee
Learning organization
Organizational chart
Scheduling
Staffing
Surveys and evaluating
Temporary labor
Use policies
Volunteers

STUDY QUESTIONS

1. Explain the role of the Board of Directors in the management of a facility. What is the best way for a facilities director to interact with the Board?
2. What should an organization consider in deciding whether to own or rent its own facility?
3. How would you resolve a scheduling conflict for the rental of a room in your facility? Imagine that the conflict has come up because someone in the organization made scheduling promises outside of the established system.
4. What is the difference between assessment and evaluation in the context of facilities management? Give an example of each.
5. How does good facilities management connect to the mission of an arts organization?
6. What are some of the common tasks included in facilities management?

GAIN EXPERIENCE

1. Sketch the floor plan of an organization's building and brainstorm to create a list of all of the possible uses for the various spaces in that building.
2. Seek permission from an arts facility in your community to create and administer a simple questionnaire assessing visitor experiences. What did you learn from the data you gathered?
3. Write job descriptions for two staff people that might be hired as part of the facilities staff. For example, you might select a security staff position, front receptionist, or house-keeping staff person. Do research online about the job requirements for positions you select.
4. Select a facility in your area to use as an example. Using the sample provided in this chapter, create a daily rounds chart for the facility you choose. Decide what needs to be included in the list of items that need to be regularly checked. If you were the facility director of the facility you choose, how would you use the chart for management purposes?

ADDITIONAL RESOURCES

Publications

- DeVereaux, C., & Richerson, J. (2019). Taking Charge of Change. In D. Stevenson (Ed.), *Managing Organisational Success in the Arts* (pp. 22–35). New York: Routledge.
- Lambert, P. D., & Williams, R. (2017). *Performing Arts Center Management*. New York: Routledge.
- Roper, K. & Payant, R. (2014). *The Facility Management Handbook*, 4th Edition. New York: American Management Association.

Websites

Facilities Management

- Buildings: www.buildings.com/
- International Facilities Management Association: www.ifma.org
- Occupational Safety and Health Administration: www.osha.gov/

Maintenance

- Limble CMMS Facility Maintenance Plan Template: <https://limblecmms.com/facility-maintenance/facility-maintenance-plan-template/>
- Maintenance World: www.maintenanceworld.com/archives/
- Society for Maintenance and Reliability Professionals: <https://smrp.org/>

Evaluation and Assessment

- American Evaluation Association: www.eval.org/
- Colorado Nonprofit Association: Evaluation Toolkit: <https://coloradononprofits.org/sites/default/files/attachments/Evaluation-Toolkit-Final-with-Cover.pdf>
- MEERA: My Environmental Education Evaluation Resource Assistant: <https://meera.snre.umich.edu>
- W.K. Kellogg Foundation: Evaluation Handbook: www.wkkf.org/~media/62EF77BD5792454B807085B1AD044FE7.ashx

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- Akhlaghi, F. (1999). New Patterns in Facilities Management: Industry Best Practice and New Organisational Theory. *Facilities*. 17:5/6, 159.
- Collins, J. (2001). *Good to Great*. New York: HarperCollins.
- Pine, J. & Gilmore, J (1998, July–August). Welcome to the Experience Economy. *Harvard Business Review*. <https://hbr.org/1998/07/welcome-to-the-experience-economy>
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Evaluation in the Arts

Annabel Jackson

SCENARIO

Noah had only just been appointed to run the Artful Learning Program at the Craft Museum and already two people (including one colleague and one donor) had asked him about his plans for evaluation. He wasn't sure what he should be evaluating or why. Wasn't it enough if patrons brought their children to take part in the learning activities, and that they enjoyed it enough to come back? He knew that part of the reason he'd been hired was that the Board had not been very happy with the program's previous performance. One of the funders was doubtful about providing any future funding for the Artful Learning Program because of a fall in attendance, but his colleagues told him this was just consistent with changing demographics in the community, in terms of fewer families residing in the area, and also with declining attendance for the exhibition program. Noah wondered if this was the full story. The Artful Learning Program had experienced ebbs and flows in attendance over the previous years. Was it simply a case of changing demographics or was the program losing its relevance? What was the overall relationship between museum attendance and his program?

Looking over previous projects, Noah noticed that the Craft Museum had only conducted evaluations when they were required by funders, and he couldn't see any consistency in questions or approach. In its first year, Artful Learning Program participants had apparently completed a questionnaire asking if they enjoyed the program enough to come back. Although many responded positively, he could see, by the records, that few were actually returned. This difference was not noted in the evaluation reports, which were rather vague, and also rather too positive given the declining attendance. The reports made some general recommendations. In particular, there was some language about access and inclusion as important values; but nowhere did the report mention who should do what to improve the program and Noah didn't think the reports had led to any action. In fact, given that the reports were printed copies that he'd found at the back of a filing cabinet, he wondered who had read them.

Mixed in with the reports, Noah also discovered quite a few paper questionnaires asking participants' views on community workshops that the Craft Museum had offered, but these had never been entered into a database or analyzed systematically, so he wasn't sure if they counted as evaluation at all, and he didn't know if they could tell him anything he could apply to the Artful Learning Program. Whoever created the questionnaire hadn't thought to ask about respondents' reason for attending or their wider arts engagement. Further, the questions posed were not very focused—everything from whether they owned their own home to how far they usually drove to attend an activity.

Noah thought that perhaps he could find out who had been in charge of evaluation before in order to get a better idea of past evaluation efforts. But when he looked at his colleagues' job descriptions, none mentioned evaluation. Asking his co-workers elicited a puzzled shrug. He also noticed that there was no budget line for evaluation or for evaluation training in the Artful Learning Program budget and, when he enquired, was told the Craft Museum didn't have a budget for evaluation either.

Noah had been recruited for the job because he had a strong vision for the Artful Learning Program which included his aim to attract participants, create a more open, co-creative process, and achieve stronger outcomes, especially in terms of wellbeing and new audience development. Noah assumed it was going to take a lot of hard work and he didn't want to spend time on evaluation that wasn't useful. He was also concerned that evaluation could negatively affect participants' quality of experience, and so make the program less accessible and inclusive. On the other hand, how was he going to attract more diverse participants if he didn't understand their current experience?

Still on the fence about whether to carve out some time for evaluation, Noah noticed a new email in his inbox reminding him of the upcoming board meeting. Checking the attached agenda, he saw that evaluation was listed as one of the items. Given the state of affairs, Noah thought that a first step was to learn more about the evaluation process.

ISSUES

- Lack of focus in evaluation;
- Evaluation priorities defined by funders;
- Lack of meaningful and useful questions in evaluation instruments;
- Collection of data without systematic analysis or intention to use the findings;
- Incomplete and unbalanced reporting of evaluation findings;
- Lack of precision in recommendations;
- Unclear process for translating recommendations into action;
- Lack of a central place to file evaluation reports;
- Treatment of evaluation as an add-on to people's jobs;
- Lack of budgeting for evaluation;
- Gap between evaluation and organizational learning.

INTRODUCTION

The *Encyclopedia of Evaluation* defines evaluation as “an applied inquiry process for collecting and synthesizing evidence that culminates in conclusions about the state of affairs, value, merit, worth, significance, or quality of a program, product, person, policy, proposal or plan” (2005, 139). This means that evaluation uses research methods to provide insights to inform organizational decisions, which might be about expanding or discontinuing a program, refining processes or activities, and/or changing expectations or targets. The person doing the evaluation is challenged to put aside her own assumptions and biases to reflect on sources of evidence and consider what conclusions can be justifiably drawn. Being systematic is fundamental in evaluation. The systematic approach ensures that the subjects explored coincide with the concerns of the organization, and the details of the methods applied follow precisely from these areas of concern. Rather than a haphazard, informal, or ad hoc gathering of information, an evaluation proceeds from a well-conceptualized plan that includes the evaluation intent, or purpose, the rationale for why the evaluation is being done, the key questions, the methods that will be used to gather data and interpret it, how the findings will be communicated, and the intended use of evaluation results.

Evaluation provides a framework to explore the impacts of arts programs, how those impacts are generated, and how they can be maximized through improving the way work is delivered or communicated. It can tell us about unintended impacts of programs or processes, whether positive or negative. One can also use evaluation for gathering and structuring feedback from stakeholders and for providing a structured means to record what is learned from the evaluation process.

Stated in simple terms, organizations engage in evaluation when they want to know what is and isn't working in the organization, in terms of programs, projects, events, organizational structure, processes, and the impacts on staff, participants, audience members, partners, artists, places, and the wider sector. One might say that evaluation is a core skill that is valuable in any context. It's useful to know how the organization is doing in its chosen activities. Such knowledge will help the organization to understand what it is doing well, how to repeat the successes, what it is doing less well, and how to correct weaknesses.

Although evaluation involves research, it is not research and it differs in both process and purpose. As Alvin (2018) explains, questions posed in research come from the researcher with the aim to produce generalizable conclusions that contribute to knowledge in the field. In evaluation, questions come from the organization being evaluated, with the intention of informing decisions about the specific project, program, or process being evaluated. This means that the evaluator works closely with an organization in order to develop a set of questions around areas of interest relating to the organization's activities.

Evaluation can be framed at the level of a single project, a program, of Directors, organization, partnership, network, artform, or sector. However, board evaluation is more powerful if it is considered strategically: both in the sense of thinking beyond the individual project or program and also in the sense of connecting evaluation to your

organizational strategy. Evaluation can support the strategic planning process by helping to ensure objectives are precise, outcomes are explicit, and assumptions are clarified. In strategic planning, we often talk about needing a feedback loop to provide information on how the ideas in the strategic plan are panning out in real life. Evaluation can provide that information. At the organizational level, evaluation can be particularly useful for comparing different projects, time periods, or groups of participants. This rich data can give insights into the special nature of the organization and how its programs connect and build impact (its synergies) in the community at large.

The first thing that often comes to mind when organizations think about engaging in an evaluation is that it might be both time-consuming and expensive. However, this does not have to be the case. You can reduce the cost of evaluation by building internal skills and expertise, so you are not dependent on external advisors, by focusing an evaluation, removing any methods that are not insightful or useful, and phasing evaluation so that the important subjects are explored one at a time. You can reduce the time taken in evaluating by developing some core methods that can be applied to different projects (rather than starting from scratch with each project evaluation), and by employing an external evaluator to help with a small number of key tasks.

Even if you choose to appoint an external evaluator, you will still need to have some role in the process, you can't hand the whole process over. You will need to decide on the purpose for the evaluation, the kinds of questions that would be useful, and the range of changes that would be possible, which then sets the boundaries for the recommendations. This chapter outlines the evaluation process to better prepare you wherever you are on the spectrum of internal to external evaluation. Knowing what to expect from evaluation, and why it is so important, can aid you in finding, and hiring, the right external evaluator. It will also help you in designing your own, internal evaluation process.

The Value of Evaluation

Because the process of evaluation asks you to put aside your biases and expectations, it can provide dispassionate and detailed information on an organization and its strategies such as:

- Project or program processes: how the work is being delivered, what is working and what is not working, and lessons for the next stage;
- Who among target audiences, visitors, and participants are being reached and to what extent;
- Barriers and enabling factors: the extent to which capacity, resources, structure, culture, leadership, governance, and relationships are supporting, or undermining, the delivery of the project or program. This could include exploring the perspectives of targeted new audience members: people who do not currently attend your events;
- Impacts on artists, audiences, visitors, participants, partners, and communities, both intended and unintended, direct and indirect, positive and negative;
- The way projects or programs are changing the organization: including learning, structural or systems change (such as interdepartmental collaboration), and legacy;

- The external environment: how society, technology, the economy, and political situations are affecting what the organization is doing, and how it should respond;
- Whether strategic objectives are being met, and if not, whether they need to be modified, or additional resources provided/raised.

Many arts managers, including Noah, have probably asked questions about some of these, already, without realizing that it was part of evaluation.

Evaluation is particularly useful for arts organizations because the arts have a strong and positive story to tell. Working through the senses, engaging the emotions, bringing groups together in shared moments, having inspirational leaders, connecting to narratives—all these are likely to strengthen engagement and impact for individuals and communities compared with many non-arts interventions. Many of the outcomes from the arts are intangible, for example, enjoyment, aspiration, relationship-building, and community place-making. The value of an arts organization cannot be meaningfully expressed solely in terms of audience or participant numbers. Skilled artists can make the creative process appear natural or easy. And some positive effects of the arts may not be apparent in the short term. But capturing and communicating the depth and range of expertise that is held by artists and arts organizations is an essential part of raising their status in society. The challenge for any arts organization is articulating its value in ways that are readily appreciated by others, including community members, stakeholders, donors, and policymakers. Too often, arts organizations are reticent about making the case for the arts against other policy areas such as housing or public safety. What they may not realize is that audience members, participants, and other stakeholders can sometimes be more powerful and credible advocates for the arts than those who work in the sector.

Evaluation can help bring different stakeholders' voices to the fore and is of immense help for arts managers in everyday decision-making. Evaluation can be used to aid in decision-making specifically by:

- Choosing issues that are important to the arts organization. A critical stage of evaluation is identifying the most useful and meaningful questions.
- Writing up findings and translating them into decision points. In practice, this is often a continuous rather than a one-off process, where you are communicating intermediate results before final conclusions (which often arise after strategic decisions have been made).
- Only collecting information where there is a clear route and intention to use it for a specific purpose. Too often, evaluation results are not used, so the time and expense of doing the evaluation are wasted, and effort can be saved by avoiding unproductive work.
- Communicating findings in language that is easily understood by decision-makers.

In sum, evaluation is a process that provides tools to help you:

- *Identify key questions.* Evaluation can help you to see through the mass of mundane or interesting, but not very useful, questions that come up in day-to-day

organizational management to find the most fundamental questions that can inform your decision-making.

- *Include the voices of different stakeholders.* Even the simplest project or activity can benefit from asking different stakeholders (participants, potential participants, artists, partners, and funders) about their experiences and perceptions of your work. Different stakeholders often have different perspectives on the same project or activity, and seeing the project or program from different angles can give a fuller picture. This, in itself, can give you a greater understanding of program design choices in terms of how to strengthen impact.
- *Compile evidence.* Evaluation draws on a host of research methodologies that can give you a different way of seeing your work. Quantitative information, which aims at answering questions through statistics and numbers, can reveal patterns that may not be obvious, for example, whether particular groups of participants have benefited significantly more than the average from your programs. Qualitative information can increase your understanding of individual stakeholders' experiences, motivations, and perceptual connections in ways that quantitative measures are not always able to capture.
- *Reflect on your findings and what they mean.* Evaluation can provide a structure to prompt and record feedback on your achievements. You probably already have observations about what works and what doesn't work in projects or activities. Evaluation helps you to test, structure, and document your insights so that they are not lost in the busy day-to-day life of your organization.

All these processes have worth for organizational development. Evaluation is often thought of as essential to nonprofit reporting, required by funders and granting agencies. It can support and speed up fundraising by ensuring powerful arguments are already articulated and data easily at hand. Increased confidence in telling funders what works and what does not work in your organization is another beneficial outcome. However, evaluation can do much, much more than this. Evaluation can help you understand what audiences and participants need and how they experience your work. It can help you build relationships with your stakeholders by demonstrating that you value their opinions and perspectives. Staff can use evaluation results to help them anticipate and respond to problems. It can also motivate staff and participants by showing what has been achieved through their work. Stakeholders will benefit given that evaluation provides a framework for talking about artistic quality across the organization and communicating your own brand of artistic quality. Evaluation can strengthen organizational memory and record-keeping and help you contribute to sector debates about the value of the arts. In all these functions, evaluation is meeting the needs of your organization—especially its learning needs—as well as those of grant-makers, funders, and policymakers.

Finally, evaluation is also a way of thinking. This entails taking an inquisitive approach to the activities of an organization in order to ask thoughtful questions about what you do, but also about why you are doing it. Carrying out programs, in other words, should be done in order to achieve particular organizational goals and objectives. Evaluative thinking helps you identify assumptions and subject them to scrutiny. For example, do your arts programs really have value for your community, or do you just assume they do,

since you've been doing them for so long? Evaluative thinking is useful, in itself, especially for clarifying your expectations and checking that others in your organization, or in partner organizations, are thinking along the same lines. It can encourage precision, for example, in how outcomes are defined and in testing whether the assumptions about the link between activities and outcomes are realistic. Evaluative thinking also values empirical evidence (which is evidence that comes from focused, research observations), and allows you to separate mere interpretations (which are often informed by biases) from judgments based on good evidence. As Noah explored the possibilities that evaluation processes could offer, he was excited to know more. The next section looks at how to initiate an evaluation with emphasis on how it can serve Noah in his attempt to achieve a deeper understanding of the Artful Learning Program and its potential merits.

PLAN YOUR EVALUATION

Evaluation is part of an overall process of planning, implementation, and improvement in an organization's individual activities or the organization as a whole. No matter the level of evaluation, it begins with a plan of action—that is, a decision about what to evaluate, why, and how to go about doing it. The evaluation plan is a set of steps, written in a document; it explains, in precise language, the objectives of an evaluation, the key questions, the methods for gathering and interpreting data, who will gather data, how findings will be communicated, and the anticipated use of the results. At first consideration, the potential applications for results, and the work required, can seem vast. For that reason, you should focus your evaluation rather than attempting to be comprehensive. Evaluation isn't a single-time occurrence, so you don't have to evaluate everything in an organization all at once. Evaluations can be scheduled, over time, as resources become available and as needs arise. All evaluations you perform, however, should be purposeful.

Possible reasons for selecting a project or process for evaluation include:

- A new project is being piloted and you need to learn about what has and has not worked;
- A longstanding project seems to have a strong impact and you want to understand the nature and pattern of outcomes and how they are achieved;
- A project has drifted, and you would like to consider possibilities to improve its relevance and impact. In fact, this is the case with Noah's program, which hasn't been performing well and is in danger of losing funding.

Once you decide on the reason for your evaluation, you can begin to formulate the evaluation plan. As a general overview, the plan should capture:

- Priorities for evaluation over time. Noah might decide to evaluate three co-creative projects each year, chosen because they represent different target audiences. Evaluating three projects in detail would be more useful than attempting to evaluate all projects, and only obtaining brief and sketchy information on each;

- The decisions to which the evaluation will contribute. Noah could design evaluation to inform monthly staff meetings that review which program sessions should be offered, when, and by which artists; and also, to feed into board reviews of a program;
- The stakeholders for the project or program and their planned involvement in the evaluation process. Noah would naturally interview/survey participants, but to really understand non-attendance, he would need to interview participants who dropped out early in the program, community partners, artists, and other members of staff;
- Conceptualization using logic models, as is discussed later in this chapter;
- Key questions derived from the logic models;
- The choice and detail of methods including sampling and quality control;
- Data analysis;
- Roles and responsibilities and timelines;
- Reporting and communicating evaluation findings.

In order to make evaluation effective, Noah realizes that his evaluation plan should be well-considered, and that others in his organization should support it. In other words, planning an evaluation means having resources and staff in place, just as Noah might do with any type of project he plans and carries out. Gaining agreement among key decision-makers about what he wants to know (the reason he is doing the evaluation), why he wants to know it (what outcomes he is looking for), and what he'll do with the results (how he will apply the knowledge gained in future decision-making) are important aspects of the plan. Setting a timeline for the evaluation to occur, including preparation time, will help ensure a meaningful evaluation. Too short a timeline and the evaluation process might be rushed, or leave out important considerations. Adequate preparation time in advance will allow Noah to find and organize documents, reports, and other evidence. He may also need to schedule time with stakeholders, program participants, staff, and others who will contribute information. Finally, creating a budget for the evaluation will mean that Noah has access to the resources required for carrying out the evaluation activities. The process that Noah should follow is outlined in the next sections.

THE PURPOSE FOR AN EVALUATION

The first thing Noah must do is to decide on the purpose of evaluation.

Is It Accountability?

Accountability is the process whereby funders check that their money has been used as intended and has had the effects they envisaged. Funders have a right to ensure their money has been well used. They are interested in an arts organization's ability to achieve its objectives, in having evidence for outcomes, and in testing value for money (the ratio between costs and outcomes/benefits). While these are valid and important routes for

inquiry, they are not the sum total of arts organizations' interests. Money spent compared to benefit earned is not the only way to determine the value of an organization's offerings. Evaluation should not be entirely directed by funders' requirements. Nonetheless, an evaluation can satisfy funders' needs to see that an organization is accountable to its funders' interests and requirements.

Is It about an Organization's Own Learning?

Evaluation provides tools and resources to help capture, structure, and document organizational learning, while helping to foster a learning culture among staff and the Board. For this reason, evaluation is a core function in any organization. Organizations must be able to respond to changes in the world, and in their own, internal environments. To meet these changes, head on, an organization should be adept at responding to new information and new realities. Evaluation is an opportunity for the organization to learn about itself, its attributes and weaknesses, and how it needs to change in order to make the best of the future.

These are some possibilities for directions Noah might take in deciding the purpose of the evaluation process he wants to undertake for the Arts Learning Program and the Craft Museum. More specifically, he should consider how evaluation might help him devise and deliver his new program in terms of any (and perhaps all) of the following:

- Exploring the needs and perspectives of his audience groups. What will motivate them to participate? What might they want to learn or experience? What is the best day/time/month/season for them to participate?
- Discussing co-creation across the team, and better understanding of the Craft Museum's approach to co-creation. In other words, who should take part in designing this program? What might they contribute and why would it have value?
- Clarifying the definition of wellbeing, benefit, or learning most relevant to the Museum. If the program's aim is to provide learning, wellbeing, or other benefits to participants (and by extension to the Museum) what does that look like? How will Noah know it has been achieved?
- Obtaining early feedback from participants so that the learning program can be refined; contacting participants after their engagement to see if the outcomes were short term (for the duration of the program, or a short time after) or sustained (do the benefits last for more than a few weeks, and for how long?) and whether they retained a connection to the Museum as visitors, members, donors, or advocates as a result of participation.

With these and other questions in mind, Noah should consider at which stage he needs input from evaluation: is it throughout the co-creation program, at a specific stage (such as before decisions about resources or fundraising), or at the close of the project? These three distinct stages of evaluation are further described below.

- *Developmental evaluation* happens alongside a project or program. It has an organic structure, which means that objectives can and should change during the process

instead of being fixed in advance. This is called *double-loop learning*. It suggests that evaluation methods and interpretations should also change as the organization's understanding deepens. Using this type of evaluation, Noah will define a set of objectives as a starting point. For example, since Noah isn't sure when, or how often to offer program days, he can start by testing different formats and times. As he learns which ones work best for which participants, he can eliminate those that are less popular or have less impact. Developmental evaluation can help Noah see how participants are experiencing the different formats and might convince him to be more precise in targeting different groups in his goals for diversity.

- *Formative evaluation* is conducted during the development of a project or program, with the intention of providing recommendations about potential improvements as the work is happening. For example, Noah might like to know whether participants feel welcome in the Museum, whether the program was what they expected, whether they knew enough about the broader program to come back, and whether the project inspired a wider interest in the arts beyond attending the Museum.
- *Summative evaluation* is conducted at the end of a project or program, with the intention of providing an overall judgment and understanding of lessons for the future. Noah's summative evaluation might provide comparative data on which projects have enhanced wellbeing for which participants.

IDENTIFY KEY QUESTIONS

So far, we have looked at why to engage in evaluation, and also at its purposes and benefits, which constitute a part of the early conceptualization phase of the process. Next, we focus in more detail on generating relevant and meaningful questions to guide the evaluation. But first, why spend time thinking about the questions? Why can't Noah (and arts managers like him) simply decide what they want to know and then start gathering evidence? The reason is that often the first question you think of is not the most useful one. Noah might have started by exploring why participants come to the Artful Learning Program. However, on reflection, he might realize that he also needed to talk to people who don't come to the program. Furthermore, the question you want to explore is often in a different form from what you ask respondents. Noah wants to know why non-attendees don't come to the Museum, but he also needs to understand more about how they perceive the Museum, any arts venues they do attend, and what conditions would need to be met for them to attend the Artful Learning Program. In other words, he has to think through what questions to ask, and how to pose them, in order to get the information most important to him.

Create a Logic Model

The most commonly used tool for evaluation conceptualization (and question generation) is the *logic model*, which is a visual representation of the pathway from action to results. W. K. Kellogg Foundation introduced logic models in the United States in 1998 and they are still widely used, which says something about their value. A logic model frames projects or

programs as a chain of causal assumptions, which is called a *theory of change*. Specifically, a theory of change explains the condition before and after a particular intervention. A causal assumption is a statement postulating what brought about the change. A traditional conception of a causal assumption could be represented as:

$$X \longrightarrow Y$$

The assumption is that *X* caused (or led) *Y* to occur. The arrow indicates the *causal direction* (*X* caused *Y* and not the other way around). In contrast, the causal assumptions of a logic model are framed in the form of “if...then” statements as shown below. In the first two examples, the change is identified. See if you can articulate the theory of change in the remaining examples.

- If you have access to specific resources, **then** you will be able to deliver your planned work.
 - In this case, the change is from not having access to resources to having access.
- If you deliver the planned activities, **then** you will be able to give the planned level of service and experience.
 - Here the change is brought about by delivering the planned activities.
- If you deliver the planned service and experience, **then** the stakeholders will be affected in specific ways (that you define as part of the evaluation).
- If the outcomes occur, **then** changes to society, the economy, or the environment will follow.

The visual representation of a logic model is typically a table with columns for resources, activities, outcomes, impact, and assumptions. If Noah wants to create a logic model, he should first select his specific focus. Let’s say he chooses one of his new projects that will offer creative workshops to older people from a specific local community with the aim of enhancing their wellbeing and encouraging them to become members of the Museum. He could convene a group of people involved in planning the project and discuss each element of the logic model in turn. Table 5.1 shows Noah’s logic model.

To create the logic model shown in Table 5.1, Noah considered:

- *Resources* comprise the financial and non-financial inputs an organization has available to direct toward delivering the project or program. Noah noted down the financial contribution, but also the staff time, volunteer time, facilities, and supplies.
- *Activities*, or the actions delivered by the organization such as concerts, performances, exhibitions, participatory workshops, talks, and trainings. In Noah’s case, the activities are introductory sessions, craft workshops, and a group exhibition.
- *Outputs* are the direct products of program activities and can be defined from the supply side (number of events offered by the organization) or the demand side (number of participants who sign up). For Noah’s project, the outputs are the number of introductory sessions, the number of craft workshops, and the number of days the exhibition is open. He could also include the number of participants to craft workshops and the audience numbers for the exhibition.

TABLE 5.1 Logic Model

<i>Resources</i>	<i>Activities</i>	<i>Outputs</i>	<i>Outcomes</i>	<i>Impact</i>
Grant funding Staff time Arts supplies Facilitator time Studio space	Taster sessions Creative workshops Exhibition	Number and type of arts classes Number and profile of participants	Participants enhance their wellbeing (e.g., their confidence, feeling of joy, social connection, feeling of achievement, ability to manage their emotions, hope about the future, and vitality). The Craft Museum strengthens its relationship with local community groups and learns about how to target diverse audiences.	The Craft Museum broadens and diversifies its audience.

Assumptions:

Participants will attend enough classes to have an impact on their wellbeing.

Participants will not self-select: the group will not be mainly composed of people who already have high wellbeing.

The positive impact of the classes is sufficient to overcome other factors in the participants' lives that are negative.

Participants' experience of the classes will be similar enough to generalize and quantify.

Participants will make the connection between the learning program and the museum: attending the classes will encourage them to visit the Museum's exhibitions.

- *Outcomes* are changes in the attitudes, behavior, skills, knowledge, motivation, feelings, or aspirations of participants, or the culture, structures, systems, relationships, or processes of organizations. In complex or long-term projects or programs, a logic model might require two categories of outcomes: short and long term. Noah's outcomes for participants might be the enhanced wellbeing of participants, increased interest in the crafts, feeling of connection to the Craft Museum, increased knowledge of the Craft Museum's programs, and increased motivation to attend the Craft Museum. The organization should also consider its outcomes, which might be learning about how to reach new audiences, increasing the number of members, and strengthening local partnerships.
- *Impacts* are the direct and indirect effects on society, the economy, and the environment. Noah's impacts might be increased diversity of the Museum's audience, stronger perception of the Museum as rooted in its community, and increased community cohesion from bringing different groups together in the local area.
- *Assumptions* are explicit or implicit expectations about relationships among the other logic model items. They can also relate to time periods, processes, or other contextual factors. Assumptions are, in effect, statements that have to be true for the theory of change to work. A key assumption in Noah's project is that coming to

a craft workshop increases people's interest in visiting an exhibition at the museum. If participants do not make a connection between the craft workshops and the wider exhibition program, then this assumption will be false, at least in part, for some of the participants. The link between participation and broader engagement with the Museum won't happen automatically. Noah's program is what (he hopes) will make the causal link.

The logic model can give Noah practical hints about how to identify risks and aspects of the project that need careful planning. For example, he might decide to:

- Target a community near to the Museum because they would have fewer physical barriers to continued engagement;
- Involve community leaders in publicizing, planning, and celebrating the program to ensure longevity going forward;
- Encourage participants to attend enough classes to have a sustainable impact on their wellbeing. Evaluation would help Noah to identify the threshold of attendance: the number of sessions they need to attend to feel a connection to the Museum that encourages them to return;
- Ask about participants' individual needs and reflect these in program delivery wherever practical;
- Ensure a link between the learning program and the exhibitions, for example, by taking participants to look at exhibits as inspiration for creative activities;
- Capture feedback from the participants partway through the program and use the insights in program design to maximize opportunities for fostering wellbeing.

Once he has completed his logic model, Noah can identify the questions most useful to the evaluation: what does he most need to track: elements of the resources, activities, outputs, outcomes, impact, or assumptions? Based on the logic model outlined above, Noah might decide that the key questions are:

- To what extent does the project enhance participants' wellbeing? What does the Craft Museum mean by wellbeing? What is the pattern of wellbeing outcomes? Are some project activities more successful at generating wellbeing or more successful with some subsets of participants? What are artists doing that generates wellbeing? Could artists learn from each other?
- To what extent does the project build new audiences for the Craft Museum? Do participants feel welcome in the Museum? Do they know about the Museum's program? Do they intend to come back to the Museum? Do participants see themselves as advocates for the Museum? Are the community partners intending to help participants come back to the Museum? What are the barriers that prevent participants from returning?
- What has the Museum learned from the project? Are there lessons for how it should engage with local partners, deliver wellbeing workshops, or connect participants to

the Museum? What improvements should be enacted in future projects? Should the project be continued, and with or without refinements?

With his logic model in place, and a set of questions generated, Noah can think about the next steps of the evaluation process, beginning with looking at the Craft Museum's state of readiness.

STRENGTHEN THE ORGANIZATIONAL CONTEXT

In the past, evaluation was often carried out at the end of a project or program, with the main product being the evaluation report (which too often ended up in a forgotten file as Noah discovered).

If you don't think about evaluation until the end of a project or program, you have a number of missed opportunities:

- Targets or expectations might not be framed precisely enough for measurement;
- Insights might arise too late to affect delivery or forward planning;
- Knowledge might be lost from team members who leave during the process of the project;
- Data might be more difficult to compile retrospectively, and some elements might be missing;
- Reflections might be subject to memory effects such as forgetting challenges once they have been overcome;
- Staff might be less open to learning from evaluation data.

Contrary to the past notions of evaluation, it is now understood that evaluation can make a valuable contribution from the start to the success of delivering a project. In practice, that means cultivating an organization that embraces evaluation as an essential component of management.

Building the organizational context for evaluation has three elements:

1. Embedding evaluation in day-to-day work including in planning, communication, and decision-making processes;
2. Developing skills and capacity in order to create a positive culture around evaluation;
3. Ensuring understanding of, and compliance with, ethical standards for evaluation.

You could say that evaluation is everyone's job: everyone in the arts organization should be involved in identifying key questions, compiling data (including encouraging respondents to give balanced replies, positive and negative), helping with the interpretation of data, and/or helping to implement recommendations that result from the evaluation process.

Embed Evaluation

Evaluation should not be invisible. It should be integrated into the day-to-day running of the project or program. For example, arts organizations should:

- Create a plan for evaluation as part of a strategic process, which includes conceptualization, key questions, and the responsibilities, resources, and timing of different methods and reporting;
- Include evaluation skills in job descriptions for staff members and contractors;
- List evaluation as an event in project timetables (rather than tacking it on at the end);
- Let participants and audience members know about the importance of evaluation at the beginning of a project or program, not just before the evaluation takes place;
- Budget for evaluation costs in project proposals and grant applications;
- Schedule regular meetings for reflection about evaluation data and results;
- Report key findings from evaluations and any action outcomes taken as a result. They can also be included in stakeholder communications and on the arts organization's website.

Developing evaluation should be an inclusive task. If evaluation is to strengthen rather than strain relationships with partners in order to demonstrate that their voices are being heard, then stakeholders must be involved in developing and testing the methodology. Stakeholders in general, and respondents in particular, should also be told about results as they occur (in real time) so that they can see that the arts organization values their responses, since this will motivate them to reflect and provide high-quality answers in the next round of evaluation.

If all of this sounds a bit overwhelming, you can build your internal expertise through organizing evaluation training for staff, volunteers, and board members. Training is likely to have three phases:

1. Reassuring and building enthusiasm among team members about evaluation so that they are receptive to the next stage;
2. Imparting information about the purposes, elements, and good practice principles of evaluation, as outlined in this chapter;
3. Describing the details of specific methods that will be embedded in the evaluation process and program, or applied by external evaluators, and explaining who will do what.

Overall, the aims of evaluation training are to stimulate curiosity so that staff are open to findings that might (indeed should be) new, surprising, and not entirely positive. Further, evaluation should be situated within the context of staff members' existing competence and capacity. For example, Noah might discover that some of the Museum staff have strong skills in interviewing from having compiled oral histories which can be applied in the evaluation process. Noah can also work toward increasing staff skill and confidence in evaluation and identifying evaluation champions who wish to further develop their

learning and who can advocate for evaluation across the organization. Finally, Noah can further support the process of evaluation as an integral component of his organization by ensuring internal data collection is rigorous and complete.

CHOOSE EVALUATION METHODS

With the organizational context set, Noah is ready to look at the possible evaluation methods he might select. First, he should know that evaluation methods can be broadly classified into the following:

- *Quantitative methods* are designed to represent data numerically. Thinking quantitatively is about placing an emphasis on the similarities between events. Quantitative methods are particularly strong at giving breadth (allowing comparisons between projects, participants, facilitators, or time periods) using such things as audience figures, participation figures, website statistics, zip code data, and similar numeric data. Quantitative methods are often suited to closed questions (questions with a limited number of pre-determined answer options). For example, Noah would like to know if participation in the Artful Learning Program leads to more frequent attendance at other Museum functions and events. He can create a questionnaire that he distributes to Artful Learning Program participants and find out how many of them also attend additional Museum functions and how often they do so. He can then compare this data with responses from another survey distributed to individuals who have not participated in the Artful Learning Program.
- *Qualitative methods* are used to gather data that are not easily subject to numeric representation. Thinking qualitatively gives greater attention to exploring the differences between events. Examples would be narrative descriptions or images that are gained from planning documents, interviews, observations, analysis of films/videos, or photographs. Qualitative methods might include open questions where respondents provide their own responses, rather than selecting from pre-determined choices. Qualitative methods are particularly strong at giving depth (understanding what the Artful Learning Program definition of quality is, or what wellbeing looks like to participants, for example, or how attending the workshops enhances their wellbeing, including learning, connectedness, reflection, and/or physical activity).

Quantitative and qualitative are better thought of as two ends of a continuum rather than discrete categories. Although quantitative methods can appear to be more objective, they require subjective judgments in defining the variables. Qualitative methods can incorporate content analysis, such as classifying and quantifying different types of responses. In other words, the characteristics of quantitative and qualitative methods can overlap, and they are complementary rather than competing. Quantitative data particularly helps with generalization. Qualitative data particularly helps with interpretation.

In practice, most evaluations in the arts use both of these methods and are described, therefore, as mixed-method. It is important to note that many arts organizations feel that evaluation is mechanistic if it relies only on numbers. There is an assumption that numbers are restrictive, simplistic, and rigid. But this is not necessarily the case. In defense of quantitative methods, numbers can be deeply creative, radical, and even anarchic. For example, Noah might find that diverse participants are more likely to stay with the program, which contradicts the view that the activities do not meet their needs.

The human brain works by simplifying reality: it sees what it expects to see or concentrates on the most vivid or recent occurrences. Numbers can help us see past our own biases. When properly used, numbers can tell the story as it is, rather than how it appears to be, or how we want it to be. Numerical data help organizations detect trends or occurrences that are not obvious on their own or that can be obscured by the subjectivity of the evaluators. Instead of just drawing attention to what the most vociferous participants believe, numbers can tell an arts organization what the silent majority think. For example, Noah might find that wellbeing outcomes for participants differ between workshops. Further analysis might show that one artist's work creates increased perceptions of wellbeing, among participants, beyond those of other artists. Once established through the numbers, Noah could apply qualitative methods, such as bringing the artists together to discuss their processes to explore how they might link to wellbeing. This could result in practical learning that could strengthen delivery by all artists in the program.

PUT METHODS TO WORK

There are six types of methods commonly used by arts organizations:

- Documentary review;
- Observation;
- Surveys;
- Interviews;
- Creative methods;
- Physiological methods.

Documentary review is the review, analysis, and interpretation of management information systems such as plans; box office records; budgets, financial reports, and accounts; annual reports; grant applications and reports; website and social media statistics and analytics; news stories or reviews; meeting agendas and minutes; marketing reports; staff surveys; brochures and fliers; photographs, recordings, broadcasts, or videos. Documentary review typically consists of identifying trends (noticing figures that are going up or down, concerns that are raised repeatedly, and recording context). Documentary review can also help set the scene for an evaluation. For example, Noah might find out that some approaches to craft workshops have been tried in the past but didn't work.

A benefit of documentary review is that the records are already on hand at the organization, and so little effort or cost is involved in their collection. Documents are usually collected contemporaneously rather than retrospectively, and so can give unique insights from a particular time period. Documentary review has the weakness of being originally compiled for another purpose, which might affect the coverage or relevance. For example, box office records will only have data on the person who purchased or reserved the tickets. If a single person bought tickets for a group, the demography and views of other people in the same party might be missing; and over time this could amount to a significant gap in the arts organization's knowledge.

Documentary review can include external sources as well as internal. In the United States, for example, one could use Americans for the Arts' *Public Opinion Poll*, *National Arts Index* or *Arts + Social Impact* factsheets, which provide valuable contextual and comparative data.

Observation is a systematic approach of looking at, or watching people, events, or processes such as performances, educational programs, board or stakeholder meetings, staff interactions, conversations with donors, or any other event or process you are evaluating. Observation has the advantage of being relatively immediate and can include visual, sense-based data. Observation has the weakness of being difficult to interpret without wider contextual information. For example, a child might be showing low engagement because of a negative interaction with the artist in a previous (unobserved) session. A person who looks disengaged during a performance might simply be tired. For that reason, the evaluator must use caution in interpreting observed behaviors. Observations can be predominantly quantitative, for example, adding up the number of people attending an outdoor concert, or the number of people who enter a venue. Or it can track behavior, which might be levels of engagement in a craft workshop (indicated by the number of participants who are on task during the session, the number who complete a piece of work, or the quality of questions asked).

Surveys are questionnaires carried out on paper, by email, or online. Examples are audience surveys, participant feedback forms, visitor quality of experience surveys, partnership diagnostic tools, and learning surveys. Paper surveys can have the advantage of high response rates (for example, if given out at the end of a learning session, when you have a captive audience) and lower effort in data collection (compared to telephone or face-to-face interviews) because the instrument is self-administered. Paper surveys can have the disadvantage of difficulty reading or interpreting handwritten responses. Online surveys have the least work and cost because the response, as well as the data entry, are the responsibility of the respondent. The responses can be automatically tallied and organized into reports by the online system. Online surveys can have options to prompt deeper reflection by respondents, and software increasingly allows more discursive and multimedia formats that may provide richer information than might be possible from simply clicking on a pre-determined response.

Interviews are interactive exchanges with individuals or groups of respondents carried out face-to-face, by telephone, or virtually. Interviews vary in the extent to which questions are fixed and reapplied to each interviewee in the same format. However, even semi-structured interviews should have a clear focus and purpose. Interviews

are relatively time-consuming but have the advantage of providing scope to probe and prompt the respondent to ensure the questions were understood and the answers are complete. Interviews can also be part of a wider interaction. For example, in audience panels, members attend a performance or exhibition before having a group discussion. Audience panel meetings can include a reciprocal element, where members pose direct questions, for example, about the artistic director's intentions in programming or artistic interpretations.

Creative methods can be kinesthetic (using rating scales composed of numbers on a floor, where respondents are asked to stand on the number corresponding to their response); visual (drawing maps or pictures of feelings or impressions of a venue); film or video based (to capture activities, experiences, or contexts); or performative (using poetry, dance, or narrative to respond to questions). Creative methods have the advantage of consistency with the activities that are already happening in a creative workshop. Creative methods have the disadvantage of requiring additional effort to analyze/add up and record responses in order to generate evaluative data—understanding what a respondent means to convey in the dance, poetry, or narrative, for example.

Physiological methods include neuroimaging or measurement of hormones to understand the impact of the arts on stress. Physiological methods can provide new sources of data but are likely to be outside of the reach of an arts organization unless you are working with a university or research lab.

The choice of evaluation method will depend on the:

- Type of questions to be answered;
- Media used by target participants;
- Time available;
- Resources available;
- Technical skills of the evaluation team;
- Intended audience for the evaluation and what methods they consider credible.

No one method is superior to the others. All methods have strengths and weaknesses. Ideally, you should use two or more methods that have complementary features, for example, quantitative methods chosen for their breadth and qualitative methods chosen for their depth. This is referred to as *triangulating on the subject* because it gives you different perspectives from which to understand the thing you are evaluating.

ANALYZE, INTERPRET, AND REFLECT ON DATA AND FINDINGS

Evaluation doesn't end when the data is collected. Too often, arts managers take the time to gather data only to do little, or nothing with it, as Noah discovered in the files of the Craft Museum. Collecting data is not sufficient. In order to gain value, data should be submitted for analysis, interpretation, and reflection. Using these processes, Noah will gain useful and relevant insights that he can apply in managing his programs, improving them, explaining them, and connecting them to other work in the Museum.

Analysis entails the careful study of data in order to identify patterns and connections. It usually involves some kind of comparison, for example:

- *Expectation-led analysis.* Compares what happens in a project or program with its targets;
- *Discriminant analysis.* Explores the extent to which results vary across subgroups, which might be by types and level of engagement, ages of participants, and similar data.
- *Thematic analysis.* Identifies patterns in the data, for example, classifying the types of responses and the frequency of use of particular words or phrases (which is called content analysis);
- *Longitudinal analysis.* Follows the journey of a person or activity over time;
- *Benchmarking.* Compares key indicators with those for other programs or organizations, with a view to understanding the reasons for different levels of attainment;
- *Statistical analysis.* Administers a test or technique to judge if results are significant or would have occurred by chance;
- *Literature-based analysis.* Compares results with those from other evaluations or published academic studies.

In sum, analysis involves thoughtful and systematic consideration of data to gain meaningful insight. The use of comparisons provides a framework for considering what level of attainment should be expected. This can lead to practical recommendations. For example, Noah found that some artists' sessions showed higher levels of engagement among participants than other artists. Using this finding, he was able to lead a discussion so that artists could talk in detail about what they were doing that was ensuring engagement so that learning was transferred across the team—artists with lower engagement levels will then have practical insights into ways to improve and develop.

Data interpretation is the process of reviewing data to understand the limitations on information gathering, the patterns that can be inferred, the context, and so the meaning of the results. To accomplish this, Noah should examine his own conceptual biases, assumptions, and preconceptions as they affect research decisions, such as wording and selection of questions, his relationship with the respondents, and how relationship dynamics might have affected the way participants responded to questions. For example, he might realize that participants who responded to the survey were self-selected and were more likely to have a strong or positive relationship with the Museum, and he might take account of their possible desire to give more favorable answers for fear of offending him.

Reflection is a process of bringing all the sources of evidence together, those from evaluation methods and those from internal learning, to explore the implications of the process for the program or organization.

Of course, communication is an ongoing concern in evaluation, in the early stages of planning, through to the final stages of analysis, interpretation, and reflection. Beyond, communication is important for disseminating evaluation findings and conclusions.

COMMUNICATE KEY MESSAGES

The effectiveness of evaluation is partly dependent on the quality of communication with the delivery team, participants, the board, funders, partners, and the wider community. Communication, as noted, can contribute to each stage in the evaluation process, for example:

- Improving the quality of data collection by demonstrating that the organization takes respondents' views seriously;
- Building evaluative capacity by helping teams see behind the scenes of the evaluation process;
- Deepening interpretation by engaging stakeholders in a debate about key issues arising from the evaluation;
- Strengthening the likelihood of using evaluation findings by giving information to decision-makers in the right form, in a timely manner, and with the appropriate contextualization.

Communication can be systematized by creating an evaluation communication strategy that considers in turn:

- Target audiences: what different stakeholders need to know and how they will use the information;
- The format that communication should take, including the level of detail, for the information to be compelling and useful to the target audiences;
- The media that best suits the needs of the target audiences (emails, letters, newsletters, written reports, and public forums, as examples);
- The appropriate time to release data or information;
- The costs of communication options;
- Additional work needed to ensure the target audience receives and understands information.

The most common output from evaluation is a written report. However, the use of different media can give more targeted communication. For example, Noah might decide to use:

- An executive summary of decision points for his board;
- Concise reports to meet the requirements of funders;
- Social media or newsletters to highlight interesting findings as they arise from the evaluation;
- A blog or reflection session to discuss the possible interpretations and planned actions arising from the findings;
- Tables of data and analysis disseminated within the teams to allow a comparison of projects and stimulate learning around individual cases;
- An infographic to explain the key messages or connections to wider stakeholders;

- Video, poetry, dance, or drama to tell the stories of particular participants at a celebratory event or conference.

The above examples are in addition to internal communication measures such as integrating evaluation into project/program plans and contracts.

So far, we have looked at how Noah can become more informed about evaluation processes with an eye to leading such a process internally. Suppose he decides, instead, to hire an outside evaluator as a contractor. The next section looks at just this possibility.

EMPLOYING AN EXTERNAL EVALUATOR

Arts organizations can build their external expertise by employing professional evaluators to advise, or take on, key tasks such as the creation of a logic model, design of the methodology including sampling, interpretation of data, distillation of lessons from evaluation results, and presentation of key points for decision-makers and funders. Noah might consider any, or all, of these options if he realizes that tackling evaluation, internally, will take up too much staff time and resources away from other activities (such as running programs or meeting with donors). He may also realize that despite the time he's spent learning about how to do an evaluation, he has not acquired sufficient expertise to carry out the kind of rigorous evaluation that his program needs.

If Noah decides to employ an evaluator, and the Craft Museum allocates the budget, he can solicit proposals for the work, either publicly, from a short list of evaluators, or from a specific evaluator known to the organization. *Invitations to Bid* should include information designed to give the evaluator sufficient context to judge what approach would be most suitable, such as:

- The objectives of the program;
- The intent behind the design of the program and how it may have changed over time;
- The type and scale of activities;
- The scale and sources of funding;
- A list of possible key questions the organization wants answered;
- The time period to which the evaluation relates;
- The decisions the evaluation is intended to inform;
- What data are already available and their quality;
- Arrangements for reporting results;
- Deadlines for reporting;
- Preferences, if any, over methods, although these can also be left to the evaluator;
- The cost range of what the organization is willing to spend on the evaluation.

You will never be able to outsource all aspects of evaluation because you need internal expertise to decide on the purpose of the evaluation, organize aspects of data gathering, contextualize findings, communicate them, and take action on recommendations.

Internal and external expertise are complementary. Internal expertise gives an understanding of context and capacity, ensures that learning stays in-house, and builds commitment to using the evaluation findings and recommendations. External expertise provides the organization with specialist knowledge about tools and approaches (if staff do not have this knowledge), and information on what other arts organizations are doing in terms of evaluation and programming. An external evaluator will have less invested in particular results and can help ensure that results are interpreted and written up with a view to neutrality, which may instill greater trust in the credibility of results. Neutrality and credibility are also ethical matters. As Noah discovered in his search for an outside evaluator, there are ethical guidelines that such professionals should follow.

ETHICAL AND CURRENT ISSUES IN EVALUATION

The American Evaluation Association has developed a set of guiding principles intended as the professional ethical standards for evaluators, which can be found on the Association's website (www.eval.org). Anyone considering evaluation should consult them in detail.

In brief, the principles are:

- *Systematic inquiry*. Evaluators conduct data-based inquiries that are thorough, methodical, and contextually relevant;
- *Competence*. Evaluators provide skilled professional services to stakeholders;
- *Integrity*. Evaluators behave with honesty and transparency in order to ensure the integrity of the evaluation;
- *Respect for people*. Evaluators honor the dignity, wellbeing, and self-worth of individuals and acknowledge the influence of culture within and across groups;
- *Common good and equity*. Evaluators strive to contribute to the common good and advancement of an equitable and just society.

Each of these principles has further prescriptions. For example, *Respect for people* includes respecting a range of perspectives, ensuring informed consent, keeping confidentiality, doing no harm, ensuring contributors have the opportunity to benefit from the evaluations, as well as ensuring all voices are heard. Professional evaluators are expected to know and follow these principles in all of their interactions as evaluators.

Ethics are not just a matter for evaluators, however. Arts managers can use the same principles to guide their own evaluation activities as well as when commissioning external evaluation. For example, if Noah decides to hire an expert evaluator, he should:

- Provide all relevant background on the project or program;
- Develop the evaluation plan with the evaluator and heed advice given;
- Allow reasonable time periods for the evaluation;

- Respect the evaluators' time and expertise by not requesting unpaid work beyond what has been agreed to;
- Correct only factual or contextual errors rather than changing or biasing the evaluator's reports with the intent to misrepresent results;
- Commit to reading and using the reports and communications.

Cultural competence has emerged as a major issue in evaluation in recent years. Cultural competence is defined, by AEA, as a process of learning, unlearning, and relearning about the ways our cultural experiences, including our language, values, customs, beliefs worldviews, and ways of knowing affect all aspects of evaluation from the ways questions are chosen and framed to the way methods are designed and analyzed, including assumptions about what counts as evidence (2011). The complete statement can be found online. AEA's "Statement On Cultural Competence In Evaluation" is summarized below, but merits reading in its entirety. It requires evaluators to:

- Acknowledge and strive to understand the extent to which planning, delivery, and interpretation of evaluation results are affected by their backgrounds, life experiences, values, and ways of thinking;
- Consider cultural bias at each stage of the evaluation process. Cultural competence can affect what is done and how: the language used and assumptions about behavior;
- Challenge stereotypes and ways that individuals might be marginalized in an evaluation process;
- Understand that cultural competency is contextual: knowledge about one setting is not transferable to others, although openness and self-criticism might be;
- See the process of developing cultural competency as a work in progress.

Active self-awareness of the systemic complexities that are part of any institution and that may impact on such things as cultural identity and dynamics of power are matters that Noah is increasingly mindful of in his day-to-day work. Cultural competence is context-specific, and evaluation can raise the level of awareness about the specific contexts that are most meaningful to the Craft Museums members, donors, and stakeholders. At the same time, cultural competency will help ensure that the evaluations Noah creates are ethically sound and respectful of the very differences the Museum wishes to celebrate.

SUMMARY

Arts organizations are often negative about evaluation because they fear that it will underrepresent the magic of the arts. This is a missed opportunity. The arts are extremely powerful, and arts organizations have a compelling story to tell. The methodological challenges are no greater than those for other (non-arts) organizations that work with many stakeholders to achieve outcomes that may be intangible.

Good practice in evaluation consists of:

- Starting evaluation early on in a plan, project, or program.
- Defining the purpose of evaluation, which should include internal learning questions as well as those required for accountability.
- Respecting the funders' evaluation requirements, but not letting them dictate the organization's own approach to learning.
- Ensuring that evaluation captures what is special about the organization.
- Identifying key questions using a logic model or systems diagram.
- Choosing methods that fit with the evaluation questions, rather than letting the methods dictate the questions.
- Adopting a phased and focused approach to evaluation, which could mean building up from more immediate to more challenging learning questions over time.
- Organizing evaluation training across the arts organization and identifying evaluation champions who can help to build a learning culture.
- Creating one set of evaluation methods across the arts organization rather than starting anew with each project.
- Developing evaluation questions and methods in collaboration with stakeholders.
- Using a mix of complementary methods.
- Following up on results to find out long-term outcomes and impact.
- Collaborating with other arts organizations on evaluating issues of wider concern.
- Drawing on existing academic research that can help explain how arts projects or programs achieve their outcomes.
- Including evaluation in job descriptions so that evaluation is visible as a priority.
- Ensuring that evaluation is ethical.
- Communicating evaluation to potential respondents so that evaluation does not look like an afterthought.
- Feeding back results from evaluation methods, in real time, to increase the chance of impacting on decision-making, and also to motivate further involvement and reflection from respondents.
- Having a reflection process on the meaning and interpretation of evaluation results and the recommendations for action and learning that they imply.
- Keeping a record of actions proposed from evaluation, noting who will take responsibility for changes, setting deadlines, and monitoring progress.
- Maintaining a central file/platform for evaluation reports and reflections.

SCENARIO DENOUEMENT

Using what he learned about evaluation, Noah decided to put his learning to practice. He began by including evaluation as a line item in his program budget and encouraged others in the organization to do the same at both the program and organizational level. He organized an introductory session on evaluation for his project staff to provide training, and also to identify anyone who might have a particular interest in evaluation.

To initiate his evaluation process, Noah identified three projects, each targeting different communities for more detailed evaluation, and committed to collecting systematic

data on delivery and attendance at each artist session and workshop. He carried out a logic model exercise with colleagues to identify the special attributes of the Craft Museum, and his program, including a theory of change. Using the logic model, he identified key questions for his program, and for the three chosen projects, in collaboration with artists, other staff, and community partners. Each program and project participant was notified about the evaluation, as soon as they joined, as a way of generating enthusiasm for providing feedback.

Noah decided he would analyze participant and staff feedback at three stages during the projects, which would allow him to make precise recommendations for fine-tuning delivery and improving outcomes for the participants and the overall strategy for the program. The data gathered could then fuel a focused discussion by the staff, from the three projects, as a means to encourage joint learning.

Mindful of the need to report on evaluation findings, Noah designated staff who could help him create summaries of the evaluation for different audiences. The final step would be to review the project evaluation methodology and decide which elements should become standard (adopted across the learning program or other Craft Museum work), and which might be customized to the specific circumstances of a project.

The overall result was that the Craft Museum made a swift start to its new learning program and was recognized for having listened to, and learned from, community groups, participants, staff, and artists, all of whom were excited about the next stage of the program.

KEY TERMS

Logic model
Outcomes
Outputs
Evaluation plan
Developmental evaluation
Formative evaluation
Summative evaluation
Key question
Quantitative methods
Qualitative methods
Cultural competence in evaluation

STUDY QUESTIONS

1. What purposes can evaluation serve?
2. How does evaluation differ from research?
3. What is a logic model and how is it used? What is a theory of change?

4. Who decides the questions that should be asked in an evaluation? Why?
5. What is the difference between formative and summative evaluation?
6. What does it mean to build capacity for evaluation within an organization? How would you go about doing it?
7. How do quantitative and qualitative methods complement each other?
8. What are some ethical concerns in creating an evaluation?
9. How can you increase your organization's cultural competence in evaluation?

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PART II

Performing and Visual Arts Management

Managing Art Galleries

Melissa Rachleff

SCENARIO

Kim felt wretched and was not sure how to proceed. Three months ago, she had been hired as a gallery assistant by Untitled, one of the city's leading, primary art galleries, with an international roster of artists, all of whom had artwork in museum and private collections. Previously, Kim had great success as an intern at the city's art museum, where she worked in a variety of departments, honing organizational skills. At the museum, Kim could be counted on to go the extra mile, taking the initiative to pilot new programs targeted to her age group of 20-somethings, a demographic the museum was perennially trying to cultivate. During her interview with the gallery's directors, Kim emphasized her willingness to work hard and made the case that her experience at the museum was transferable to a highly regarded contemporary art gallery. The directors agreed and advised her to ask many questions because a commercial gallery is very different from a museum, especially because a gallery's central business is sales. Serving the needs of the general public is less important, in the case of a commercial gallery, than serving the needs of the clientele.

From the moment Kim started at Untitled, she loathed bothering her busy, sometimes brusque supervisors with her questions. She thought it would be better to figure out the answers herself. And that's when things began to go wrong. For the first exhibition opening on her watch, Kim enthusiastically invited friends to share the invitation, stressing the cool art and free wine. Delighted, Kim's friends shared the news on different social media platforms. At the opening party, dozens of young adults flocked to the gallery, and Kim proudly acted as host. While they imbibed, Kim discussed the artwork and caught up with everyone's goings-on. However, Kim soon learned that socializing with her network of friends during an opening was frowned upon. The following week the directors lectured her about decorum. The event was for the artist and influencers—people whose opinion mattered in furthering an artist's career. "Decorum?" thought

Kim. “Didn’t the gallery want to attract a younger public? At the museum they would have been thrilled about the new audience I brought.”

Kim found the gallery’s computer system mystifying. Untitled used a special database designed to share artwork and information on smartphones and tablets. When Kim was interning at the museum, information about the collection was broadly shared with educators, the public, and the media—it was all part of the website. At Untitled, comparatively little was available publicly, and sales associates stressed the importance of not sharing everything. She learned she must never send prices unless the sales associates approved. When an art journalist contacted her for details about some of the artwork on view—it was part of her job to respond to any public inquiry—Kim thought she understood how the gallery’s inventory app worked. But inadvertently she sent all the information about the artwork, including prices! When the directors learned about this breach of protocol, they were infuriated. The entire gallery staff spent the rest of the day, expending considerable effort, on suppressing price information that had been leaked. While Kim understood Untitled’s stance, a part of her wondered, “Why shouldn’t prices be freely available to the public, just like in any other business?”

Then there were the endless applications for contemporary art fairs where the gallery would show their clients’ work. Kim spent considerable time completing applications to fairs across the globe. If accepted by the fair’s judges, the applications required hefty fees, most in excess of her salary. Kim could not believe she’d agreed to work for so little when the gallery was able to spend so much on the fairs. “Well,” she thought, “at least I’ll get a free trip to someplace exciting.” She counted on being able to accompany the directors and sales associates to at least one of the fairs but was chagrined to learn that gallery assistants do not travel. This frustrated her. One of the reasons she had wanted to join Untitled was to travel—and now, unless she was promoted to sales associate, she wasn’t going anywhere. That made her grumpy with her colleagues. Kim knew she should not let her irritation show—she never did that at the museum— but somehow it felt wrong to her that she should work so hard, for a modest salary, to find she was not senior enough to participate in the art fairs.

As if that were not enough to contend with, there was the recent Saturday when Kim got to the gallery late. One of her core duties was to open the gallery Tuesdays through Saturdays—to release the security gate, shut off the alarm, and turn on all the lights and the computer system. The previous evening, Kim had gone bar hopping with college friends who were visiting; she hadn’t felt so good in a long, long time. Kim did not get home until 4:00 a.m. and did not hear her alarm going off until it was nearly 10:00 a.m., the exact time she needed to be at the gallery! When she got there, an hour late—with sales associates, art handlers, and interns waiting on the street—it was clear that the situation was bad. Worse was learning that an art collector was in town expressly to see the current exhibition but did not feel she had time to wait for Kim’s arrival. Did Untitled lose a potential sale?

Untitled was nothing like a museum, Kim realized. The gallery’s purpose and methods were unfamiliar—from basic administrative protocols to the opacity of business methods and its relationship to the broader art system, to her long hours, and modest salary. Was there a way to restart this position with different expectations? What would she need to consider as part of a renewed effort to succeed?

ISSUES

- Lack of transparency with her supervisors about her need for training about the role and function of galleries;
- Misunderstanding her status within the gallery's organizational structure;
- Not knowing or inquiring about the protocols in client and public relations;
- Forgetting to behave professionally at all times no matter her mood;
- Uncertainty about how internship skills from museum work transferred to a role at a gallery.

INTRODUCTION

Galleries can take multiple forms, and all successful galleries specialize in a particular period or region. Most broadly, galleries can be categorized as follows:

- *Primary market.* This is the category where Untitled fits. In simple terms, *primary market* refers to artwork that has never been shown publicly before (or has only seldomly been shown). It is being sold by a dealer for the very first time. In contemporary art galleries, the artwork is typically selected directly from the artist's studio. The dealer invests money and cultural capital in promoting the artist and establishing (or increasing) the value of the artist's work. Primary galleries are mainly concerned with advanced (*avant-garde*) contemporary art. Major centers for primary markets include New York, London, and Berlin.
- *Secondary market.* The artwork for sale has an established value; it has a *provenance* or can be traced through previous owners. In other words, it goes on sale for a second time (or sometimes more). *Secondary market* items can include artwork by living artists whose reputation in the art world is unimpeachable, meaning that their work is highly sought after. Secondary art market galleries include those devoted to artwork from earlier eras of both Western and non-Western art.
- *Art fairs.* These are—as the name suggests—temporary gatherings of both primary and secondary market galleries. Art fairs are run by corporations to earn profits; the revenue comes from gallery participation fees. In return, galleries have the opportunity to do high-end business in a new city (and often country), make sales, and develop clients away from their home base. Gallery participants are either invited or selected from an application proposal. There are also nonprofit art fairs, most famously the Venice Biennale, founded in 1895. Nonprofit art fairs are not geared to galleries but work with cultural attachés, museums, and curators who produce exhibits that honor the artists of their country. At many biennials, the exhibits are organized by country.
- *Auction houses.* The secondary art market also includes these for-profit companies that facilitate the public sale of art. Unlike at a gallery, the price is listed, and the

public can bid on, or offer to pay for, the object on sale. Bids are moderated by an *auctioneer* and increase by increments until the highest bidder prevails. Auction houses are the longest continually operating businesses in the art system. The two leading auction houses, Sotheby's and Christie's, were founded in the 18th century (1744 and 1766 respectively). They sell fine arts, crafts, and other collectibles during regularly scheduled auction seasons.

- *Prints, limited editions, and design.* Galleries that specialize in what are called multiples—which can be categorized as prints (works on paper), photography, and limited editions (prints, but also three-dimensional works such as sculptures)—operate as lower-cost primary and secondary art businesses. They are often geared to emerging collectors or specialists passionate about workmanship and innovations in printing and production.
- *Craft and handicraft.* These galleries support artists who specialize in making functional objects that are not mass-produced and are most often associated with innovations of skill. The work is often displayed in museums and is also a vital part of the architecture and interior design fields.

In summary, *galleries* are businesses that sell fine art. Unlike *museums*, where the artworks are collected—not sold—and *auction houses*, where artworks from all eras and nations are sold seasonally in an open, public market, galleries are a blend: they offer year-round, rotating exhibitions and sales, but purchases are kept confidential. The opacity of sales figures makes it difficult to understand the components of successful galleries. Such practices can raise ethical issues, as discussed later in this chapter. However, art market literature offers important clues; A successful gallery employs staff knowledgeable about the type of artwork they present, clearly defines roles and responsibilities for working with artists and collectors, and keeps scrupulous records that range from scholarly texts and articles that attest to the significance of artists represented to detailed histories of sales and the purchasers of the artworks, which can include provenance research. People who thrive in galleries are adventurous about seeing art, knowledgeable about leading art scholarship, fulfilled by meeting artists, and engaged by opportunities to socialize with collectors. They approach art history as a lifelong learning project. The more that gallery staff learn about art, artists, and collectors, the more astute their decisions become in selecting artwork for exhibit. The route to success for someone like Kim in the art gallery world is to become well-informed about art and the many ins and outs of the art world.

ARTISTS, INFLUENCE, AND THE BUSINESS OF GALLERIES

How do artists fit into the gallery business? All primary and many secondary galleries represent artists, and this is realized in *exhibitions*, or carefully considered presentations of artwork typically organized around a theme or issue. The artists represented by galleries are commonly referred to as the *program*. Representation also means the gallery has a contractual agreement to present and sell work by an artist or *artist's estate*. An estate is a legal entity formed after an artist dies, in which the people involved act on

behalf of the late artist's inventory of artworks—from sales to donations. Whether the artist is alive or has left a legacy in the care of an estate, the gallery, as the artist's *agent*, devises a strategy to sell the artwork to further its own reputation and the reputation of the artist. For living artists, primary galleries sometimes offer a monthly *stipend*, a guaranteed income to be deducted from future sales. Sociologist Julia Rothenberg neatly encapsulates the relationship system in galleries:

Dealers must be able to communicate directly with artists about the intentions of the work, materials, etc. to discuss the work with potential buyers. Dealers also sometimes provide emotional support and encouragement to artists. Because dealers sell to a specialized audience of relative insiders and don't need to mass market, this system provides more room for innovation and autonomy than large-scale commercial systems of distribution. Nonetheless, dealer systems also cater to the market. Artists are often pressured to keep producing the kind of work on which their market value is based.

(Rothenberg 2014, 143)

That is, the artist may not be encouraged to experiment or explore new directions in art making. Taking Rothenberg's outline further, artists and primary market dealers agree on prices and how to split the proceeds from the sales. Most often the gallery does not purchase work from the artist; the artwork is displayed in the gallery as part of the contract, with proceeds divided only if the piece sells. Lesser known (or emerging) artists often receive a smaller percentage from the sales, typically 40 to 50 percent, than their better-known peers. Each contract is different. Keeping the terms of agreements confidential gives the gallery more leverage when negotiating with artists. However, there are always journalists who demystify such closely held information, such as socialite and critic Anthony Hayden-Guest. In an interview, he mused how the approach to art sales has not fundamentally changed even with the advent of new technology. "The art world used to be a culture of handshakes, surreptitious nods and dealers' back rooms. And to a considerable extent this remains the case. Indeed, one assumes it always will" (Rolandelli, 2018). This culture of handshakes is one of the lessons Kim learned the hard way. Gallery employees never breach the third rail of gallery protocol, revealing the price of an artwork to someone who is not a potential buyer. The field's lack of transparency makes it challenging to know for certain the full price range for any artist's work. Many factors determine price, including comparisons with similar artwork by other artists, recent and historical, the significance of the work based on critical evaluation, and even physical size. As one dealer wrote, there is no "intrinsic, objective value" to any artwork; artworks gain value through collective (human) reaction and willingness to adhere to critical views, which "create and sustain commercial value" (Findlay, 2014, 13). In other words, the value of art has to do with people—more specifically, with people whose opinions are influential.

To see how influence works, let's explore the concept of placing. Both primary and secondary galleries do more than sell art to anyone interested. Their goal is to *place* artworks, which means that even if a buyer has the money to purchase an artwork,

the gallery might not sell it to them. That is because the artwork's ownership matters to the artist and the gallery. A sale to a prominent collector, someone on the board of a museum, or a museum *acquisition* (or collecting) committee contributes to the reputation of the gallery and artist. Placing artwork as a business strategy also contributes to the gallery field's elitist reputation. From the gallery's perspective, the purchaser can enhance or detract from the artwork and the artist's position in the art world. An ideal placement occurs when the collector is well known and highly regarded within the fine arts system. If the person acquiring the artwork is obscure, the artwork enhances the buyer's reputation, not the artist's. Gallery staff conduct research to learn more about a prospective buyer to ensure the buyer will properly care for the artwork. A growing concern in the gallery world is known as *flipping* or buying the artwork in order to resell it within a few years at a profit. Primary galleries want to control pricing and avoid speculation or a rapid increase (or decrease) in an artist's sales price.

At *Untitled*, Kim was left out of the sales strategy, or placing discussion. This type of omission is deeply frustrating and unfortunately happens to many young professionals. The only way to resolve the situation is to ask the staff for more information about the gallery's sales strategy with every show; the more Kim learns about goals and plans, the better she will understand the wider business and the more likely she is to gain the keen skills needed to perform her own duties.

Art fairs, as defined earlier, are also a crucial aspect of both primary and secondary market gallery business models. The fairs are annual events that take place over a week or long weekend, organized by arts administrators at production companies. Revenue is derived from commercial galleries that pay to attend. Gallery staff, including assistant-level staff like Kim, must devise proposals and make a case for their galleries to be included. This involves conceptualizing what would make an impact and what artwork might be tantalizing in the region where the fair will be held. That means that excellent writing, especially the use of persuasive language (and research to back it up), is a highly needed set of skills.

Galleries pay (on average) a \$25,000–\$50,000 fee just to participate in art fairs, and there are dozens held worldwide every year. This cost does not include paying for staff who manage booths, transportation, and shipment of the artwork. To recoup expenses, galleries hope for robust sales, and this is why Kim was not high on the list of employees sent to manage the booth. For many gallery businesses, it is too costly to leave potential sales to someone inexperienced.

Increasingly, galleries pay attention to the bottom line (or their profit margin) and whether the art fair system is a benefit to their business. Galleries have become very strategic about the art fairs to which they apply and the money they budget for attendance. What happens at an art fair that would make galleries feel a need to participate? British sociologist Sarah Thornton's *Seven Days in the Art World* offers an answer, of sorts, in her gently satirical account of the jockeying for dominant position among collectors and dealers during a day spent at the most venerable fair, Art Basel, in Switzerland. Some of the wealthiest people in the world queue up outside before the doors open for a chance to purchase the best new work from the top galleries. Thornton tracked the gossip about what was sold to whom and the amount paid; however, she was careful to

explain she could not verify the information: “There are no prices or red dots [indicating a sold item] on the wall. Such an overt gesture at commerce is considered tacky” (Thornton, 2008, 87).

Thornton’s account deconstructs the sartorial choices of dealers and collectors because it is important to dress the part, a factor of the gallery business our Kim was beginning to perceive. Collectors can wear whatever they want, including exercise clothes, but dealers cannot. About the Los Angeles dealers Timothy Blum and Jeffrey Poe, Thornton observes, “The two men have scrubbed up well for the big day. Blum is wearing an assortment of rarefied made-to-measure clothes by Italian designers, no tie. Poe is wearing a pinstripe Hugo Boss suit and brown suede shoes, no tie” (Thornton, 2008, 96). Finally, the collectors attending the art fair are not to be fully trusted. “The dealers do their best to accommodate, however,” Thornton warns, “with the phenomenal growth of the art market, differentiating genuine collectors from speculators (whether mercenary collectors whose connoisseurship consists of a knowledge of prices or secondary-market dealers masquerading as collectors) is more difficult” (Thornton, 2008, 86). Dealers and artists alike do not want the artwork treated as a commodity, which is why, as the art world expands globally, it becomes challenging to achieve strategic placement goals. The fairs are arduous experiences yet are considered necessary for cultivating clients outside a gallery’s regular network.

Galleries, art fairs, and biennials have a benefit beyond the arts. They are significant in building an identity for a city, particularly in emerging-market countries or in places recovering from decline. Lü Peng, a curator, critic, and art historian, framed the importance of the relatively new Yinchuan Biennale in northwest China in such terms, stating that biennales “motivate the local population to approach the contemporary art world—to study it and get to know it better.” Moreover, Lü sees art tourism in China as a crucial element in spawning more arts organizations, remarking, “the visitors flow not only supports the cultural trade of Yinchuan, but also drives other institutions to create new infrastructures devoted to art and culture” (Peng & Sasson, 2018). Art fairs and galleries, in other words, create economic opportunities.

Art Markets

The realm of the one-of-a-kind primary and esteemed secondary art market is but one aspect of the gallery ecosystem. Before we conclude this section, let’s elaborate on the lower end of the fine art market by exploring multiples and crafts.

Galleries that sell multiples—limited editions, prints, posters, or design (functional, machine-made) objects—have less specialized clientele, and because the works are not one-of-a-kind, the prices are considerably less than in the fine arts. These artworks, however, vary in quality from hand-produced prints and limited editions by masters to machine-made works. The most prestigious galleries cultivate relationships with museums that collect innovative design products and prints made by well-known artists and master printers, as well as with collectors. The prestige of design aligns such galleries with the primary, contemporary art market in the visual arts. The less prestigious multiple-oriented galleries often function as playful novelty businesses, which serve a vital function, albeit not one tracked by art critics. Crafts—functional, handmade works in glass,

clay, metal, or textile—are sometimes one-of-a-kind. Craft galleries can often fit into the primary art market, as is the case for those representing master glass artist Dale Chihuly and ceramicists Kathy Butterly, Kenneth Price, Peter Voulkos, and Betty Woodman, who make nonfunctional singular objects that challenge our idea of whether or not crafts can be considered fine art. Building on that legacy, craft artists are increasingly celebrated as sculptors and represented by primary contemporary art galleries, not only by the craft sector. For that reason, galleries specializing in innovative crafts increasingly operate like primary market contemporary galleries: representing specific craft artists, curating survey exhibitions, and building a clientele with connections to major museums.

Nonetheless, the majority of craft galleries, and galleries specializing in multiples, hew to traditional business methods. This includes showing objects from local artisans as well as items made by craft artists across the globe. A reason for the global market is the relatively low overhead for the artist, particularly for handmade objects, most of which can be produced in home studios. Inventory is purchased from either the craft artist, from a buying agent/exporter, or is taken on consignment. The market for home décor has grown exponentially since the 1990s in the West, expanding significantly to regions with strong middle-class economies such as India, China, and former Soviet-aligned nations. Studies of this market note several trends:

- The base of production for handicrafts has shifted from the Caribbean, South Africa, Ghana, and Central and South America to China, Vietnam, and India due to low-cost, high-volume production in those countries of Western-designed goods;
- The explosive market expansion in low-end (or low-priced) and high-end (luxury, high-cost) objects and a flattening of mid-price range products affect the marketplace for independent craft and design artisans, including those in Western countries;
- The global marketplace that favors luxury or mass-produced inexpensive objects places barriers on micro (or small) businesses due to the upfront costs involved in securing orders, or their inability to order objects due to minimum requirements that favor retail chain operations (Barber & Krivoshlykova, 2006, vii–viii, 20).

There is, however, a bright spot for artisans worldwide whose craft and design satisfies current consumer passions for home décor: they can secure this market by making objects that fit into niche areas within this demand so as not to directly compete with the low-end marketplace. At the same time, they can build regional trade relations to bolster local industries.

The exploitation of artisans in poorer communities, however, is a concern in the craft sector. New York City's Museum of Arts and Design curator Lowery Stokes Sims observed that

craft skills are often the default economic resource in communities when the global situation disrupts women's traditional roles in society; situations such as apartheid, war, political displacement, genocide, and more recently HIV/AIDS. As these events have wreaked havoc on the infrastructure of communities, craftpersons have come together—to adapt traditional forms for a global market.

(Sims, 2014)

Craft and design dealers are increasingly paying attention to the intersection of craft and the economic exploitation of artisans, often by big box (or discount) chain stores in the United States and Europe, which can offer artisan crafts (or mass-produced, similar objects) at low prices, making it difficult for small producers and individual artisans to compete. At the same time, Western agents and exporters are known to purchase artisan goods at drastically low prices, directly from the artists, only to sell the goods in Western countries at a considerable markup. The problem here is that they fail to share any of their profit with the artisans whose goods they purchase.

Issues include:

- The declining ability of charitable organizations (or Alternative Trade Organizations, ATOs) to mitigate the economic disadvantage of low-end producers from agents and exporters;
- The rise of internet sales, including those initiated by wholesale (discount) businesses, cuts into the revenue potential of brick-and-mortar retail galleries and shops;
- The increased taste for fashion-forward styles in Europe and the United States that contrast with artisan technique, design, and tradition (Barber & Krivoslykova, 2006, 9, 14, 23).

Curators like Sims have brought renewed visibility to the global trade system and conducted scholarly research on the often-invisible artisans. Craft as an industry—from lower-priced to one-of-a-kind objects—remains underexamined in the field of arts management. Craft artists and artisans working in all market sectors have yet to be recognized in the same way as contemporary visual artists. That is, their work is seldom considered in the same category as other fine art.

Now that we have a better command of the range and types of galleries and where they are found, it is time to understand what it means to have a gallery career. Let's explore where Kim fits within the art gallery hierarchy.

GALLERY CAREERS

Given the complex roles galleries must perform, they employ a broad range of people. Nearly all have studied the arts. Gallery workers have degrees in studio art, art history, curatorial practice, or increasingly, arts management. There are many different pathways to a gallery career. Most typical is starting at entry level and successively rising to director, partner, and in some cases, owner. Oslo-based gallery owner Alte Gerhardsen worked at a number of entry-level jobs in museums and art centers across the Scandinavian countries and in Berlin, Germany, before opening his own space. "I didn't have any money, so it was going to be challenging," Gerhardsen remembered. "When I finally opened in May '95 I already had a job as a janitor and I kept that job for 2.5 years until I was fired—nicely—they thought it was time for me to do the gallery" (Neuendorf, 2016).

Others use their time in college and graduate school to experiment more liberally. "As an art school undergraduate, I felt much more engaged with the work of other artists

than in my own art practice,” reflected Jessica Silverman, whose eponymous gallery is in San Francisco, “so I turned my college studio into a gallery, calling it Studio 228 after my room number.” This early iteration proved essential to ultimately starting a gallery. Silverman noted her college experiment taught her whom to show and how to exhibit artwork, skills that “enabled me to move slowly, build a program one artist at a time, and grow a strong collector base with curatorial support, without being under too many inquisitive eyes” (Neuendorf, 2016).

Untitled Gallery, Kim’s employer, fits into the primary, contemporary art market. Primary market galleries are managed differently from craft and multiple galleries, and differently from their fine arts cousins, the auction houses and secondary market. The primary market business structure relies on a hierarchy of expertise. After reviewing the roles below, see if you can pinpoint Kim’s position:

- Gallery owner (also called either a *gallerist* or a *dealer*). An owner begins their enterprise using their own resources/assets or obtaining funding from investors who share in the gallery’s profit. A well-researched business plan is vital preparation. Investors, which any new business enterprise requires, must be convinced about the artists and the sales strategy. But how do you prepare a business plan if you don’t yet know artists and have little experience in sales? As we saw, some gallery owners begin at the bottom of the gallery enterprise and rise to become owners. They learn on the job. Others innovate while still in college, and open galleries upon graduation based on what they’ve learned by doing. Generally speaking, people who advance to gallery ownership have a clear vision of the artwork and artists they want to champion. Given that many galleries are named for their owners, it may be easy to identify who such people are.
- Mid-size to large galleries have *partners* who own a stake in the business (receiving a percentage of the profit in addition to their salaries). They devise the sales strategies and find new artists to represent. Becoming a partner requires working your way up through the ranks and along the career path, building trust among artists and clients. This means having a sophisticated understanding of the art market—what sells—and collector taste. Most partners have worked in several galleries and thus have broad experience and networks.
- Primary market galleries also have *directors*—often more than one—whose chief role is to manage a particular department, such as specific artists in the gallery’s program, specific art sectors (like sales to museums and gallery publications), overall operations, or acquiring investment purchases (secondary market artwork sold in private sales without going on public view). In other words, gallery directors are the sales staff and support the sales strategy. Gallery directors, like partners, have years of experience in different galleries and a wide perspective on the market; they might find a particular area compelling and specialize in that market segment. As a result, they have gained specialized knowledge of various distinct business sectors in the arts.
- Support staff at galleries can include an *archivist*, who maintains business records, and a *registrar*, who tracks each artwork that the gallery exhibits, including who

purchases it and any resales. The registrar maintains a full record of the artwork's whereabouts, or provenance, through time. These positions are often fixed: people who become archivists or registrars are professionally trained in those areas in college programs, particularly museum studies programs. They might leave a gallery to work in a museum, but rarely do archivists or registrars become involved in the sales hierarchy.

- *Assistants* compile relevant books, articles, and reviews about the artists and help the partners and directors in putting together portfolios of artwork for their clients to motivate a purchase. Gallery assistants are also the staff visitors see upon entering a gallery and are the front line for any public inquiry. The attentive assistant is on the road to becoming part of the sales team. Assistants are hired directly from arts management and other arts-related degree programs. The most common way to advance is by being mentored by the more experienced staff. It requires patience and a willingness to take even the most mundane tasks seriously. Directors and partners were once assistants and understand the vital custodial role of keeping the gallery open and operational. For that reason, gallery leaders are continually looking for new talent to help with sales strategy. After a year or two, assistants might be promoted to the sales staff. Most often, however, assistants obtain sales/director positions at other galleries, particularly smaller enterprises. Some prefer the smaller gallery experience, while other former assistants return to larger galleries, such as Untitled, as directors, after three to five years on average.
- *Art handlers* are people who carefully pack, ship, and move artwork within the gallery and to a destination. Like registrars and archivists, art handlers tend to stay within their field and do not move into sales. Many art handlers are artists themselves and have different career goals.
- Some galleries hire staff to head promotion and marketing for placing ads in leading art publications and managing marketing promotions when the gallery participates in art fairs. Marketing and promotional staff are specialized, like the archivist and registrar, and typically arrive at a gallery with previous marketing experience gained through internships or in positions at cultural organizations, particularly museums or other galleries.

If you selected gallery assistant as the position that best describes Kim's role, you were correct! Kim reports to directors and partners. They are the staff who are most invested in her work. To succeed in her role, Kim must forge stronger relationships with the directors and partners to understand their goals and adjust her work with those needs in mind. Additionally, if Untitled has an archivist or registrar, Kim can rely on that person to guide her with resources on all the artists represented by the gallery. Finally, art handlers can also add insight into the artwork on view: art handlers are most often artists, and their understanding of art should never be underestimated. In short, Kim should take better advantage of the internal expertise in Untitled's staffing hierarchy.

Apart from being a better student of gallery protocols and practices, is there any other area that Kim should concentrate on in order to advance in the gallery sector? The answer is yes. Kim must be engaged in lifelong learning about the arts.

THE VISUAL ART “CONVERSATION”

Familiarity with the global discourse enables arts professionals to take part in what sociologist Arjo Klamer calls the “conversation.” Unlike other goods, art’s value—economic, social, and cultural—is a discursive construct forged by artists, academics, critics, curators, collectors, aficionados, and art managers (Klamer, 2009, 250, 256–260). In other words, an artwork’s sales price arises not from its intrinsic merits, but rather in the evaluative conversations that take place among arts professionals and art experts. If an artwork—and by extension, a gallery venue—is not part of this discussion, it has no value apart from the sentimental. In other words, an artist’s and artwork’s value increases based on generating a conversation among people who matter—dealers, art critics, curators at museums, and other artists to name a few. For example, museums are vital to galleries because they can increase an artist’s reputation and sales price of their work. Museums organize public discussions with artists, publish catalogs about artists’ work, and thereby place them within the continuum of art history. Some art world observers characterize the gallery-museum relationships as forming a *discourse*, which is another term for Klamer’s conversation. “This kind of discourse is the mechanism that allows an artist to have a lot of impact,” Tamsen Greene, senior director at Jack Shainman Gallery, told an interviewer in 2017 (Carrigan, 2017).

If Kim is not yet influential in the conversation, can she become so? The answer is yes, especially if she is willing to keep up with the multiple art periodicals that are focused locally, nationally, and internationally. Today’s art system is analyzed by many online journals that cover art exhibited in the Western, Far Eastern, and Global South contexts. Art managers must be familiar with art history and with current critically acclaimed exhibitions. Contemporary art, which forms the primary market, is also the most scrutinized in the arts literature. Critics working for newspapers, magazines, and art periodicals write reviews of contemporary art exhibitions in (primary market) galleries. Each year, hundreds of books about contemporary art are published. Their role is to offer judgment and address the core question: How does a particular artist compare to those of the past, and what (if any) innovations are notable? But the biggest indicator of contemporary art’s enduring popularity is sales. The market for contemporary art has generated large profits since the 1970s; art business news, such as the New York and London-based *Art Newspaper*, regularly features articles about the extraordinary prices realized at leading auction houses for work by living artists. All of these reasons combined keep the focus on contemporary art and, by extension, on primary market galleries. Arts management programs training students in this area regularly incorporate primary market galleries into the curriculum through field trips or by inviting gallery staff into the classroom so that students can join the conversation even before they begin their careers. This is because primary galleries work with living artists and maintain close ties to colleges and universities with programs in studio art. Arts management students are often recruited by primary galleries for administrative internships. This lively interchange between primary galleries and higher education ensures students understand the field, find their voices within the discourse, and have a clear-eyed view of the businesses and people governing practices in the art sector.

GALLERY MANAGEMENT: CHANGING GOALS AND STRATEGIES

So far in this chapter we've looked at the basic structure of the gallery as a sales (retail) business and the skills necessary for success. This section explores the goals and strategies that go into gallery management, beginning with the emergence of the robust contemporary art market and extending to new models today. There are key protocols and business pressures that shape gallery careers and bear exploring beyond the basics outlined earlier. This section also considers galleries as agents of cultural change, a quality Kim did not fully appreciate when she began her assistant position at Untitled. Understanding the connections between what sells in galleries, and how local and global culture is valued, will aid her career trajectory.

Up until the mid-20th century, the primary art market was considered a perilous business model; there simply were not enough collectors willing to pay for the art of their time. That situation changed with the rise of American Pop Art beginning in 1962 and was fostered in part by the legendary dealer Leo Castelli. Castelli gets credit for making the primary contemporary art market viable in the United States from his base of operation in New York. However, his ambition was broader. According to one expert, "Castelli's singular ability to promote his artists effectively in Europe played a crucial role in the postwar development of the market for American contemporary art" (Hulst, 2007, 16). Indeed, prior to Castelli, American artists were not considered as innovative as their European counterparts. Castelli changed that belief through representation of American Pop artists such as Roy Lichtenstein, James Rosenquist, and Andy Warhol. In so doing, he altered the role of the primary art gallery from a marginal business to the lead driver of the art market.

Born in Trieste, Italy, Castelli opened his eponymous gallery in 1957, at the height of the art movement known as Abstract Expressionism. Castelli's first space was located in his home at 4 East Seventy-Seventh Street in New York City. Recalling the early years, he described how he "turn[ed] the L-shaped living and dining room into the gallery," which did not have the same stature as a commercial space but had financial advantages:

My overhead was minimal since Ileana's father [Castelli's father-in-law] owned the house. I had one assistant whose salary was not large, and got simple announcements printed for a few hundred dollars. Running the gallery in the first few years probably cost me less than \$1,000 a month. There wasn't even a sign out front. I expected that the quality of my shows would be such that everybody would find out about them.

(de Coppett & Jones, 2002, 87)

By minimizing his costs, Castelli was able to take risks with the artists he introduced; sales were less of a concern. Building a reputation for himself and for his artists as new voices in the arts was paramount. Because of Castelli's passion for (at that time) young Pop artists, his gallery became a required destination for artists, art critics, and collectors. Curators, particularly those from New York's major museums, made arrangements

to buy artwork from Castelli exhibitions every year. The taste and expertise of the dealers were the driving factors behind the gallery enterprises, most especially those pioneering the new primary market for contemporary art. “The real question for me,” Castelli remarked about his approach, “has always been one of historical importance. After all, a museum has to pick all the good paintings of a period. I felt I should do the same” (de Coppett & Jones 2002, 109).

Until the 1990s, galleries like Leo Castelli were dominated by white male artists (living and deceased). Art activist groups—most famously, the Guerrilla Girls, a US and European collective known for their poster campaigns and agitprop strategies—pressured primary market galleries to expand representation to women and nonwhite artists. At the same time, a new generation of art managers influenced by the feminist and multicultural movements in universities was hired by galleries eager to change the status quo. By the 21st century, contemporary art galleries opened up to a range of new perspectives where no single background or tradition dominated. This increased ethnic, racial, and gender diversity within the primary art market supports the globalization of the business. What makes diversity sustainable is, in part, affirmation in the market. Put another way, sales are a legitimating force for who qualifies as an artist worth paying attention to.

However, sociologists of the arts like Diana Crane and other observers are not wholly convinced that culture has benefited from global capitalism, or that capitalist expansion is entirely beneficial to social well-being. Crane cautions that “the enormous amount of disposable wealth that is being created in the global economy” is not equally distributed. Wealth is mainly “concentrated in the hands of a small group of businessmen and entrepreneurs” or the *megarich*, worth hundreds of millions, if not billions (Crane, 2009, 337). Whereas purchasing fine art had previously conferred symbolic—not material—rewards on collectors (most of whom were also cultural patrons), Crane makes the case that the reverse is now true: as the global art market expands, art is a status symbol, a luxury good like others, and collecting is a materialist pursuit to raise one’s social station (Crane, 2009, 332). This means the sales prices, particularly those publicized in contemporary art auctions, are the drivers of elite taste. The more art costs, such thinking goes, the more it is valued. The conspicuous consumption by the wealthy elite reinforces the tremendous gaps in wealth and well-being. This causes increased social tensions and also sociopolitical unrest, issues adjacent to and related to studies in the art market. Because the *megarich* avidly collect art, galleries increasingly rely on clients who have been advantaged by economic disparity. Furthermore, the market is robust for a relatively small segment of artists, and that means profit is concentrated among very few galleries.

Olav Velthuis, author of *Talking Prices*, an insightful (and incisive) book on the business of selling art, picks up on some of Crane’s themes of economic stratification, particularly the change in the dealer’s status. Historically, dealers put distance between themselves and their clients. They preferred to be associated with the artists, critics, and intellectuals, and would (like Leo Castelli) “aspire to distribute art for history, not for the market” (Velthuis, 2005, 21). This disinterest in sales is a leitmotif in art market literature, especially in interviews with dealers, many of whom defer discussion of sales strategy to their sales force in favor of their own role in advancing art history. It isn’t considered polite or tasteful to think of art solely in terms of its commodity status; art has a cultural value, in this view, that has nothing to do with price. Social class tension

adds to the complicated set of behavioral norms in the gallery system. Dealers are mindful about their lower socioeconomic status compared with that of their megarich clients. André Emmerich reflected in the early 2000s that, “Art dealers are quintessentially middle class, with rather small means in relation to the people they deal with.” Clients, according to him, “are often very, very rich. ... A dealer must be comfortable in dealing with the rich, without losing either ... self-respect or ... self-confidence. ... You must know you are with them but not of them” (de Coppett & Jones, 2002, 62–63). Cultural economist Clare McAndrew agrees. Dealers, she wrote, are “extremely hard-working, and often underpaid compared to similarly educated counterparts in other industries” (McAndrew, 2017). Some cultural observers suggest we are living in a new Gilded Age, borrowing from the term used to describe American industrialists from the 1870s until the early 1900s, who amassed tremendous (even unprecedented) wealth before progressive tax laws went into effect. Cultural observers like David Callahan and Anand Giridharadas find parallels in early 21st-century megawealth, and advocate for renewed tax policies to redistribute some of these riches to the state. Within the gallery system, however, the rise of the megarich has weakened the gallery administrator’s cultural authority; the dealer’s taste or recommendation is not what is most valued. Rather, megarich collectors pay close attention to an artwork’s monetary value. The higher the cost, the more it is worth as a cultural asset. This shift puts increasing pressure on dealers, partners, and directors in galleries; the taste of the collector relies on the art market for affirmation, rather than on the love of art. Even within the elite gallery sector, social class tensions are growing, exacerbated by what some analysts term *neoliberal* economic practices, which reward the wealthy, especially those in the finance sector, and disadvantage everyone else.

As we can see, the tensions Kim experienced at Untitled have a long history; they are far more than she can solve independently. What does Kim need to know about the pressures to better prepare for a role in a primary, contemporary art gallery? Let’s review:

- Galleries, particularly primary market, are under increased pressure to show artists/artwork that sells in the international art market. Sales price, more than expert and critical appraisal, is considered authoritative.
- Collectors have vastly more money than was previously the norm when people from high-paying professions, such as medicine and law, were the main buyers. Today collectors mainly come from careers in the financial sector; they are known as the *megarich*—people whose net worth is in the hundreds of millions or billions.
- Megarich collectors have the power to decide which artists are significant, and increasingly, artists and museum curators are compelled to consider and affirm collector taste.
- Gallery survival increasingly depends on the megarich.

Gallery Clusters

The way galleries operate has had an impact on society more broadly; the art shown in galleries reflects and shapes cultural values. This is borne out by the enduring relevance

of French sociologist Pierre Bourdieu's research. Between the 1960s and 1990s, Bourdieu conducted studies about how the visual arts participate in economic, social, and cultural realms using two conceptual tools: 1) the *habitus*, or subjectively knowing one's place in society and having a strong "sense of the place of others" (Grenfell & Hardy, 2007, 29); and 2) the *field*, or spaces that have discernible social structures and power relations that operate individually and institutionally. The field can be analyzed independently of the particular characteristics of the individuals who occupy it (Grenfell & Hardy, 2007, 29–30). Bourdieu believed that anyone could acquire a strong cultural position, or "capital"; education was key. Sociological studies of the visual arts have built upon Bourdieu's habitus and field to examine their logic and measure their impact. Most recently, cultural sociologists influenced by Bourdieu have studied commercial gallery *clusters*, where numerous spaces are located within close proximity. One of the most famous primary market clusters to attract scholarly attention was New York's SoHo district, a former manufacturing area in Lower Manhattan that gradually, by the 1960s, turned into an artist neighborhood as the original businesses left the city. In the 1970s, SoHo boasted several dozen contemporary art galleries. However, the rents proved onerous for gallery owners beginning in the early 1990s, and many galleries left for Manhattan's Chelsea neighborhood, forming a new cluster. In their comprehensive study of the Chelsea gallery phenomenon, David Halle and Elisabeth Tiso found that the public attracted to the cluster is not fully driven by the *art market*, or data on sales and artists' commercial success. Visitors are a mix of tourists, students, and those involved in the art system more broadly, including collectors. Art gallery clusters, such as Chelsea, popularize visual art. The authors note:

There is the role of Chelsea galleries in providing "the best free show in town," a show that at least rivals, and in many ways surpasses, that provided by New York's museums almost all of which charge an entrance fee. A related development is that, for most of the artists, the system of commercial galleries is a welcome opportunity for the display and sale of their work and constitutes a system that artists view as, on the whole, far more open than that offered by museums. Important too is that the overwhelming majority of galleries are neither global nor just "star" [well-established] but small shops that offer a plethora of uniquely crafted products whose collective effect amounts to a crucible of creativity.

(Halle & Tiso, 2005–2006, 5)

Gallery clusters revive neglected urban areas, though sometimes become part of a gentrifying effort that forces out middle- to lower-middle-class residents, a situation that is ongoing in the visual arts field. Gentrification occurred throughout Manhattan's Chelsea neighborhood, and former manufacturing zones were changed to allow residential construction. Other cities have gallery clusters too, including South London, along the Auguststrasse in Berlin, and the 798 Art District in Beijing. Recently, galleries with leases up for renewal are finding less costly neighborhoods away from the clusters, in less trafficked areas of major cities. In other words, gallery clusters are not guaranteed to survive in perpetuity.

The Advent of the Megagallery

While art galleries have lost cultural authority to the megawealthy, there are a few—four to be exact—where the dealers remain powerful. Since the early 2000s, the art market has been propelled by four *megagalleries*: Pace Gallery, Gagosian, Hauser & Wirth, and David Zwirner. Megagalleries are those with outposts in several major cities—typically London, Paris, Zurich, New York, Los Angeles, and Hong Kong—and emerging market cities, including Singapore and (until recently) Beijing. These megagalleries represent the majority of the contemporary art market business with artists such as Damien Hirst, Jeff Koons, and Takashi Murakami. Annual sales are in the billions of dollars. Sociologist Diana Crane observes how artists such as these run studio-factories geared to demand, a subject Sarah Thornton also seizes on in *Seven Days in the Art World*. Megagalleries magnify an artist's significance, and according to some art business press, this sways collectors. In a *Vanity Fair* profile of art dealer Larry Gagosian, owner of the eponymous gallery, journalist Michael Shnayerson explored price inflation for works by the artists the gallery represents. *Wall Street Journal* writer Kelly Crow called it “the Gagosian effect.” According to Shnayerson, Gagosian’s “wealthy collectors stood ready to buy whatever Gagosian suggested they buy. Newly signed artists, as a result, tended to see their work spike in price over the course of a year or two” (Shnayerson, 2019). Unlike Leo Castelli and dealers of his generation, Gagosian enjoys a lifestyle similar to that of his clients. Crow’s earlier profile of the dealer noted, “Mr. Gagosian's position affords him a lifestyle on par with his billionaire clients, who include hedge-fund manager Steven Cohen, money manager Leon Black, Christie's owner François Pinault and billionaire philanthropist Eli Broad” (Crow, 2011).

Crow questioned the viability of Gagosian, and by extension other megagallery businesses, because there is no “standard formula” apart from sales price determining the worth of an artist’s work. Private galleries in leading urban centers keep prices confidential; however, public auctions provide market watchers with vital information. It is a partial view. Dealers will purchase an artist’s work at auction if they believe the piece is undervalued and keep it in the inventory until the market improves. But what explains the confidence wealthy collectors have in megagalleries, especially if art auctions might offer greater bargains? “Gagosian’s pricing power comes not from his access to artists,” wrote one astute art market specialist, “but his control over a body of collectors willing to pay his prices because of Gagosian’s [high sales] track record” (Maneker, 2011). The result is that megalleries are in the position of managing collectors rather than artists. Diana Crane notes that the “importance of contemporary artists is more likely to be measured in terms of their presence in collections of megacollectors rather than in prestigious museums” (Crane, 2009, 338). She gives less credit to the dealers for driving taste, arguing the reverse: “this new class is reshaping the characteristics of art objects and of the art markets in which they are sold.” The megarich can afford to back galleries through their ongoing purchases. They can invest in major art projects at galleries, museums, and other public enterprises. They also hire art advisers, who are often former gallery employees or museum curators, to help them build and expand their collections (Crane, 2009, 338-339). What this means for emerging arts professionals like Kim is that a gallery assistant, unlikely to be in a sales conversation with a megacollector, still must know who the megarich are, what they collect, and what they look like—so she can

recognize them on sight if they should walk into the gallery. Kim must read art industry news, which is not always a staple in arts management courses, as well as business-oriented news, such as the *Financial Times* and *The Wall Street Journal*, where the wealthy, and the world of finance, are regularly covered.

NEW GALLERY MODELS

If Kim were to look at other career options in the primary gallery sector, do other business models exist? At first, the news appears grim. In a 2018 opinion piece for *The New York Times*, Olav Velthuis cited a statistic showing that more galleries closed worldwide than opened in that year and placed the blame squarely on the art fairs, not the megagalleries. Most galleries participate in five fairs per year, which accounts for nearly half of contemporary art sales, but most do not make a profit. Small to mid-size galleries are in a “vicious bind” and go to fairs not “because they like them so much as because they have to” (Velthuis, 2018, para. 6). The result is a booming art fair system more popular than galleries, and this, for Velthuis and other critics, is a big problem. “Art fairs are very important,” said dealer Brett W. Schultz, formerly the codirector of Mexico City’s Yautepec gallery, “but they’re gutting the small to midsize gallery sector; it’s stressful, it’s tiring, it’s expensive” (Pogrebin, 2017, para. 10). Art fairs are not going away; however, they have introduced sliding-scale application rates that ameliorate, but do not eliminate, the major expenditures required.

Yet the arts are nothing if not innovative. It is possible to participate in the art conversation without capitulating to collector values. A new generation of gallery leaders has come to the fore with a mix of strategies that involve some level of collaboration or partnership. Many dealers are reinventing their businesses due to economic pressures. One framed the situation positively. “It’s up to the dealers to understand that times have changed and their ways of maintaining relationships with collectors are different—you can no longer talk about art for an hour on Saturday morning over coffee,” dealer Adam Sheffer told a reporter for *The New York Times*. “They’ve seen ebbs and flows over time and have a longtime perspective on the market” (Pogrebin, 2017, para. 26).

Some of the new business models currently considered are:

- International cost-sharing;
- Primary galleries in nontraditional settings;
- Digitally based sales strategies.

One new model is based on a “time-share” real estate concept, where a group of people agree to share property to which access is scheduled. One example (which, to extend the metaphor, uses a real estate term) is Condo. Condo’s model is based on exhibitions that coincide with art fairs and are held in galleries that agree to act as hosts. The exhibits are designed to last for one month rather than the four- to five-day format of an art fair. Founded by the London dealer Vanessa Carlos, Condo selects galleries to cocurate an exhibition in a host’s space, concurrent with an art fair. The fees associated with participation—which do not account for transportation of art, insurance, artist, or staff—cover Condo’s promotional expenses. According to art journalist Tim Schneider, fees average

\$1,000, a substantial saving from the \$15,000 to \$50,000 charged by art fairs. Dealers also negotiate commission agreements with the artists exhibited. The host gallery manages the exhibit for the duration. The downside is that the host gallery might not be an ardent champion of the work on view. “And this minor, avoidable caveat cracks the door to much larger cautions about the gallery-share model,” wrote Schneider, “and alternative models more generally” (Schneider, 2017, para. 24). He cites another well-received consortium, six Rhineland-area galleries in Germany organized under the playful name Okey Dokey. Their name is a clever, insider reference to an oft-used expression of legendary German dealer Konrad Fischer.

Other potential dealers have found bricks and mortar onerous, and a cluster of organizations (not all commercial) are using motor vehicles instead. In Los Angeles, curator, writer, and arts educator Ceci Moss purchased a truck outfitted as a gallery space (with lighting, white walls, and seating), calling the endeavor Gas. Moss organizes three group exhibitions per year, parks Gas near galleries where openings are under way, and makes the exhibit available one day per week. “My objective is exhibiting art, talking about art, and giving artists opportunities to experiment and try new things,” Moss told *The Creative Independent*, an online magazine (Köerner & Moss, 2019). Gas is a scaled-back option that provides artists with visibility in thematic (and sometimes politically relevant) exhibits and at the same time offers art managers a more flexible model for running an art space without the overhead of a commercial property. However, Moss recently chartered Gas as a nonprofit gallery due to her increased interest in programming and building community for artists and audiences. As a result, her gallery is now eligible for grants and other support from foundations.

There remains in the literature great enthusiasm regarding the potential of the internet to cut costs for art galleries. Who needs to rent a space if you can sell online? But can an art business survive without a venue to show artwork? Will artists find this option acceptable? Will collectors purchase art they haven’t seen in person? The answers are mixed. Today, all successful venue-based galleries have engaging and practical websites—which would compete with a solely online business. Galleries also have a robust and lively presence on social media, which generates traffic to their websites. Research has shown that some collectors will purchase online but prefer to do so within the auction format. Two online auction platforms in particular have proven successful: Artnet and Artsy. Artnet was founded in 1989 as a listing site for gallery exhibitions. It has since grown into a business that tracks art sales at auctions and maintains a subscriber price database that is essential for secondary market businesses. In addition, Artnet offers subscribers the opportunity to post selected artwork to the site. Artnet employs cultural reporters and produces a daily newsletter that is highly regarded, due in part to the many experienced art journalists involved. Indeed, this daily reportage has contributed to the business’s reputation as an important, serious cultural arbiter during a time when most art periodicals are struggling or closing. The drawback is that Artnet is expensive; subscriptions are a major part of their business revenue, along with advertisements from galleries and related products.

Artnet’s main competitor is Artsy, which also produces an arts business magazine and a podcast about the art market. According to Edward Winkleman and Patton Hindle, Artsy’s goal was utopian, to bring the gallery experience to the computer, “aiming to make art accessible to anyone with an internet connection” (Winkleman & Hindle, 2019, para. 5). As it grew, Artsy added an online auction project, but in partnership with

established auction houses. Partnering with a better-known entity, especially in terms of administrative and practical support, is key for online businesses.

Many mid-size galleries work with the London-based company Artlogic. Founded in 1994 by Peter Chater as a database system that tracked vital gallery information—inventory, artist CVs, press clippings, and images—the company has grown to serve the myriad digital needs of a thriving gallery. In 2006, advances in digital technology, including cloud computing, enabled Artlogic to create a system that linked a gallery’s website—increasingly the most important element of the business—with proprietary information and online viewing rooms (or exhibitions). The system includes a PrivateViews app for smartphones and tablets that creates a uniform method for sharing artwork in the gallery’s inventory with prospective clients. “Without a doubt, the move towards mobile devices has completely changed the way the art world conducts business,” Peter Chater told *Artnet News*. “The immediacy in which we can consume information is unprecedented” (*Artnet News*, 2016, para. 10). The program allows gallery staff to upload digital images from an artist’s studio directly into the database to begin creating records, and from there, to share new work with the rest of the staff, as well as clients. The system is designed to be visually appealing and easy to use, particularly for collectors and others who require information about an artist and artworks. Artlogic does not replace a physical gallery space; however, it can make the digital presence of the gallery far more engaged and dynamic through online viewing rooms and private exhibitions.

Finally, the pop-up appears to be catching on as a cost-saving and publicity-producing model. When Janine Foeller had to close Wallpace, a well-regarded contemporary art gallery in New York’s Chelsea district, she elected to try something different with her next venture. Collaborating with artist Simone Shubuck, Foeller opened a restaurant in 2017, in Brooklyn, which they called Wifey. They invited local bakers, chefs, and others to get involved in a more experimental way, like a co-op in which small businesses contribute capital (money)—or in this case, food, art, and a portion of the sales revenues to pay the overhead. “We wanted to make and show work that exists outside the traditional parameters of an exhibition space,” Foeller and Shubuck wrote when they opened. “We wanted it to be a place where art, flowers, food and ideas could intersect to create something new” (Wong, 2017, para. 3). Although Wifey closed due to the 2020–2021 pandemic, the model is promising. The audience Wifey appealed to was broader than that of a traditional gallery due to the food on offer, as well as the hours, which accommodated the breakfast and lunch crowd, from 8:00 am until 4:00 pm. The lesson here is that collaboration with other businesses and a strong digital strategy are vital and can offer more sustainable new models for emerging and mid-size galleries.

ETHICS AND GALLERY PRACTICES

As Kim learned, the gallery system as it currently operates is vulnerable to ethical challenges due to deliberate opacity, including:

- Price transparency is not part of common gallery practices;
- Code of ethics guidelines in professional dealer membership organizations have no enforcement mechanisms;

- Megagalleries reduce art market competition;
- Artwork outside of client taste/preferences poses increased financial risks;
- Salary information is not transparent, and as a result, pay increases are difficult to achieve.

Although some might argue that high prices and hidden price information are not in and of themselves an ethical problem, other observers see “systemic biases and nontransparent practices such as conflicts of interest, abuse of dominance, insider trading, nepotism, sexism, networks of undue influence” permeating the global art system (Gavin, 2019, para. 3). Ethics specialist Piergiorgio Pepe, a collector himself and founder of Quantum Ethics based in Paris, believes the system is far too concentrated. In other words, even as the art market reaches China and art fairs flourish in Russia, the United Arab Emirates, India, and other emerging markets, the artist (or artist’s estate) represented by a megagallery and sanctioned by a megacollector reaps most of the profits. A healthy system needs more competition, and that begins with more fulsome discussions regarding market consolidation and price opacity.

Market consolidation also limits public engagement with a broad variety of cultural expression. Collectors from across the globe buy artwork made by a relatively small group of artists, and many of the collectors serve on the boards of directors of museums, where their taste influences programming. A 2015 study conducted by London-based *The Art Newspaper* found that one-third of solo artist exhibitions in the United States between the years 2007 and 2013—hundreds of exhibitions—featured artists whose estates or careers were represented by only five galleries. This blurring between the non-profit art system and the art market is increasingly putting pressure on galleries to abide by a formal code of ethics.

In the United States, the American Association of Dealers (ADAA) adopted a code of ethics in 1962, with a focus on “fair dealing”—which means providing an accurate description of all objects for sale; due diligence, including noting any damage, in the authentication of the artwork; and provenance research to ensure artworks for sale were not stolen. Ethics guidelines also protect the owners of the artwork through transparent business practices, including revealing the percentage kept by the gallery following a sale. For living artists (primary market), galleries are charged with ensuring professional representation to further the artist’s career, artwork care, and record-keeping. Sales and earnings are also to be agreed upon in writing. The code, however, is limited to *practices*, or professional sales strategies, not to the broader economic challenges that have arisen from globalization. Moreover, the organization acknowledges at the outset that it relies on social pressure as a means of enforcement, to wit, if “a member acts in a way that is not consistent with the Code of Ethics, it tarnishes the organization and its other Members, and brings disrepute to the art market more generally” (ADAA, 2021).

Megagalleries, more than any other type, benefit most from the current system. They can afford the investment it takes to participate in annual art fairs and expand franchises across the globe, whereas the small to mid-size galleries in major cities are struggling to meet escalating costs for rent/property. Moreover, the highest selling artists are likely to be found in one of the four megagalleries, which places great financial pressure on all the other galleries in the system whose artists are less known, and for that reason, less compelling to the megarich collector. This inexorably leads to issues about fair competition

in the primary art market. Some art market commentators have argued that the megagalleries are *consolidating* or monopolizing the contemporary art market by representing leading artists and luring away artists whose careers were fostered at mid-sized galleries. One megagallery owner, David Zwirner, appears to be listening. Zwirner has become an important financier for new galleries, and in 2020 began a website called *Platform: New York*, a viewing room devoted to artists represented by 12 smaller, stalwart New York galleries (Holmes, 2020).

What is the perspective of the system from the mid-size primary art gallery? In a conversation about the future of the mid-size gallery with art entrepreneur, Edward Winkleman, dealer Elizabeth Dee, a gallerist known for her risk-taking and support of emerging artists, argued that the vast majority of galleries cannot afford the business costs generated by the globalization of the art market. To participate in international art fairs, Dee reflected that the dealer had substantial “co-production” costs shared with the artist(s) being featured, and one of the smallest booths at the prestigious Art Basel cost, in 2013, \$50,000 for the five-day fair (Winkleman and Dee 2013, para. 14). In a separate article, Dee outlined the media representation of galleries as having “two narratives,” one “that the top end of the market has never been so vibrant, and the other is that galleries are closing at a record rate” (Dee 2019, para. 1). She attributes the contrast to megagallery consolidation and *hypercapitalization*, or rapid expansion in which debt overtakes the actual value of the business in the global gallery system (Dee 2019). Dee’s analysis tracks with social geographer David Harvey’s observations about neoliberal economic policies. Neoliberalism, according to Harvey, began with deregulatory capitalism, a loosening of financial rules during the Reagan/Thatcher era of the 1980s that made it easier to borrow money, and at the same time, cut tax rates for the wealthy and businesses. The result is cost escalation for the vast majority of citizens, with stagnation in wages and jobs, to maintain financial benefits reaped by the so-called one percent of the population who make up the wealthiest class (Harvey 2007). Economic skepticism expressed by both the right and the left has led to a debate regarding the benefits of international free trade. Further, the loss of well-paying manufacturing jobs in the West is thought to have led to a rise in extreme right-wing and nationalist movements, a dangerous trend for democracies. The art market is not uninvolved; indeed, it participates in these unresolved social inequities by basing its business model on sales derived from the megarich.

Karen van den Berg and Ursula Pasero take on the issue of unsustainable inequity in the art system in their book, *Art Production Beyond the Art Market?* Rather than engage art market literature, the authors examine practices that are deliberately forged outside the gallery system as a way of expanding cultural values within diverse social networks. Van den Berg and Pasero address the ethical dilemma by finding models where systems of support are pioneered for artists whose work does not fit the prevailing taste of the art market, highlighting works that directly engage with economic stratification to ensure public dialogue and debate. The artists, scholars, and practitioners they interview recognize that change begins with discourse among those disenfranchised from luxury to forge a competing art conversation. This means artists’ projects exist as an exchange with the public and are also part of different fields such as community organizing, politics, and social services. The projects discussed in their book are aligned with art because the idea of going outside the gallery market system is rooted in visual art

history. A focus on the art market overshadows what has been, since the 1990s, a “sustained boom ... of participatory and democratizing strategies that endeavor to form a new connection between art and social action and are situated in open, communicative art practices geared toward the suspension of the hierarchy between the author and the recipient” (van den Berg & Pasero, 2013, ix). This shifts the authority of the market in confirming cultural value back to the artists and the public. However, this discussion is more authoritative in museums and universities than in galleries. As Kim learned at *Untitled*, the focus on sales—necessary for survival—precludes practices that are not market-based.

Finally, the issue of low pay in the arts remains unresolved. Since the inception of the gallery as a professional endeavor under pioneering dealers like Leo Castelli, entry-level wages have remained modest. Kim was not wrong to question her starting salary. Art workers do not earn large salaries unless they are in the upper echelon of the gallery hierarchy. POWarts, which began in 2008 as a professional organization to support professional women in the arts, is another important group willing to tackle inequity. Recently, they instigated an anonymous online salary survey and marketed it to online platforms. People (of any gender identification) who are paid by visual arts organizations—both commercial and nonprofit—are asked to provide their salaries along with demographic data. The results at the time of publication demonstrate that there is virtually no difference in salaries between sectors until the worker reaches middle age, when commercial galleries may pay them over \$100,000 (POWarts, 2019). The stark class differences between those working on the upper levels (well over \$100,000) and the vast majority of art workers is one problem. Another is how modest art salaries are across all positions when compared with the wealth of art patrons. The data gathered by POWarts lays the groundwork for a new conversation—tricky but necessary—about the value of art labor.

For many, the economic struggle begins in school where, even if the tuition is low, the cost of living makes full-time study impossible without loans. On the plus side, artists and art managers are partnering to question the debt incurred at private colleges that cost in excess of \$120,000 per year, on average. In 2012, the group BFAMFAPhD was formed to create reports, social media, and other platforms to highlight how the high cost of education is correlated with cultural inequity (BFAMFAPhD, 2019).

These are just some of the ethical challenges that confronted Kim at her gallery job. Some she discovered in her day-to-day responsibilities, especially secrecy involving pricing and the low pay scale. Kim was less aware of the pressures facing *Untitled* due to the megagallery dominance of the art market, and how difficult it is for galleries to sell new artwork by less established artists. It was unclear to her whether *Untitled* observed the code of ethics adopted by the ADAA, and this is too frequently the case in many gallery businesses. Understanding the ethics surrounding art sales would increase Kim’s ability to perform her work with precision and professionalism. Artists are experiencing similar challenges, feeling themselves outside of a grander system. One solution to the consolidation is to think about the newer, more collaborative models. For Kim, this means getting to know a wider array of artists, and visiting emerging galleries, to broaden her knowledge about the art system and, most importantly, to clarify her own cultural and career goals.

SCENARIO DENOUEMENT

Now that we understand galleries as a field, and the ways they have long operated, we can see where Kim, whose habitus revolved around museums, went wrong. She did not fully absorb how galleries are businesses whose principal task is selling art. Unlike in a museum, Kim's role was not to build an audience for the gallery among her cohort, it was to support the sales staff in strengthening client relationships. She learned that the pressures on a mid-size gallery are enormous. While megagalleries are starting to do more to maintain the commercial ecosystem by supporting adventurous galleries like Untitled, sales will remain a preoccupation in the medium term. For Kim, however, a different question must be posed: Is a gallery the right career option? Determining whether sales are a core interest is the first step. To better test one's aptitude, researching the collector community, which is often elite, is worthwhile as part of coursework. Are collectors a network you want to study? Additionally, primary galleries offer the opportunity to meet and work with living artists. Many students find collaborating with artists on gallery shows and projects personally rewarding. Kim needs to have more discussions with her colleagues about their work and the gallery's strategies and priorities. She needs to understand her limited—yet essential—role in the enterprise. Communication is the key.

Art managers interested in a career in galleries are entering the field during a time of social and generational change. The neoliberal economy has done a great deal to exacerbate inequities. There is a need for greater public dialogue about systems of support, the authority of the art market, and the role of patrons. It is possible to invent new models that avoid the current pitfalls. In the short term, however, we are still living in a flawed system.

People coming into the fine arts field confront another challenge: the megagallery's dominance in the art market. It is clear we are now in a different historical moment where the mid-size and smaller galleries face great financial challenges. For emerging art professionals considering a career in galleries, understanding the art market, the collector base and their role, the artists and their work, and the additional stresses generated by megagalleries and art fairs is vital. Like Kim, you need to decide where you fit into the gallery system. Whether you choose to be part of the generation that is experimenting and inventing new models, is passionate about collaborating, or finding meaning and fulfillment in the well-established galleries and megagalleries will depend on your creative and managerial goals. Whatever path you take, you will find galleries are ripe with possibilities, and like Kim, you will also encounter risks.

SUMMARY

- Galleries are businesses that *sell* fine art, design, crafts, prints, multiples, and posters.
- Galleries *represent* artists and artist estates.
- Galleries can be *primary* or *secondary* market based or a combination.
- Art dealers are positioned in between artists and collectors.

- Art dealers are not as wealthy as their clients, and this leads to social tensions.
- Galleries are part of the visual arts *discourse*.
- Galleries do not divulge price, placing, and methods of cultivating purchasers.
- *Megagalleries* and *megacollectors* have a major influence on the art market.
- Galleries participate in *art fairs* and artists participate in *biennials*.
- Artists, cultural activists, and some gallery workers are questioning the *neoliberal* economic system that collectors participate in and maintain.
- New models are being invented where collaboration and digital communication are key.
- The more you know about the gallery's operations, the quicker you will advance.

KEY TERMS

Art fairs
Art market
Backers
Biennials
Megacollectors
Megadealers
Megagalleries
Mid-size galleries
Neoliberalism
Primary market
Provenance
Secondary market

STUDY QUESTIONS

1. Where do you think you might find the greatest fulfillment: in an experimental gallery, a craft/multiple gallery, secondary market (resales) gallery, or in the primary market with a contemporary art focus and global art system pressures? Why?
2. How are art fairs different from galleries, and why are they so important for commercial galleries?
3. If you were to focus on a code of ethics on transparency, what gallery practices would you highlight?
4. It is possible to operate a commercial gallery without support from megacollectors, but what would need to change?
5. What lends galleries cultural authority?

GAIN EXPERIENCE

1. Write a profile of a commercial gallery in your area and determine: What size gallery is it? What is their “program”? Does the gallery participate in the international art market system? Consider the field: What role does the gallery play in advancing art locally, nationally, and internationally? Based on your answers to the above, can you hypothesize any risks the gallery faces?
2. Meet with a gallery worker. Have an informal interview where you learn about the gallery worker’s position and function within the gallery and the key role performed in furthering an artist’s career. How does your habitus compare with the interviewee’s? How does what you learn align with your arts management studies?

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Theater Management through Successful Collaboration

Patrick J. Ebewo and Rachael Diang'a

SCENARIO

Papingo, a sprightly man from South-South had his dream realized when he graduated from university with an MFA degree in playwriting. Unlike many of his colleagues who had eyes on a traditional job in the commercial sector, his entrepreneurial spirit led him to join a local professional theater company—The People's Theater—as a dramaturge. He was attracted by the promise of working collaboratively with a group of talented people who were passionate about bringing theater to a community.

The theater company was run by a family friend, Akunna, who he greatly respected. Akunna had started the company out of a love for theater after he retired from his own business. But, with little formal training in either theater or management for that matter, Akunna was largely out of his depth. The organization's Board of Directors was no great help, either. They included people much like Akunna who were passionate about theater but who were not wholly aware that artistic success could not guarantee financial stability for the organization. Worse, since it was a commercial theater, it was meant to generate income, not lose it.

Akunna and the Board had at least secured a talented Artistic Director, Amir, who they had lured from another company—for a handsome salary. Papingo couldn't fault them for recognizing that talented, creative people deserve good salaries. Unfortunately, such a move was not sustainable in the long run if things didn't change. That was obvious, even to Papingo, whose expertise was in dramaturgy, not the management of a theater company. Still, Akunna was a friend, and Papingo supported his worthy aims—producing live theater that connected meaningfully to the community (it wasn't by accident that Akunna had called it The People's Theater). He was resolved to help his friend make a success of the theater.

And perhaps it wasn't by accident that Akunna had asked Papingo to come on board. Papingo did know something about the management end of theater even if he lacked

a formal degree in theater management. He'd interned on the administrative side of operations when he was earning his MFA and had even held several temporary positions where he gained basic skills in marketing and financial management. He also had a natural skill for organizational processes that he felt he could cultivate in order to help the theater company confront its problems.

Papingo decided to take an assessment of the theater company, do a bit of research on possible remedies, and follow with some concrete recommendations for Akunna and the Board on how they could turn the organization around. But first, he needed to assess the extent and nature of the problems.

First, Papingo had to admit that while Amir had great talent (he'd even once worked with Amir in a student production), dramatic changes would be needed to turn him into a team player. Amir's greatest strength—maybe his only strength—was the creative vision he brought to The People's Theater. By comparison, his people skills were very underdeveloped. Several of the company's most talented actors had recently walked out, with little notice, citing creative differences, which Papingo interpreted to mean that conflicts had become insurmountable. In fact, Papingo had overheard one of the actors, Mercia, talking with the set designers just before she left. "Amir only knows one way of doing things. His way!"

It was apparent that Amir was not keen on collaboration. It was too late to do anything to convince Mercia and the others to come back, but worse, the company wasn't able to replace them with actors of the same high caliber. In the meantime, Amir had managed to insult a potential funder by showing up unreasonably late for a lunch meeting. "Such unprofessionalism" the funder had said as she got up to leave. Papingo was able to save the day only by offering free tickets to the play and the company's annual award dinner, securing a commitment, as well, that they could discuss investing in the theater at a later date. Amir's excuse, when confronted, was that he had been rehearsing the actors until late the previous evening and wasn't able to make the early (lunchtime) appointment. "In any case," Amir said, "when the funder comes to the performance, she'll forget about the fact that I was late today. She'll be so impressed by the show."

Papingo couldn't listen any longer. "No," he countered, interrupting Amir. "She'll come to the show only because I offered her free tickets. Further, there won't be any shows ever again if we can't secure funders." He also pointed out that keeping actors and other staff late at night didn't come free and might raise problems with the union if the request to stay late wasn't in line with employment contracts. How could Amir be so unaware of these realities?

Papingo had to admit that the artistic side had taken over the management side. But he couldn't blame it all on Amir. He noticed that there was little organizational structure in the organization as a whole. Actors, staff, volunteers, Board Members, and everyone in between did a little bit of this and a little bit of that. In other words, everyone was involved in everyone else's jobs, but not in a way that necessarily got things done. Forget about the chain of command! If someone had a concern, a complaint, or needed something done, they went to whoever was most handy, or to the person they were most friendly with at the moment. As far as administrative functions of the organization? They were often left undone. It wasn't that the administrative staff (who all seemed to have come from artistic backgrounds) weren't willing to pitch in to do

their jobs. It was more that they lacked clarity on what their jobs were. Their areas of expertise were not in budgeting, finance, personnel matters, and the like. By default, they seemed to rely on the fact that their artistic background hadn't prepared them for organizational management. "Well, neither did mine," Papingo thought. "That doesn't mean you can't learn—especially when the survival of the company depends on it." A recent staff meeting he had asked Akunna to convene left him feeling more frustrated. Comments from staff showed their collective views that the fewer restrictions on the artistic vision, the better. In other words, they seemed to believe that the administrative side would take care of itself. "After all," the marketing coordinator said, "theatergoers want a good show. What happens behind the scenes isn't an issue as long as the audience is satisfied."

Papingo was tempted to throw in his hat and call it quits altogether—there were other theater companies in South-South, and many in better financial shape. He remembered, once again, his commitment to friendship. "I'll help Akunna through this," he decided. "If I give it a fair try and it doesn't work, I can still find work elsewhere." He made a commitment to learn all he could about the administrative functions of running a theater company. Realizing he might make mistakes along the way, he nonetheless knew the skills needed could be learned, and he could also rely on advice from friends and acquaintances both in theater and in the arts management field.

Papingo met with Akunna the next day, armed with concrete evidence of the sorry financial state of the theater company. He outlined a general plan of what needed to be done, stating frankly that while not an expert in theater management, he nonetheless understood the dire importance of putting appropriate systems in place. He also delivered an ultimatum. "Put me in charge of the management side of the theater until it's financially stable. At that time, we can do a search for a new managing director." And, Papingo added, "make it clear to Amir that his job depends on the financial, as well as the artistic success of the theater. If not, I will have to tender my resignation."

Akunna agreed. Papingo set his plans in motion the very next day.

ISSUES

- Ignorance among theater staff and Board of Directors about management and artistic production synergies;
- Erroneous assumption by artistic staff that management procedures (bureaucracy); interfere with the artistic side of theater;
- Lack of collaboration among staff, actors, and management;
- Myopic belief that theater is a practice that requires a simple administration process;
- Assigning administrative roles in the theater company to unqualified persons;
- Lack of internal organization or clear work structure;
- Need for training of administrative staff in management functions;
- Failing to establish or maintain a chain of command;
- Poor regard for professionalism.

INTRODUCTION

Most people's conceptions of theater are informed by the history of its emergence in Europe in the Middle Ages. But theater, understood as storytelling, dance, and (in many times and places) ritual has been known for the earliest human times. Extant plays from ancient Greece and Rome are still known and performed today. In Africa, festivals, cultural performances, and popular theater were common long before the colonial era. European theater forms appeared there only in colonial and post-colonial periods. In Asia, the oldest theatrical forms (such as juggling, mimes, acrobats, and singers) began as early as 1500 BCE.

The renaissance period in Italy witnessed the transformation of theater practice to a professional level, as exemplified by the *Commedia dell'arte*, the Italian theatrical form that flourished at that time. Its management practices, however, could still be said to have been informal rather than a matter of management science. Similarly, in other parts of Europe, professional theaters (such as associated with Shakespeare in England and Molière in France) had formal management structures and managed to bring in income for the players. In sum, theater is not just a contemporary invention.

With the evolutionary journey of the theater from the distant past to the present, digital age, things have changed dramatically. Given that theater shares a tent with other creative arts, its practice as an *industry* has steadily gained ground. Indeed, theater professional practice in the United States and in Europe equates the industry with other traditional industries in the contemporary management environment, often with an emphasis on producing revenues, where income is of equal value to artistry. Although many theater companies operate as nonprofit organizations, or state-owned entities, commercial (for-profit) theaters are just as common. No professional theater (whether nonprofit, public, or for-profit) can survive in contemporary society without focused and formal management of its processes, whether it is publicly funded, donation supported, or relies entirely on ticket sales revenues. For any theater to survive as a successful venture in today's world, it must pay premium attention to management processes and organizational structures. This chapter focuses on these structures with an eye to how theater operates best—as a collaborative project.

WHAT IS THEATER?

Theater may imply both the building (a structure specially constructed for people to sit and watch a performance) or drama as an art form. Drama production begins with the seminal idea of putting together a message (by an individual or group) in a script form, improvisation, or devising (devised theater). When actors go through a rehearsal process, the lifeless script is given life as it becomes literature that walks and talks before an audience. When spectators are invited to watch the show, a complete metamorphosis has occurred. In essence, theater, in the production sense of the word, involves interactions between the script, the actors, and the audience. No theater can happen in the absence of any of the three components. A simple equation reads thus:

Play + Players + Audience = Theater

Although theater can survive with or without monetary revenue, most theaters today operate with the intent to generate revenues, either as income for the theater owners or to support the operations of a nonprofit theater. The reason is that people who devote their professional lives to the theater require an income to do so.

Theater as Revenue-Generating Entity

Creative Industry is a 21st-century concept. If at one time theater performance fell into the category of ritual (associated with religious or spiritual practice), today it is seen as both an art form and as an enterprise, with the primary function of entertainment for audiences. Entertainment is used loosely here given that theater performance can serve a wide array of purposes: education, activism, intellectual stimulation, and even propaganda. Some styles of performance and content may be too esoteric or conceptual to be considered entertaining in the popular sense. Nonetheless, for the purposes here, the assumption is that audiences are attracted to theater that serves their multiple purposes in that they find the activity enjoyable or entertaining. From a management perspective, the processes for making successful theater happen are the same.

In the United States, Europe, and other developed parts of the world, theater is increasingly regarded as an industry on its own, but also as part of the creative industries. When we think of theater as an industry, we are in essence thinking of it as a revenue-generating business more than an art form or pastime. Although the revenue aspect need not (and should not) detract from artistic intent, it is important to realize that achieving artistic aims and generating revenue are very different but complementary functions.

In the digital age, the association of theater with art and entertainment has meant that theater often rates very low on the utility scale compared with other forms. In addition, other forms of entertainment with a storytelling component (television, film, and video on demand, as examples) have offered greater accessibility, often with an emphasis on spectacle over artistic expression. Theater accessibility may be affected by a variety of factors—it takes time to go to the theater, one must find a means to get there, and have the income to purchase tickets (which are increasingly costly for live theater). Accessibility is just one factor that management of theaters must consider.

This chapter is directed at anyone interested in knowing more about the management of theaters. Although there are some differences between for-profit, nonprofit, and public entities (often in the laws and policies that govern them), from the perspective of putting on a play and attracting an audience there are few (if any) gaps. Seeing theater through the lens of the creative industries is a good way to begin understanding the context for contemporary theater, worldwide, and the roles that the various individuals involved in management will play.

The creative industries—or what some prefer to call the cultural industries (in order to emphasize the value of arts and culture over other creative endeavors)—is a relatively new concept in modern society. Many nations of the world have come to regard the cultural or creative sector as an economic fulcrum, and a stimulus for international exchange

(through tourism, for example). The creative industries involve “Those industries that have their origin in individual creativity, skill, and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property” (British Council qtd. in Newbingen). The concept of creative industries comprises all the enterprises and private or self-employed persons whose activities and livelihood revolve around the production of cultural and artistic products. This sector is made up of workers in the music industry, fashion houses, theater companies, visual arts, film industry, craft, galleries, and dance companies. A study by UNESCO and UNCTAD (2001) shows that, in effect, international trade in cultural goods constitutes one of the largest growing sectors of the global economy. In 2013, the Organization of American States, the Inter-American Development Bank, and the British Council commissioned Oxford Economics to undertake research on “The Economic Impact of the Creative Industries in the Americas.” To cite just two examples, the study found that the creative industries are an important contributor to GDP growth in Brazil and the United States, accounting for 10 percent of GDP growth. Further, “The sector is already an important provider of employment in Canada, Colombia, Mexico, and Trinidad and Tobago” (British Council, n.d.) and beyond. The data substantiates the claim that theater, as part of the creative industries, is often seen more from an economic than an artistic point of view. Creative industries are now a high-growth economic sector. Many arts advocates and renowned economists have come to embrace it as an engine of economic growth and development. Viewing the creative industry in the 21st century as the new basis for wealth and a dominant economic form, Howkins writes: “People with ideas, people who *own* ideas—have become more powerful than people who work machines and, in many cases, more powerful than the people who *own* machines” (2001, ix). It is not only the attachment of the catchword, “industry” that has elevated the status of theater, but the modern operatives who have fallen in sync with what is obtainable in the digital age of management.

LEADERSHIP AND MANAGEMENT STYLES

Management has to do with organizing and coordinating activities to achieve one's objectives. It includes laying out policy, organizing, planning, controlling, and directing an organization's resources to achieve the goals laid out by the organization's policies.

An important ingredient in successful theater is the quality and characteristics of the management team. When we talk of management, we are talking about leadership, planning, guidance, coordination, organization, administration, governance, control, direction, supervision, and operation. Peters defines management as “the process by which managers create, direct, maintain and operate purposive organizations through systematic coordinated, operative human effort” (1983, 1). The most successful theater enterprises are those where purposive planning is evident at every stage of the management and production process. The ideal manager, for a theater company, is one who has good planning skills and can lead others through a planning process. The ideal isn't always reality; in fact, one finds a wide range of management styles, for better or worse, in theater enterprises.

Though there may be many management styles, the most common are authoritarian, consultative, charismatic, and participatory. Authoritarian leadership can manifest itself in two ways: exploitative and benevolent. As the label implies, exploitative authoritarian management style cares less about the welfare of the workers placing emphasis, instead, on the needs and objectives of the manager. It is the case of one person who makes all decisions without regard for the opinions of staff and other workers. This style gravitates toward exploitative tendencies and employees are often not happy. If employees are not happy, they will feel less loyalty toward the organization.

Authoritarian leadership can often be identified, indirectly, by the number of qualified people who leave the organization—a high turnover rate of personnel who are able to find jobs elsewhere, leaving a good many who have fewer prospects on the job market. This type of management may lead, eventually, to the downfall of the organization.

Benevolent authoritarian management style, in contrast, gives employees some voice and a sense of self-regard. It is a more flexible and sympathetic style and relies heavily on a strategy of reward systems to motivate staff. *Consultative* is a democratic style of leadership in which everyone in the organization has a fair share of confidence and contribution toward the organization's welfare. *Charismatic leadership* endears itself to workers as they are treated with understanding and respect. A charismatic leader charms, appeals, and relies on persuasion to win over the workers. Participatory, like consultative, is a democratic system of leadership. In fact, it is more democratic than consultative methods. This style promotes and respects contributions, by workers, toward the running of an organization. It operates on the principle of two good heads are better than one. Workers' inputs are sought in all spheres of the management process and this system boosts the workers' egos and morale; and they become more productive and take ownership of the organization and all its projects. A leader may adopt more than one style or alternate between styles depending on circumstances. Importantly, leadership styles are not inborn. Although managers might lean toward one or another style based on their personalities, one can also choose the style that works best, and learn how to employ a set of management behaviors that more closely align with the selected style.

While it is hard to say that one style, necessarily, works better than others, Papingo wants to retain good actors and administrative staff. He has found that retaining staff and actors increases the more democratic his leadership and management style. In fact, exhibiting a more democratic leadership style is an advantage for Papingo given that autocratic styles are still fairly common in theater. He knows that the members of a theater company (both actors and staff) will tend to spread the word about how they are treated. If The People's Theater is known for respecting the people it works with, they are more likely to stay, work in a unified way toward the success of the company, and may additionally serve to attract new, qualified individuals (who are unhappy with their current employment situations).

Competing with other theaters, arts organizations, and other ways that people spend their time is not just about what Papingo's company offers on stage. In other words, the very notion of theater as part of creative industries suggests competition with others in that industry (or in other industries). Managers must look at more than just the "products" they offer, also considering the competition for resources like personnel within the creative industries. If actors and staff leave, they will no doubt find jobs in other theaters

and arts organizations. Further, a badly (or autocratically) managed theater may earn the reputation that it is an unpleasant place to work, resulting in people leaving but also difficulty replacing them.

In Papingo's point of view, a democratic style of leadership and management is a wise choice for developing and protecting the revenue-generating arm of his theater.

WHAT IS THEATER MANAGEMENT?

Theater management is the organization, planning, coordination, and execution of a drama project. Though one may be inclined to believe that theater management is not different from any other management process, the fact remains that theater management is unique in its own right. Although there are some common practices, the management of an auto factory is different from the management of a poultry farm, and altogether different from managing a theater company. The differences, in fact, are substantial. For theater to realize its revenue potentials, it should be properly managed by individuals with knowledge and experience relating to the arts and, as a bonus, of theater in particular. Since human capital drives the management process, a good place to begin understanding the management process is to examine the personnel involved.

One proviso is that a lot depends on the size and type of theater. While the overall process of putting on a play will remain the same, a professional theater has some differences from community or educational theater. The term *professional theater* refers to theater companies that pay their actors. *Community theaters* use volunteer actors; staff may also be volunteers. *Educational theater* is a broad term that refers to theater with an educational or pedagogical focus. It is strongly associated with the Drama in Education movement in South Africa. Professional theaters can be nonprofit, for-profit (or commercial), or public (such as State Theaters).

Although the different types of theaters can be of any size, professional theaters tend to have more personnel than, for example, a community theater, which may make do with a lean management team. The process for mounting a play production, as shown in the bullet list below, is divided into distinct, consecutive phases, with different staffing needs, which are part of the overall responsibility of management to oversee.

- Selection of the play, casting of the characters, and rehearsal (Practice);
- Production (Theater-Making);
- Distribution (Marketing and Publicity);
- Exhibition (Playing to Audiences).

Theater practice promotes division of labor. A process of work is assigned to individuals, and all of them work collectively (collaboratively) toward the achievement of one artistic end: the performance. A collaborative team works best when everyone knows their job and does it in concert with other people also doing theirs. While that may seem obvious, the situation Papingo encountered when he joined The People's Theater is fairly common. That is, lack of clear definition of who does what and too many people trying to do each other's jobs.

The spirit of mounting a production can lead some people to want to be involved in everything. This is especially a problem when management becomes micro-management with a failure to delegate or assign tasks appropriately (to those who are hired to do them).

No matter the size of staff, the functions needed to accomplish all of the above phases should be adequately defined and covered by a sufficient number of staff. At a minimum, the management functions include hiring personnel, agents, lawyers, dealing with unions, and creative talent supervision, as well as efficient management of resources, finances, and time. What is paramount is that cooperation and collaboration are necessary for the realization of a drama company's projects. To accomplish this requires a management team.

THEATER AND THE MANAGEMENT TEAM

Two arms constitute the management of the theater enterprise. The first is the executive arm; the second is the artistic. Both arms are controlled by a Board of Directors or Management Board. The executive arm is led by a Managing Director while the artistic is led by an Artistic Director. Each director will have additional personnel that they supervise. The organization chart in Figure 7.1 gives a graphic picture of the hierarchy of leadership in a typical theater organization. Keep in mind that smaller theater companies will have fewer staff positions and may combine some of the functions listed. For example, a business manager might also do marketing, while the stage manager may also take care of the duties of an electrician, and so on.

Board of Directors. This is the governing body of the organization. The Board is responsible for ensuring the fiscal health of the organization and for adopting needed policies. Incorporated organizations are required by law to have Boards of Directors who are entrusted with the governance of the organization. The Board helps to ensure that the organization survives no matter the departure of managers and other staff or the arrival of new ones. A nonprofit Board will be a volunteer leadership team that gives, at will, its governance expertise. Although its primary function is to see to the financial health of the organization (Bacon and Fiscella 1987, 35–36), other major oversight functions include:

- Long-range and strategic planning;
- Financial management/budgeting;
- Marketing/communications;
- Artistic programming/selections;
- Advocacy;
- Personnel;
- By-laws/legal operations (Celentano and Marshall 1998, 21).

The areas listed above are handled, in the day to day, by staff. The Board, in contrast, has oversight, not as a means of micro-managing, but in order to make sure that the central aims (or mission, goals, and objectives) of the theater are upheld. Their role is primarily

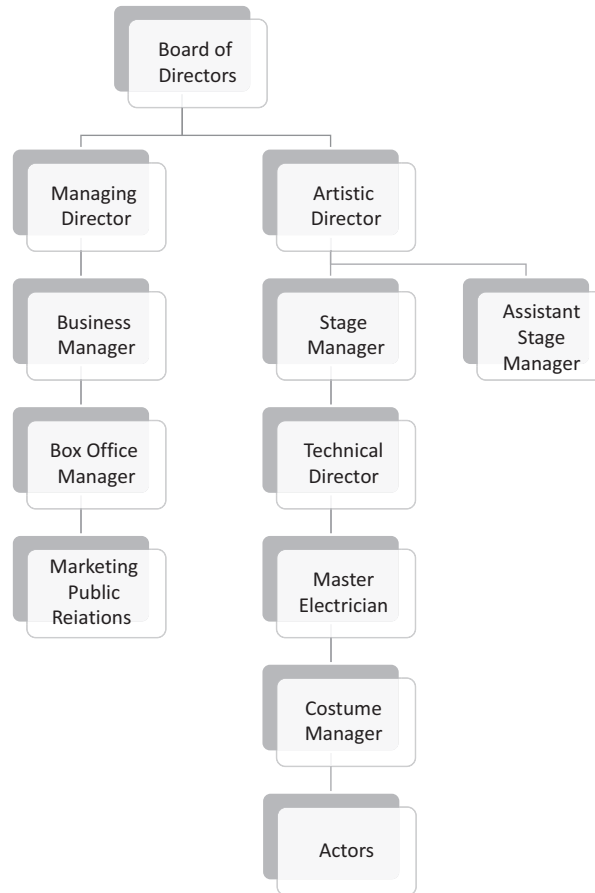


FIGURE 7.1 Theater Organization Chart

to make sure, on a macro level, that the theater company is thriving, while leaving the daily management and artistic aims to management and artistic staff. Nonprofit theater organizations also depend on the Board of Directors to raise or donate money for productions, and the Board makes sure the company's finances are judiciously utilized once received.

Managing Director. The chief executive of the organization or Managing Director is responsible for all administrative matters relating to operating the theater organization. This is the position Papingo occupies. In small theaters, the position may not exist since the Artistic Director, traditionally, can double for this role. However, because many talented artistic directors lack expertise in administrative and finance functions, organizations without a Managing Director should take care to ensure that these functions are adequately handled.

In a big theater company, the Managing Director is in charge of the day-to-day running of the theater. Specific functions include general planning and supervision of programs,

activities, performances, and staff, creating and managing the budget, tracking income and expenditures (by preparing appropriate financial documents), management of other finances including payment of salaries and other bills, publicity and marketing/public relations, and general promotion of the theater enterprise. The Managing Director may also operate as the human resources officer; many theater companies do not have a dedicated staff person serving in this role.

Business Manager. Ideally, the Managing Director is supported by a business manager. This individual handles payroll, staff matters, finances, and other duties assigned by the Managing Director, allowing the Managing Director to perform higher oversight and supervisory functions.

Box Office Manager. The box office is the physical place in a theater where tickets are sold. But the term is also used metaphorically to convey the success or failure of a production. A *box office hit* refers to the success of a production. If the box office fails, the production is a failure in the business sense of the word. In this way, the box office could be said to be the sole determiner of the organization's success or failure. The Box Office Manager controls ticket sales and supervises Front of House staffers, such as the ushers. Depending on the size of the organization and the number of employees, the Box Office Manager may work directly under the Business Manager or the Ticket Office Manager. In either case, box office staff are responsible for all ticket transactions, including good customer service, and for the security of monies taken in.

Regarding customer service, the Box Office Manager and staff may be the first and only staff with whom patrons have direct contact. Their effect on the theater experience, therefore, can be significant and decisive. Patrons' unpleasant experiences with staff can be the deciding factor on whether or not they attend future performances even if they otherwise enjoy a performance. For this reason, box office personnel, and in particular the Box Office Manager, need good interpersonal skills, and should have a clear understanding from their training when they should use their discretion and when they should involve a higher-level manager.

Marketing Manager. It is the responsibility of the Marketing Manager to sell the production to the public. The marketing manager serves as a public relations officer and the person who distributes information to potential audiences. In other words, the manager publicizes the show using whatever means are at her disposal. There are several means of disseminating information about a production—newspaper advertisements, press releases, posters, handbills and flyers, outdoor advertisements, such as billboards, websites, and social media of various kinds, and importantly, word-of-mouth. This latter medium has been proven, consistently, to be the best way to advertise productions and events. Many people suppose that in the digital age, print advertisements are outdated. In fact, there are still significant numbers of people, in all places, who do not regularly use the internet. In addition, promoting a performance in a way that motivates ticket sales and attendance requires using all the means at your disposal, with one method reinforcing the others. A potential audience member who reads about a performance in the newspaper, and later sees something on social media, followed by hearing about it on the radio, and in conversation with friends, has been exposed to multiple opportunities to be interested, and to fulfill the interest by purchasing a ticket.

The Marketing Manager executes a marketing plan that defines the marketing mix—that is the type and number of each of the means for disseminating information. The plan is based on research that considers who the theater company wants to attract and how best to attract them. Marketing Managers look at what has worked before for the organization (more social media ads with just a few print advertisements or the other way around?), and balances that with the amount of money available to spend for promoting the performance. The marketing plan will also define the organization's marketing objectives, such as increased attendance, more diverse audiences, or an increase in income. A single plan, however, can have multiple objectives. The marketing manager works with the business manager and artistic director in order to define the theater's identity, or brand, and considers such things as the design of the artworks to be used in advertising, how to best position the theater company in the media, and may even arrange for publicity and interviews of the artistic staff and actors. A good marketing manager will also have a good relationship with local media, area businesses (who may buy tickets in bulk), local educational institutions, and other arts organizations.

So far, we have focused on the administrative staff. The following section is devoted to the artistic staff.

Artistic Director. The Artistic Director (AD) is in charge of the artistic side of the production. As noted previously, the same individual may also take on the managing director duties in the case of smaller theaters.

Under situations of dual leadership, the Artistic Director takes care of the artistic vision, concept, and practical execution of the artistic aspects of the theater company in close working partnership with the Managing Director. Balance is important. While the job of the Managing Director is to support the artistic vision of the Artistic Director, the company isn't served by an artistic vision that is so costly it undermines the organization. In fact, it is in the interest of the Artistic Director to gain buy-in from the management staff and Board of Directors. A successful company, after all, is one in which neither management concerns nor artistic direction overshadow the other.

As part of this vision, the Artistic Director decides which plays will be performed each season and may even commission plays directly from playwrights. The AD may also take on the task of directing individual plays in the season lineup.

On the very practical side, the AD creates and delivers on a defined plan of action for a theater season and individual productions. The AD must commit to seeing each production through from inception to opening night. Although the primary responsibility of the AD is on the delivery of the dramatic performances put on by the theater, it is not unusual to weigh in on other matters, such as marketing and branding, fundraising events, grant applications, and donor solicitation since these are all integrated into the overall success of productions and the organization.

Stage Manager. The Stage Manager (SM) is the right-hand person to the Artistic Director, responsible for coordination across creative and technical aspects of a production. In that way, the SM is a master organizer and expert communicator, serving as the bridge between the Artistic Director and the administrative staff (who work under the Managing Director). The SM also serves as a conduit between the artists, design team, and director of a play. Order is maintained, during rehearsals and production, by the SM. The role is so important that in a professional theater, the SM takes ownership of

the production right from the opening night to the end of the production. In contrast, the director's job officially comes to an end on opening night. The primary assignment of the SM is to take charge of the rehearsal process and, in consultation with the director, to produce the rehearsal schedule and calls for rehearsals. The SM makes sure the set builders provide the built set where the play's action takes place, and that it not only facilitates the movement of the actors in a performance but that they can operate in it safely.

During rehearsals, the director's blockings, movements, and sound and light cues are documented by the Stage Manager; exits and entrances are also managed by the SM, who keeps the *production/prompt book*. The prompt book is a notebook where cues, blockings, directives, movements, and specific actions, given by the director, to the actors, are recorded by the SM. It serves as a notepad for the SM to remind actors what is expected of them at a given moment during the rehearsals and performance (note, however, that these cues and notes should also be written into the script for the show so that actors can consult it directly).

Sometimes, especially in a big production, it is necessary to appoint an Assistant Stage Manager (ASM) under the SM. In these cases, the ASM is in charge of what happens backstage during a performance while the SM calls the show. During the performance, the ASM will keep track of the performance, literally, behind the scenes, and is in communication to alert the SM in case of problems. In the period running up to a performance, the ASM makes it possible for multiple functions to happen at the same time. For example, the SM runs the main rehearsal, while the ASM works with the choreographer, runs lines with performers off stage, or stands in for performers who are absent from the rehearsal. The ASM takes over in case the SM is absent.

Technical Director. Working closely with the design team, the Technical Director (TD) serves as the production's technologist. The TD supervises the scenic design including light and sound effects and also assists guest designers with technical matters. Set construction is supervised by the technical director.

If a production requires music composition, the TD is expected to rise to the occasion, either by providing one of the TD's own compositions or from some other composer (which then may require copyright permission or licensing fees). The TD also advises on technical specifications, costs, and uses of technical equipment, and assists in recruiting, training, and supervising other technical staff.

Master Electrician. The lighting design of a production is the responsibility of the Master Electrician (ME) who works with a lighting designer. The lighting plot could be likened to an architectural blueprint. It lays out, in detail, the type of lights that will be used to illuminate the stage, and the play action, where lights will be placed, and any additional notes that might be needed by the director relating to the lighting design.

Costume Manager. Costume plays an important role in a production and many companies rely on the costume manager to procure costumes for the production. This can be done through outright purchases or rentals. Some theater companies may also make their own costumes. In some cases, actors may wear their own clothing, but the selection of clothing will still be under the Costume Manager's supervision. Cleaning costumes and safekeeping are also the functions of the Costume Manager. In order to make sure that the costumes are appropriate for the particular play production, the Costume

Manager will work closely with a Costume Designer (if the theater is of sufficient size and budget to support one). Period plays (set in a historical time period) or plays that use traditional costumes of a particular culture may require research in order to ensure authenticity.

The above list of roles is intended to lay out the various functions that running a theater requires, including some of the typical tasks and responsibilities for each. Smaller theaters, as already noted, may combine roles. A Costume Manager may also be the Costume Designer. Or budgeting may only allow for hiring a Stage Manager who will perform all related functions without the help of an Assistant Stage Manager. Larger theaters, in contrast, may have many more administrative and artistic staff than are listed here.

Papingo's aim is to have sufficient, qualified administrative staff so he does not have to rely on the artistic staff to fill in administrative roles. He also prefers that the Artistic Director devotes time to the artistic vision and development of the theater, and so makes sure that there is adequate administrative support for this purpose. Although the finances of the organization are not optimal, he nevertheless knows that investing in staff will stimulate the success he's looking for. Specifically, stable administrative functions will support the artistic aspirations of the organization and make it more likely that they will be able to achieve them. At the same time, artistic excellence makes it more likely that people will attend the plays and that donors and granting agencies will provide funding. The next section looks at what it takes to mount a successful play production.

A COMMITMENT TO COLLABORATION

Although it is generally agreed that all creativity is collaborative, "because all creative work draws on a multiplicity of sources [and] contributors" (Bickerstaff 2011, 1), theater is particularly so. Roznowski and Domer see collaboration in theater production as "a handshaking group of individuals promising not to tread on one another's toes" (2009, 2), acknowledging that the term is often seen in a negative light; collaboration is too often difficult, emotional, and unsuccessful (Ibid). Cohen points out that collaborate is a compound meaning literally, "co labor" (2011, 11). At the same time, a standard, dictionary definition of collaboration is "to assist an enemy" (Merriam Webster 2020, Feb. 12). Brown and Wiese are damning in their assessment of collaboration in theater stating, "that the creative potential for theatre suffers from this lack of direct actor/designer collaboration" (2016, 92). Commenting on the dynamics that occur just among design staff, Roznowski and Domer highlight the way that, "distinct differences ... can lead to frustration, miscommunication, disrespect, and a theater full of bruised egos" (2009, 4). "Working under ... pressure can make people short-tempered and impatient and can sometimes lead them to behave unprofessionally" (Bonds, Cominis, and Ramont 2021, 9). Allowing that many people refer to theater as "the collaborative art" Brown and Wiese note that "the standard production process contains numerous obstacles to collaboration, especially its hierarchical structure, time constraints, and specialized roles" (Ibid, 91, 92). Elaborating on this point, they add

in a typical production process (aside from a few initial meetings for design presentations) the two relatively separate worlds of acting and design rarely meet in the same space. Although the director and stage manager bridge these worlds, the standard process engenders little-to-no actor/designer collaboration, and even limits opportunities for designer/designer collaboration. Additionally, in order to provide shops the necessary lead-time to construct sets and design costumes, production meetings and design deadlines normally occur before rehearsals begin. Due to this limitation, designers must rely solely upon their research skills to respond to the text; they have few opportunities to react to live bodies moving and speaking in space. Actors also often lack time for character physicality and language to settle deeply into their bodies and may resort to early choices as a result of opening-night anxiety. Finally, directors approve the visual language of the play's world before they have the opportunity to make discoveries with actors and designers during rehearsals.

(92)

While the evidence appears dim, even in its most adverse connotation, collaboration still conveys the idea of working together in unity. Even in the best of circumstances, however, working together with a group of diverse individuals is likely to produce periodic dissension and strain. At the same time, it is an essential ingredient of theater, which when successful “usually ends up richer than what you started with” (Sondhiem, qtd. in Bonds, Cominis & Ramont 2022, 1). The payoff for collaboration is tremendous:

The ultimate goal of collaboration in the theatre is to provide space for *everyone* to be able to bring their best work to a given production so we can collectively provide the most impactful experience for ... audiences—who, it must be argued, are [the] most important collaborators. When we succeed, we have built a community, a chosen family that shares a common bond and a common philosophy drive by the story of the playwright with the potential to change the world.

(*Ibid*)

In contrast, failure to work together, lack of professionalism, and poor work ethic not only impact a production, but can have consequences for individual members of a creative team, as described by theater scholar Robert Cohen. Any

director, designer, actor [or other team member], who is described by other colleagues as ... argumentative, sullen, unhelpful, distant, selfish-minded, crude, impolite, unappreciative, pouty, arrogant, or overly self-absorbed will ... have trouble getting rehired for the next show or following season. Such persons may even fail to receive good reports when other theatre companies call to check their references.

(2011, 11–12)

The key to collaboration is not simply good communication, but also anticipating what might go awry in order to establish preventive responses before they occur. Although

it is everyone's individual responsibility to ensure good collaboration, there is an added responsibility on management to make sure that the work environment is one that contributes to this goal. Roznowski and Domer provide a set of bullet points (partially presented below) that describe what positive collaboration entails:

- It is the free-flowing exchange of ideas without ego or resentment;
- It is the moment when ONE idea becomes a group's rather than an individual's;
- It is an idea that enhances the production rather than an individual area;
- It is the scrapping of superficial politeness for genuine artistic discovery;
- It is the moment when you have created something special;
- It is the moment of epiphany when the production becomes cohesive (2009, 12).

Because he aims at positive collaboration for the health and longevity of the theater company, Papingo has gathered a set of practices, from various sources, that he believes will emphasize healthy and productive collaboration.

- A good first principle is to make sure who you are working with. Checking references is a good way to find out if a person (no matter experience and talent) is one who will fit well with the existing team.
- Establish a clear chain of command. Papingo has already gone quite a way in doing this by creating job descriptions and an organization chart. Once established, Papingo and the Artistic Director must reinforce it. When someone breaks the chain of command, they are reminded to kindly go back to their direct supervisor and start over. If the problem isn't solved at the local level, then Papingo and Amir (and perhaps both of them) can get involved.
- A clear, unified vision of what the theater company wants to achieve artistically and administratively. Papingo can convey this with a set of well-articulated goals, concrete objectives, and a process for adhering to and achieving them.
- Inclusivity so that all members of the team feel they belong and have equal value in the process. Inclusivity includes:
 - Respect for all members of the team and the ideas they put forward.
 - Valuing multiple points of view. Realize (as quoted from Sondheim earlier in this chapter) that a collaborative process is more enriching and will lead to something better than the isolated vision of just one person.
 - Trust in the members of the team. They were hired because Papingo and his AD believed they could accomplish the job.
- Maintaining separation, where needed. Each person should be responsible for their area of expertise and not others. That doesn't mean ignoring when someone isn't doing their job. Instead, following the other points of advice given above, Papingo should encourage trust, a chain of command, and a unified vision so that everyone knows the job to be done, who to talk to if it isn't being done, and trusting that, otherwise, they will do what they have been assigned to do.

- Open communication. No one should be afraid to speak up and be heard (as long as it is done professionally). One of the worst things that can happen is that team members watch a production derail simply because they are reluctant to point out the problems, either for fear of retaliation from the administration or of being ostracized by other members of the team. A successful production is everyone's success as much as a failure also belongs to everyone.
- Willingness to admit that you're wrong. Papingo realizes that his own professional vulnerability will encourage others to follow suit. Giving credit to others when it is due, taking the blame when he is wrong, and being willing to admit it aloud are ways to encourage a high level of professional and collaborative behavior from everyone on his team.

With these principles in mind, Papingo can look forward to more productive planning of The People's Theater productions.

ELEMENTS OF THEATER PRODUCTION

For a successful theater production, the two arms (executive and artistic) discussed earlier must work seamlessly together to achieve a unified outcome. Here, *collaboration* is essential. If the two work at cross-purposes, the production will be doomed to failure. In planning for a production, the following elements should be considered:

- Strategic planning;
- Budget;
- Financing the production;
- Recruiting the production team;
- Legal matters and unions;
- Artistic schedule—auditions and rehearsal schedule;
- Marketing and publicity;
- Accounting.

Strategic Planning

“The new theater season is here with us again,” a theater manager may muse wondering how he managed to make it through the last one. Papingo's aim for The People's Theater is to do enough advance planning so that no one in the organization is taken by surprise. The roadmap analogy applies well; just like a traveler needs a map, and a plan to arrive at a planned destination, so the management side of a theater organization needs written, well-conceptualized plans that operate as a detailed road map for success.

The choice of play for performance may be determined by the mission of the theater and the vision of the Artistic Director. The goal or objectives (improved management processes, artistic quality improvement, recruitment of better actors, or audience attraction) of the theater company must be outlined, the timeline set, action steps identified, and people responsible for each task designated for the specific tasks. Whether planning the artistic aspects of a play or the administrative functions required to support it, the fact of the matter is that planning is essential to success. The formula for good planning is really rather easy. Papingo is partial to a planning process suggested by Celentano and Marshall (1998) outlined in Table 7.1, which is simply a list of questions that stimulates the kind of thinking (and answers) that planning requires. The generic process shown can be adapted to any situation, whether on the management side or the artistic side of the organization. The underlying principle is the same, and the listed questions can be modified to suit a particular context or need. For example, Papingo's immediate goal is to acquire more administrative staff. To this end, he uses the list of questions, adding some of his own, and a set of concrete responses. He feels that by writing out his thoughts, he has a better command of the strategic process, and can better share his ideas with others, or ask them to add their own suggestions to be considered. Papingo's questions and comments are shown as bullet points added to an adaptation of Celentano and Marshall's basic outline (1998, 55) shown in Table 7.1.

Strategic planning could be thought of as macro-level planning used to address particular aims, as the example shown above illustrates. But it isn't the only kind of planning needed. The next sections of this chapter address the remaining elements of theater production seen as management functions.

BUDGET

The budget involves costing the production. While a theater company's budget may include capital and operational costs, for the purpose of this chapter, the concentration is on budgeting for a single production (the production budget). Like in the film industry, theater budgeting involves above-the-line (production-related costs) and below-the-line (artistic-related costs) processes. Note that separate budgets should be prepared for separate productions. One can think of the budget as a step-by-step inventory of the financial requirements for a production. The budget is the financial plan to determine the production's overall feasibility.

Ideally, budgeting is a participatory activity; all the production departments are expected to submit budgets relating to their individual environments, which then contribute to the central production budget. The budget should never be cut in stone; there should be room for flexibility since things may change from the time the budget is set to the moment of implementation. It is usually a process that involves constant reviews—additions and deletions, as the various production activities unfold. Importantly, the budget should be something that everyone involved can understand. There is no need for a complex document unfathomable to the layperson.

The nature and size of the theater company determine the precise categories to include in the budget. The list below shows the typical cost items for a theater production.

TABLE 7.1 Planning Process

Research the feasibility of the goal. Has my organization (or others similar) tried to reach this goal before? Were they successful? Why/Why not?

- *My goal is to hire new management staff. The People's Theater has not previously set this as a goal because it has not seen a need for staff trained in this area. My research into successful theaters in our area, and other cities, shows that qualified management personnel can make a significant contribution to financial health, thus ensuring that the artistic side of the theater is well-supported.*

Brainstorm the possible tasks needed to reach the goal. If I had all of the resources that I needed (and then some), what would I need to do to reach this goal?

- *Even with adequate funds to hire new staff, I will still have to convince the Board (and possibly others) that it is feasible—and imperative—to find qualified administrative staff. A written proposal, with a budget, showing how the needed revenue can be secured will also help me convince the Board.*

Decide if any of the tasks can be accomplished with your given resources. How does the overall list of tasks compare to my current resources?

- *Current revenues will only allow me to hire one new staff person. Given my time resources, I can also only devote time to training one person. However, once hired and trained, the added help on the management side means I will be able to devote more time to fundraising, grant writing, and marketing, thus increasing overall revenues that will allow me to hire more staff in the future.*

Select the most efficient and cost-effective tasks that will meet the goal. Ask the question: Do I know anyone or any agency that can provide me with additional resources/insight to help me reach this goal? How can I maximize my effort while minimizing my input?

- *I can approach current donors and explain the need for hiring new staff. Since they already support the organization, they may be open to providing funds dedicated to this purpose. There are also several available grants I can apply for that are specifically for organizational needs, like staff salaries. The grant won't solve the long-term staffing needs but can be a bridge in order to get staff hired, who can then work on ways to secure additional, increased revenues in the future. Meeting with the granting agencies to better understand their requirements will maximize my ability to write a successful grant application.*

Break the tasks down into a timeline, planning as far as five years out, down to a weekly calendar. How can I put these tasks on my (and others') calendar(s)?

- *By planning five years out, I will have a clear picture of how I can grow the administrative side of the organization over time, hiring additional staff, as needed while increasing revenues to support the larger management staff. By breaking down the various tasks into a weekly calendar, I will have a set of small steps that lead to the larger goal. I can also share the timeline with the Board of Directors to get their buy-in.*

Accomplish the tasks by meeting your self-imposed deadlines, one week at a time. How can I stay motivated? (Compare your dream to progress.)

- *My biggest motivation will be improved management at The People's Theater as a result of hiring a new staff person, and putting my plan into action—increasing revenues, stabilizing the organization, growing the management staff to an appropriate level, and contributing, through good management, to the artistic output of the organization.*

Administrative Expenses

- Utilities;
- Facility space rental (only if the theater does not own its own performance and rehearsal space);
- Legal and licensing fees;
- Insurance;
- Postage;
- Taxes;
- Union payments/fees;
- Opening-night entertainment;
- Ten percent contingency (10 percent added to the overall cost to allow for unanticipated cost overruns)

Technical Requirements

- Set construction;
- Props (scenery and furniture used in the play);
- Sound;
- Costume and make-up;
- Laundry and dry cleaning of costumes;
- Labor cost for technical;
- Ten percent contingency.

Logistics

- Production rights (the cost to license the play being performed);
- Script production;
- Travel;
- Auditions;
- Rehearsal expenses;
- Accommodation;
- Ten percent contingency.

Production Staff Salaries/Fees

- Technical Director;
- Stage Manager;
- Assistant Stage Manager;
- Publicity staff;
- Press agent expenses;
- Press conference;
- Publicity/advertising—print media;
- Telemarketing;
- Website development;
- Photographs and signage;
- Program;

- Production crew;
- Ten percent contingency.

Artistic Staff Fees

- Director's fee;
- Actors' fee (major roles);
- Actors' fee (minor roles);
- Scene Designer;
- Costume Designer;
- Make-up Designer and Artists;
- Lighting Designer;
- Sound Engineer and Designer;
- Casting Director;
- Wardrobe Supervisor;
- Ten percent contingency.

Budgeting should not be a haphazard affair. It should involve deep thinking, reflection, and refining. The costs attached to each item should follow proper research, not guesswork or rough estimates. For example, the budget may be drawn up before the director is hired and, in this regard, it is wise to consult the Directors' Union on fees charged as per the season. Quotes should be requested from print media in order to determine how much money to allocate for this category in the budget. Shortfalls would be taken care of by the contingency, incidental expenditure shown in the list above. Adding 10 percent contingency to each category will minimize cost overruns due to unforeseen situations.

An excerpt showing the expense side of the budget for Technical requirements of a small production is shown in Table 7.2. The same principle applies to other production units in creating their own budgets.

THE PEOPLE'S THEATER: SET DESIGN BUDGET

Note, in the example, that the 10 percent contingency is added to the total Technical requirements cost and rounded up to come up with the Technical requirements subtotal. This subtotal will be added to the cost requirements for the whole production. Typically, each unit is responsible for supplying its part of the budget and will negotiate with the Managing Director if changes are needed, for example, if the costs are too high for the organization's or the production's capacity.

FINANCING THE PRODUCTION

Now that the cost side of the production has been drawn up, what remains of the budgeting process is to determine where the money will come from to cover the costs. The budget can be thought of as the plan for where the money will come from. Clearly,

TABLE 7.2 Sample Set Design Budget

<i>Item</i>	<i>Number</i>	<i>Cost</i>	<i>Total</i>
Set construction	1	5,000	5,000
Furniture	9	20	180
Scenery	2	301	602
Props	12	42	504
Lighting	—	420	420
Sound	—	212	212
Costume and make-up	—	560	560
Laundry and dry cleaning	—	170	170
Ten percent contingency	—	—	764.80
Technical requirements subtotal			8,413.00

getting the money—raising the funds—is another matter. Fundraising for a theater production can be tricky and requires a lot of creativity, as well as the participation of everyone in the organization. Failure to secure the funds to finance the production means the production won't happen.

Board members are often a source of contributed money to augment donations and grants. Ticket sales will bring in additional money, but too often not enough to cover all the costs. Other ways to secure funds can include a combination of the following: bank loans, loans from friends of the theater company (individuals who are invested in its success), product placement, sponsorships, endorsements, sales of shares, sales of products associated with the production, sales of ads (that can be inserted into the programs distributed during the play), and memberships to name just a few. There may be reputable investors who will contribute to a production with the hope of making a profit (in the case of a for-profit theater company). Other individuals may invest (or donate) in the hope of getting tax relief from government. Still others will donate as a way to ensure that theater exists, for themselves, and their community.

The particular means used to raise funds will depend a great deal on laws and regulations in the country, state, or town in which the theater company is located. The important point is that relying on ticket sales alone is unlikely to be enough. That's where creativity comes in. Part of Papingo's job (a big part) is to find reliable and sustainable income sources so that the theater company can thrive. Fundraising is ongoing. There is not a point where Papingo can sit back and say, "job done." If the company plans to put on plays season after season, it will always need additional funds, beyond ticket sales, to support productions. Assuming that this part of Papingo's job goes well, we can turn to recruiting, hiring, planning, and scheduling, which are addressed in the next section.

PRODUCTION PLANNING AND SCHEDULING

Schedules deal with: When? What? Who? Knowing what needs to be done, when it must be completed, and by whom, won't guarantee success, but will make it more likely than operating without a plan. When a play has been chosen for production and a director has been appointed, what follows is recruiting of actors and scheduling of rehearsals. Once a budget has been drawn and the finances secured (but before rehearsals begin), it is imperative to have a production schedule and a detailed calendar of everything that needs to happen in advance of the curtain rising on the opening of the performance. In fact, a useful way to create a production schedule, for those who have never done so, is to begin with the opening of the play and work backward. In other words, if the first lines of the play are being spoken on March 15 at 8 pm, what needs to be in place at 7 pm, at 4 pm, 2 pm, or on March 14, March 13, and so on? The process is particularly helpful in deciding when the production process should start. Usually, it's much sooner than one might think.

The more detailed the plan, the better. Although, like the budget, discussed earlier, nothing is cut in stone. The plan should be robust enough to provide a secure guide (the people involved shouldn't have to guess at or wonder what needs to be done), but flexible enough to anticipate the unexpected. And, just as every department was involved in the budgeting process, everyone should be involved in planning as well. Assigning duties from top management without consulting the people who will carry them out (using an autocratic leadership style, for example) can cause resentment among both management and artistic staff; it is unlikely to encourage the kind of buy-in and teamwork needed to carry off a theater production.

A key to good planning is to envision tasks in terms of the amount of time they will take to complete. For example, how much time will the costume designers need to design the costumes? How much time to make them (or purchase, or rent them)? How much time will it take to hire the actors? To rehearse them? And so on. Experienced staff will already have a sense of how long these things will take. But Papingo thinks it is wise to add in extra time for contingencies (just as he did with the budget). The various production areas should each have their own timeline, which together create a central timeline for the production as a whole.

The schedule should, at minimum, include:

- Initial concept meeting where the director presents the artistic vision;
- Initial production meeting during which deadlines are set and designers discuss their initial ideas;
- Subsequent production meetings for finalizing designs and addressing issues that may have come up (the number and timing should be decided by the production team);
- Ordering and purchasing materials;
- Auditions and casting;
- Rehearsals;
- Design run through where sound and lighting designers attend a rehearsal in order to create their plots;
- Implementing and testing the lighting and sound designs.

A well-laid-out schedule, however, is no good without the team to carry it out.

Recruiting the Production Team

The various management and artistic staff members needed for a theater company are outlined earlier in this chapter. Recruiting the right people for the job is not just a matter of defining their roles. The quality of the personnel hired, of course, will affect the end product (the play performance), but securing quality staff is largely a function of the funds available to pay them. This is yet another way that the financial and the artistic sides of the theater are integrated. The collaborative nature of the theater means that individuals should not only be talented in their jobs, but they should also be able to work as a team.

On the purely practical side, the more experience that a house manager, stage manager, and other staff have, the more they will command in salary. Salary rates have to be weighed against the capacity of the theater company to generate revenues to support those salaries. Papingo also has to decide if he will rely on full-time staff for the various positions or if he will hire individuals on a per-production basis. There is no single deciding factor. Having permanent, full-time staff means that Papingo can rely on having people in place who are already committed to the organization and who are familiar with the organizational environment. But it also means paying monthly salaries (plus any employee benefits) that are not specifically tied to particular productions as well. Hiring temporary staff for particular productions risks not finding qualified people but can ease the financial burden of ongoing salaries. Naturally, job descriptions are essential, and should reflect the realities of the organization. Job descriptions form the basis for job advertisements, which are publicly advertised.

In addition to production staff, a play needs actors. As Managing Director, Papingo won't have a hand in *casting*, but plays a supporting role on the administrative side to support the aims of the Artistic Director and the director of each specific play. Casting is the process of choosing the right persons (the cast) for the different roles required in a play. This comes after the director has studied the play extensively, distilling all the important information needed to realize his/her task as director. Auditions are a painful activity for the director. The director's duty as transcriber, transposer, and interpreter (Antoine 1973) can only be realized through the commitment and dedication of good actors. This is a time of anxiety for both the director and the actors. For the director in particular, the choices made have an impact on the success or failure of the production.

Auditions are a time-consuming exercise and there are many approaches. Sometimes, a casting director is appointed to carry out this exercise in the presence or absence of the play director. Below are the different methods available to the director in the selection of a potential creative force for the production.

- *Open Calls* is a transparent method of casting where announcements are made through the local actors' union, which disseminates information to the members. Criteria for the roles are set out and prescribed monologues are made available to the individuals for auditioning. Interested actors may be asked to make appointments. In some cases, walk-ins are also acceptable. This latter type of auditioning reduces discrimination, especially the preferential treatment often given to established actors against newcomers.

- *Typcasting* is done through audition by invitation. This is done in a situation where the director already knows the capabilities of a certain actor and is convinced that the actor will deliver on demand. In many circumstances these may be actors the director has worked with in previous productions, thereby offering the advantage of familiarity with a particular actor's work.
- *Cattle Calls* is an auditioning method where actors' organizations organize sessions for members to showcase their talents through the delivery of monologues in specialized venues to theater agents or representatives. Good performers are selected, and their names and contacts are kept on record for future reference. This auditioning process assists actors in killing two birds with one stone because the once-off auditioning can create more than one job for the actor.
- *Callbacks* involve more than one round of auditioning. In this situation, many actors are invited and shortlisting is done later. The shortlisted candidates are then invited for another round of auditioning. Actors may be continuously called back until the best are selected.
- *Cold Reading* is another auditioning method where actors are assigned certain portions of a script to be read aloud. This helps the director to suit the physical size of the actor to the person auditioning.
- *Memorized Audition*. In this situation, actors are invited to deliver memorized lines from an earlier play they had performed. The essence is to gauge how experienced and skillful the actor is as opposed to the cold reading type.

Once actors and administrative staff have been selected, work contracts are signed and licenses for individual plays and music are sought.

LEGAL MATTERS: CONTRACTS AND UNIONS

Whether nonprofit, commercial, or public, a theater organization is governed in its activities by applicable laws and regulations, which may include employment, health and safety, sales, licensing, and contracts. Legal areas that most concern live productions are contracts with performers and directors, and the necessary licenses for the plays produced, and any accompanying music played during a performance. To negotiate these areas successfully, theater managers should be familiar with trade unions whose purpose is to protect the interests of their members: actors, designers, playwrights, directors, choreographers, and musicians.

Unions operate through *collective bargaining* to secure the employee rights of theater professionals, including safe working conditions, fair and reasonable pay, and other employee rights. Collective bargaining is the term for the negotiations of a union on behalf of its members with employers. They operate on the principle that by uniting their interests and bargaining power, they are more likely to protect their interests than if individuals had to bargain on their own. Unions have documented (and negotiated) rules and regulations regarding employment, fees, charges, job descriptions, fees and charges, and many other matters such as how theater professionals are credited for performances,

the number of rehearsals that can be required, the number and duration of work breaks, press coverage, and more. The primary function of the trade union is to make sure that theater companies, as employers, do not exploit union members. Attorneys are often involved on both sides, that is, the theater company and the union. Unions also typically offer legal assistance to members who are treated unfairly in their theater jobs and, although specifics may vary by union, and by the country they are located in, members may also be able secure health insurance, career education, professional development, and retirement benefits.

Because these are matters that trade unions typically negotiate industry-wide, theaters (and their management team) should contact unions directly for information on required pay minimums and mandatory elements of contracts. Theaters, however, can pay beyond the minimum, and individual actors, directors, and other theater professionals can negotiate for higher wages and benefits. At the same time, union members agree not to accept work at lower pay than the minimum set by their union because it would otherwise undercut other professionals who depend on being able to make the minimum. This practice avoids driving down wages for actors and other theater professionals.

In most countries, unions are a *sine qua non* in contemporary theater production. A short list of trade unions from around the world for actors, directors, and other theater professionals is provided below:

- American Federation of Musicians (AFM);
- Actors Equity Association;
- Directors Guild of America (DGA);
- Equity (actors and artists trade union in the United Kingdom);
- International Alliance of Theatrical Stage Employees (IATSE);
- International Federation of Actors, Europe;
- South African Guild of Actors (SAGA);
- Stage Directors and Choreographers Society (SDC);
- Stage Directors UK, United Kingdom;
- Japan Actors Union.

As a first step in finding and contracting with union theater professionals, Papingo can consult the websites of trade unions operating in his area for the particular theater professionals he wants to hire—actors, stage managers, directors, choreographers, and so on. Although contracts are made between the theater company and an individual theater professional, the union can provide guidelines, contract templates, and other resources. In the case of professionals represented by agents, union rules still apply, but Papingo will negotiate with the agent instead of the individual theater professional.

Other important legal matters include copyright and licensing. Copyright confers rights of ownership over intellectual property—a play, music, choreography, set design, or other original creative work. Copyright is granted automatically at the time of publication or public performance, but to ensure protection, the creator may opt to register the copyright formally. Doing so can discourage unauthorized use of a creative work. Authorization is typically granted through a licensing process. In order for plays to be performed, the theater must apply for, and be granted a license, and will typically pay a fee. If the license

is refused, the theater cannot legally perform it. Because gaining the license takes time (usually one to three months), Papingo should start the process as soon as the artistic team decides on a play. Permission should be in writing in order to show proof (in case of dispute) that the rights to perform the play have been granted. To obtain the rights, Papingo should first determine who owns them. Typically, this will be a play publisher who is a middleman between the theater and the author of the play. Papingo will then contact the company to find out if the play is available for production. If he determines it is, he will need to supply the publishing house with the following information:

- Title of the play the theater wants to perform;
- Name of the producing organization;
- Place where the performance will occur (name of the theater and where it is located);
- Seating capacity of the theater;
- Ticket prices;
- Whether the theater is for-profit or nonprofit;
- Date of the performance;
- Whether the production will include union actors or not.

The publishing house will respond to Papingo with a quote for the royalty fee that the theater must pay. The fee does not include the play scripts, which must be purchased (and not simply photocopied).

Once the audition phase is complete, actors, directors, and other personnel are selected, and contracts signed, it is time to focus on rehearsals and the preparation for performance.

Rehearsal

Preparations for the production of a play for consumption by an audience entail extensive rehearsal periods. More than just a time to practice and memorize lines, it involves ensemble work in order to explore different ways of achieving the goals of the production. It is a journey toward discovery of the vision through collaborative participation. The work to be done includes table reading, walking with the lines, blocking, characterization, gesture and communication, voice and speech, movement and intention, line delivery, body posturing, facial expressions, stage geography, props, set, costumes, light, memorization, and the like. Rehearsals also include technical and production staff concerned with the rhythm, flow, and creation of special effects, so it must include technical rehearsal, costume rehearsal, on-set rehearsal, dry run, and final dress rehearsal. These are all preparations and countdowns to opening night. It is the period for creative packaging of the play. The management aspects of the rehearsal include creating and distributing the rehearsal schedule (which lets everyone know who should be present, what will be covered, where it will take place, and what time to be there), setting and managing rest and meal breaks, recording blocking notes, distributing script changes, ensuring the safety of the cast, and coordinating rehearsal dates and times with production meetings. While rehearsals are underway, the rest of the theater company isn't idle. In order to make sure there is an audience for the performance, Papingo will put marketing and publicity in motion.

MARKETING AND PUBLICITY

In its search for audiences and patrons, the theater finds itself in a competitive situation. Like many other products that are on sale in the market, a theater needs publicity about its products. Publicity is achieved through proper marketing which involves the activities pursued by an organization in order to attract the attention of customers. In theater, there is a dire need for competitive marketing and publicity strategies. These involve both traditional and modern methods of advertising. While the traditional may rely on news about a production through words of mouth, posters, and banners, the modern method is multi-dimensional: broadcasting media (radio and television), print media (newspapers and periodicals), websites, advertising, billboards and signage, feature stories, direct mail (post and electronic), brochures, and telemarketing (devoted channels on television). These publicity outlets cost money and they must be properly researched, planned, and executed to achieve the desired effect. A marketing plan is a minimum necessity in the publicity process for theater production. Papingo should make a record of marketing and publicity successes and failures in order to use the information for future planning.

POST-PERFORMANCE: ACCOUNTING FOR SUCCESS

Theater business is not and should not be an ad hoc thing. For the robust existence of a theater company, an accurate system of financial record-keeping is necessary. Records of income and expenditure must be kept. Ticket sales must be properly documented, and monies realized from ticket sales recorded. Papingo lacks formal training as an accountant, but he knows the importance of good record-keeping (and in fact, has hired a qualified accountant as part of the administrative team). Accounting is the formal documentation of financial data as they relate to any business, and which will help Papingo determine if there is sufficient revenue for success or a deficit, requiring action, after expenditures and income have been tallied. Perhaps the most important point for Papingo is that financial success is cumulative. Breaking even or earning excess revenues means that the next production can go forward as planned, with less stress and anxiety than if a production lost money. The more success there is, financially, the more likely that the theater will be able to sustain itself and its creative productions. The link between the administrative and artistic side is a strong one, which depends, as this chapter has explained, on the participation of every member of the theater as a collaborative team.

ETHICAL ISSUES IN THEATER MANAGEMENT

The collaborative nature of theater means that it depends on everyone having the integrity to do their part to support the whole. One person's failure to show up, to be prepared, to respect others' contributions, or work toward a defined, common goal is enough to negate

all the positive contributions, combined. Sometimes considered as part of professional behavior and commitment, there are also ethical implications in terms of the everyday behavior, of each individual, in the theater company that should not be underestimated. On a larger level, it is up to the theater company (through the management team) to set the tone for both professional and ethical behavior. Writing on the topic of ethical practices in professional organizations, Jagiello (2002) identifies key professional values:

- Integrity: practicing the profession with high levels of honesty, integrity, and fairness;
- Legality: respecting individuals' rights and obeying all laws;
- Proficiency: maintaining and improving professional competence;
- Professional loyalty: Supporting the professional and not misusing professional affiliations for personal or business gain;
- Confidentiality: respecting the confidentiality of privileged information.

To these might be added a few theater-specific rules such as:

- Respect for artistic collaboration and teamwork;
- Refrain from negativity or discrediting of own company's productions;
- Uphold artistic freedom;
- No matter the mishap, the show must go on!

THE FUTURE OF THEATER

With technological advancements, theater has seemed increasingly threatened as television, film, gaming, and the internet have become alternative means of dominating the entertainment scene. Theater is hardly necessary to life so may often score low on the utility scale. Factors such as the proliferation of production companies, increasing lack of leisure time, changing consumer tastes, the changing roles expressed in theater organizations' missions, and government censorship and other political realities, as well as the many social and environmental developments defining new realities, have had a noticeable impact. Experiences stemming from the COVID-19 pandemic provide beneficial lessons. Predictions were that the performing arts would suffer extensively during and after the lockdown. Fortunately, musicians and theater practitioners devised other means to keep their craft alive. Online (virtual) productions, which existed even before the pandemic, proliferated beginning in 2020. Is there still a need for management if productions move wholly online? No doubt there is. As this chapter has shown, the administrative (and money) management side of theater is indispensable. While some costs may go down, or be eliminated entirely with technology, there will still be costs, a need for organization, coordination, and collaboration. We foresee an exciting future when directors will be able to put together productions with casts scattered all over the world for the entertainment, education, intellectual stimulation, and delight of audiences just as scattered and diverse. No matter what theater becomes in the future, core principles of theater management will retain their relevance.

SCENARIO DENOUEMENT

Papingo's ultimatum to Akunna worked. Akunna announced to the company with the full support of the Board of Directors that Papingo would be the new (interim) Managing Director of The People's Theater. Relying, in part, on his existing knowledge, Papingo immediately set about to learn everything he could about the management side of theater enterprises. He called on friends and acquaintances for advice, took every workshop he could fit into his schedule, and sought out helpful books, websites, and other written resources to help him along the way.

He created an organizational chart, job descriptions, and met with staff, both individually and in groups to get their buy-in. He made it clear that individuals would be held to their job descriptions, and where they lacked skills, he would assist them in finding professional development opportunities. In some cases, staff opted to leave, opening an opportunity to hire people with the specific skills he needed, which was a tremendous asset to Papingo since he could put his democratic leadership style into practice by relying on their management expertise. He also set about repairing damaged reputations The People's Theater might have gained when Mercia and the other actors left. Specifically, he made it known that the company valued collaboration and the democratic participation of all members. He implemented open communication with staff, actors, and the Board making sure to let them know that their views would be met with respect and appreciation.

Papingo left initial conversations with Amir to Akunna and the Board but followed with individual meetings where he set out his expectations for dual leadership. All administrative and personnel matters, including scheduling of overtime, adhering to contracts, and working with funders would, henceforth, be under Papingo's sole supervision.

Both artistic and administrative staff were provided an organization chart with a chain of command clearly indicated. Papingo met again with the funder (this time without Amir) and presented her with his strategic plan for developing the theater over the next several years. The good news was that she was impressed enough to make a sizable monetary contribution for the next season. Papingo was pleased when she commended him for his leadership and professionalism. "It's good to see the theater back on track," she said. In truth, Papingo knew that The People's Theater still had a way to go before hiring a permanent managing director. He felt assured, nonetheless, that his dream of being part of a successful theater enterprise could still be realized.

SUMMARY

- A good management team translates into a successful theater company.
- To avoid failure, engage in strategic planning.
- Good leadership and managerial qualities are minimum requirements for a theater manager.
- Legal advice is necessary for establishing a theater company.
- Timely budgeting for productions and sourcing for finances results in having the money and resources available to carry out a production.

- Effective collaboration increases the likelihood of long-term success.
- Synergy between production staff and artistic is a *sine qua non* in a theater enterprise.
- Investments in audience research and patronage are a routine part of theater management.
- Periodic auditing of finances helps avert financial crises.
- Investigate digital technology and virtual communication opportunities that may create endless possibilities for theater productions of the future.

KEY TERMS

Management
Theater management
Theater manager
Leadership
Collaboration
Artistic director
Creative industry
Production director
Marketing
Strategic planning
Virtual communication
Business
Production team
Copyright
Finance and budget
Production schedule

STUDY QUESTIONS

1. To what extent is it correct to say that collaboration is an essential part of theater-making?
2. In contemporary society, what type of theater manager is desirable?
3. As a theater manager, what strategies could you use to encourage greater diversity in casting actors for the plays performed by your organization?
4. How might a theater company prepare for technological advances including the era of artificial intelligence (AI)?
5. In your estimation, will robots and animated images replace theater managers, live actors, and performers on stage?
6. In a theater company, why is a production schedule necessary?

GAIN EXPERIENCE

1. Create a production schedule that will help you realize your goal. Remember to include the event, date, time, and venue, and also details of relevant meetings and rehearsals including technical, costume, and final dress rehearsals. You can use an existing performance or imagine a performance you would like to see happen.
2. Learn more about the collaborative process by interviewing various individuals in one (or several) theater companies. Ask about successes and challenges. Find out what individuals and the company as a whole are doing to make collaboration work.

ADDITIONAL RESOURCES

Publications

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- Volz, Jim. 2011. *How to Run a Theater: Creating, Leading and Managing Professional Theatre*. New York: Bloomsbury Press.
- Rhine, Anthony. 2018. *Theatre Management: Arts Leadership for the 21st Century*. New York: Red Globe Press.

Organizations

- Association for Theater in Higher Education (US): www.athe.org.
- Theater and Performance Research Association: www.tapra.org.
- International Federation for Theatre Research: www.firt-iftr.org.
- Drama UK: www.dramauk.co.uk.
- National Association for Drama in Education (NADIE) Australia.

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Orchestra Leadership

Njörður Sigurjónsson

SCENARIO

Ariel was in bed reading a much too-long email on her phone. It was late, but it made her feel better if she at least browsed through messages that had piled up during the day. Normally, she was able to stay afloat and respond to, or delete, most of her email messages. But today, an unproductive meeting with members of the board, delegates from the orchestra union, and administrative staff took up most of her time. How was she going to get any work done? As if these meetings ever achieved anything! “Why do people write such long emails?” she thought while trying to make sense of a proposal from a local consulting company.

Ariel was an energetic, to-the-point, no-nonsense kind of manager. A skilled cellist, she had moved into conducting at an early stage and even tried her hand at composition. But she had no time for that now. It had been just three weeks since she had been asked to take over as General Manager at Beside-the-Lake Symphony Orchestra, a small orchestra she had joined two years previously. Even though she had taken a short arts management course at her music college, it was never her ambition to move into music management. However, when the general manager of the orchestra unexpectedly passed away, the board asked Ariel to fill in for a few months. These were exciting times, she felt, what if she could make a real difference and help make the orchestra grow?

Sadly, things were not moving ahead as she would have liked. She soon discovered many unaddressed challenges that had been plaguing the orchestra, behind the scenes, for some time. Visitor numbers had been going down rather than up for the previous five years and the audience was overwhelmingly white and middle-aged. It was as if the orchestra was not relevant to large communities of the city, that were primarily non-white, with some immigrant populations as well. The orchestra was also having financial difficulties. Less interest from its main sponsors in recent years meant less of the needed funds to support performances. To top it off, there were many internal problems Ariel had to contend with. “What about just playing good music to appreciative audiences?” she lamented as she contemplated the problems confronting the orchestra.

Frequent complaints among the orchestra musicians centered on a lack of communication. Morale in the orchestra was low, and there were conflicts between the chief conductor and orchestra members. Other issues, such as dissatisfaction with current contracts and salaries, complaints about unsatisfactory personnel facilities, inadequate choice of programs, and problems with the technical staff at the current venue, were also apparent. Symptoms of the discontent included repeated late arrivals for rehearsals, suspicious sick leaves, and short tempers in meetings and during rehearsals. Musicians were also keen to accept other engagements to perform with other ensembles, which risked conflicts with Beside-the-Lake's established performance obligations. Many of the musicians felt that the joy of playing and the unity among the players had fallen to a critically low level. On top of that, there had been difficulties with the current guest conductor and what was perceived as his disrespectful attitude toward women. Voices of concern had also been raised regarding the selections of guest conductors and soloists, some of whom were considered to have been overhyped, overpriced, and poorly selected. In sum, there were many reasons for Ariel to feel overwhelmed.

The heart of these matters seemed to be the larger issue of the direction of the orchestra. Since Ariel had taken over as Orchestra Manager, the position of Musical Director had been vacant. She was adamant that whoever was selected needed to be an energetic leader, especially given the challenges facing the orchestra. The orchestra would have to perform better, and they would have to prove their relevance in the competitive and rapidly changing musical world. The orchestra also had to be inspiring to both audiences and musicians. Any future artistic director would have to lead that transition. But the board, it appeared, seemed satisfied with guest conductors that only stayed for a short stint, so that the general artistic direction, such as programming, was still Ariel's responsibility.

To address these issues and others that had to do with the development of the orchestra, Ariel gathered stakeholders to a meeting to discuss future directions. They met twice, but with little success as far as Ariel was concerned. Neither the Board of Trustees, nor the musicians, nor indeed many of the administrative staff seemed to realize that future challenges would mean considerable changes. Nor did they seem to realize that in a changing world, a strong artistic vision was needed.

Rosalind, the Chairman of the Board, was convinced that the orchestra only needed to adopt a new marketing plan to solve the issue of generating more audiences. Her idea was that the orchestra would respond better to customer needs, and create popular programs of light classics, crossover concerts, and film music. Rosalind was convinced that hiring a business consultant could fix the problem. "That was really Rosalind's only contribution at the meeting today," Ariel thought, "to bring in some marketing guru—somebody from business who could come up with music ideas for the right target groups." Ariel was convinced that there were better ways to think about the future of the orchestra than in the reductive language of customer satisfaction. She now realized that the long email she was reading was from the business consultant Rosalind had recommended.

The problems Ariel faced as an inexperienced orchestra manager, in her first weeks on the job, were of a varied nature and not at all unusual. Organizations of any kind confront these, and other challenges, and too often the reason for the organization's existence (such as performing music in the case of Beside-The-Lake Symphony) is subsumed

under their weight. In many stagnant arts organizations, especially where morale has declined and difficult problems may have been unaddressed for years, it can be hard for a new manager to step in. Old resentments may be so entrenched that it can be difficult to know where to start. Those involved in the conflicts may be unwilling to help foster change. Whether the new manager is an external hire, or internal, like Ariel, it can be hard to understand where the problems lie. Or to fully comprehend what measures will solve them.

In order for Ariel to make significant and lasting changes in Beside-the-Lake Symphony Orchestra, she needed to define the issues the organization was facing. After careful assessment, she made a list of the most pressing problems.

ISSUES

- Low morale;
- Conflicts between the musicians and the administrative staff that had grown into serious distrust;
- Dissatisfaction with salaries and hiring decisions;
- Dwindling relevance in the community;
- Lack of concrete artistic vision for the orchestra;
- Failure to embrace the need for change;
- Lack of strategy for organizational development;
- Conviction that an outside marketing specialist could fix the problem;
- Assumptions that standard business management principles can resolve arts organizational issues.

INTRODUCTION

New managers may be tempted to jump to conclusions and start taking action right away even if that action is not quite the right solution. Or they take dramatic measures such as hiring and firing people. These actions can be ineffective or even detrimental since the outsider manager may not know the real causes of the problems. So, the first step is to listen, and then to start working with the people at the orchestra in finding solutions.

This chapter covers orchestra management from a leadership perspective with a focus on how strategy development can help an orchestra, such as Ariel's, get back on track. Although the context is leadership of symphony orchestras, the advice given is applicable to other types of arts organizations. The central focus is on how to confront existing problems as a new arts manager and what strategies one can put in place to address them. The chapter looks at issues such as marketing, diversity, and community relevance, working with staff composed of both artists and non-artists, as well as how the process of strategy development can help bring about change. But, since the chapter

primarily concerns orchestra leadership, we start with definitions of key terms specific to orchestras.

Professional musical ensembles come in different shapes and sizes but symphony orchestras in the Western classical tradition are usually of two general kinds: large or small. A small orchestra, often a *sinfonietta* or chamber orchestra, is usually about half the size of a full-size symphony orchestra with about 50 members. A full-size orchestra usually has around 80–100 musicians or more. Both the smaller chamber orchestras and the larger symphony orchestra can add extra musicians when needed. Amateur orchestras, including school orchestras, youth orchestras, and community orchestras can vary even more in shapes and kinds, but traditionally it is the type of music performed that predicts the size of an orchestra. Baroque music, the classical music of Wolfgang Amadeus Mozart, and the chamber music composed by Fanny Mendelssohn, for instance, as well as some contemporary music, require fewer musicians than the larger symphonic works of composers of the 19th and 20th centuries, such as Ludwig van Beethoven or Dimitri Shostakovich.

Beside-the-Lake Symphony Orchestra has 60 musicians and is therefore a rather small orchestra based in a small city region. A smaller ensemble does not have all the administrative staff of a larger orchestra, so Ariel, as general orchestra manager, will have to do many things relating to the orchestra's operations on her own, such as overseeing finances and staffing, rather than delegating them to, for instance, a Finance Division or Human Resources Department. Ariel found herself in the job of orchestra manager by happenstance rather than by choice. But suppose she decided to keep the job. A good question for her to ask is if orchestra management is really for her.

Is Orchestra Management Something for Me?

In the simplest terms, the orchestra manager's primary aim is to make it possible for the orchestra to perform music for its audiences. In brief, it means providing the means for the orchestra to be at its best in terms of quality performance. Orchestra management is however not a glorious undertaking. While the orchestra manager (sometimes called general manager, managing director, executive director, or other variations of these terms) is responsible for almost everything that can go wrong before and after concerts; the person typically gets no thanks or notice when things go as planned. The orchestra manager works behind the curtains and in the shadows, keeping the hidden machinery of the orchestra performance going. But the bravos are always steered toward the music, the soloists, the conductor, and the musicians.

People come into orchestra management from various backgrounds. Some are musicians, some people have experience in management in other fields, some are accountants, and some have degrees in arts and cultural management. Those who do well as orchestra managers are good at listening to people's concerns and have a good rapport with people who can be very demanding and are often different than employees of other types of enterprises. Successful orchestra managers have a great eye for detail and at the same time good oversight of both long-term and short-term issues of the orchestra. They love solving problems that are not part of their job description and they are content

even if the reward is never noticed. Sitting down in the concert hall, during a morning rehearsal, or on the night of the concert, listening to the orchestra perform is the compensation for the hard work, the feeling that you had some part in making it happen. In short, if you can answer “yes” to the following questions, orchestra management might be something for you to consider:

- Are you good at problem solving?
- Are you a good listener?
- Do you have an eye for detail?
- Are you good at understanding people’s concerns?
- Are you content with a job well done even if you don’t receive recognition or praise?
- Do you love music?

When deciding if orchestra management is something for you, you also need to decide if you are prepared to work long hours and work on solving various kinds of foreseeable and unthinkable problems relating to the orchestra and its organization. A typical day might, for instance, start at 8:00 am with a phone call from the chairman of the board followed by preparing for the board meeting to take place in the afternoon and then discussing the previous night’s concert, at 9:00 am, with a patron calling to tell you how a friend of his (a supporter of the orchestra) had problems paying for a parking spot in front of the hall, demanding, on top of it, that you take a look into it that very day. You then have a meeting with the human resource manager at 9:30, reviewing a second complaint from a member of the orchestra who is having a disagreement with the second violinist. As you discuss how to move forward you decide that you really need to contact a representative from the musician’s union. Rather than put it off, you make the call immediately, remembering that you also need to talk with the union about changes to the dress code of the orchestra since concerns have come up over its heteronormative gender-binary overtones. After that call, you close the door of your office, but while you attempt to write your report for the board meeting, you are constantly interrupted by phone calls, drop-ins, and emails that both need a quick response or varying degrees of contemplation. At the same time, a marketing meeting needs rescheduling because the advertising people have requested more time. Furthermore, because the orchestra rehearsal in the main hall on Thursday has been moved back one hour, overtime needs to be approved for the technicians (which reminds you to contact the stage technician’s union about changes to the benefit structure, and you write down that you also need to renegotiate the matter of scheduled coffee breaks). You ask at the front desk if the sandwiches for the lunch meeting with the guest conductor have been ordered from the deli on the corner, and since it’s almost 11:00 already, you decide to take another stab at your report before lunch. This all might sound chaotic, and completely undoable, but the good orchestra manager is organized and keeps a calm head throughout. Not all days are like this, but many are, and Ariel realizes that surviving requires her ability to stay flexible while keeping the central thread of necessary tasks from ensnaring her in tangles. The payoff is in solving problems in a way that makes it possible for the orchestra to perform for the pleasure of audiences. A big help is understanding what the primary day-to-day tasks are and how to organize herself around the need to get them done.

THE MANY ROLES OF THE ORCHESTRA MANAGER

A general manager of a symphony orchestra is primarily responsible for day-to-day leadership and management of the orchestra ensemble, which includes the people working in and around the orchestra, such as the musicians, the administration staff, and the orchestral support team. The manager is responsible for good relationships with key stakeholders, such as the orchestra's Board of Directors, the musician's union, the orchestra's financial supporters, and public backers such as city officials, or even cultural ministers. The manager keeps good contact with any volunteer groups attached to the orchestra, and other stakeholders such as commercial banks or sponsors. The manager is also responsible for the orchestra's finances, any facilities it might own or lease, musical instruments the orchestra owns, sound and light equipment and systems, such as the payroll management system, and ticketing systems. This is by no means an exhaustive description of the areas of responsibility of the orchestra manager but should give an idea of the varied nature of the work. It is not for the faint-hearted! Most of the responsibilities are, fortunately, also shared with other people. Larger symphony orchestras will have a larger staff that reports directly to the manager. And many orchestras have, for instance, an active Chairman of the Board who will often take on a large part of the funding and financial responsibilities.

Further, the orchestra manager is responsible for planning and, with the Board, the strategic direction of the orchestra. The orchestra manager is the guardian of the orchestra's purpose and mission. The music and the musicians are of primary concern, but the manager also needs to find ways to connect the orchestra to its community and develop a concrete plan for how it can be relevant to its audiences. The concept of relevance is open to much interpretation. Museum activist Nina Simon defines "relevance" as a "key that unlocks meanings" that "opens the doors to experiences that matter to us, surprise us, or bring value to our lives" (Simon 2016, 25). Ariel knew that many people outside the orchestra world (which includes most people) consider orchestra concerts as distant and impenetrable. They hear classical music as old-fashioned, or unfamiliar, are puzzled by the formal rituals of traditional-style concerts and may think that this is nothing for them. Indeed, most people go through their lives without ever hearing a live symphony orchestra perform. Ariel felt it was her role to bridge this gap and make the orchestra and its offerings more relevant to the community it was supposed to serve. Restated, relevance has to do with the degree to which audiences, as groups and individuals, connect with the orchestra and its musical offerings. If performances do not resonate in some way with the values, interests, needs, and preferences of members of the community, they will be unlikely to attend those performances. Most orchestras have diverse audience groups that include children, adults of all ages, and listeners with varying musical tastes. The orchestra manager needs to make sure that performances appeal to the different needs of these groups with the right music programming, educational programs, and appropriately targeted marketing that can inform a widely diverse population about what the orchestra offers and why they might want to take part.

Most orchestras invite guest conductors and soloists on short-term contracts to perform with the regular players. They also collaborate with local choirs, opera and dance

companies, and even with folk musicians and rhythmic bands. Decisions on what music to perform, who to work with, or what kind of collaboration is possible are arrived at in consultation between the general manager and the artistic director or program committee. Decisions are based on both aesthetic and economic factors. It is part of managerial responsibilities to evaluate if interesting projects, say of contemporary music or working with a well-known soloist, are feasible. In some cases, doing so might be too expensive. In other cases, a costly endeavor may make sense for the organization's marketing potential and the likelihood of audience interest. Many orchestras find it necessary to undertake challenging projects so that they will continue to develop their musical repertoire and skills. Other ensembles have made a good career out of performing the same well-known music to an appreciating audience year after year. To make decisions about programming, it is essential that the manager has a good understanding of the tradition of orchestral music and the professional standards required for creating the best possible performances the orchestra can achieve at any time. Beside-the-Lake Symphony Orchestra has relied on playing the same repertoire year after year. While it worked well some time ago, Ariel (and many of the musicians and Board members) feel that significant changes are needed. Whatever strategy the organization adopts must include a thorough rethinking of its programming.

And money! At the same time that Ariel is addressing programming decisions and personnel issues, she cannot neglect the organization's finances. Many new managers, especially those who lack financial expertise and knowledge, are reluctant to immerse themselves in what they perceive as the overly technical and specialized jargon of finance. However, it is absolutely crucial that a manager develops as thorough an understanding as possible of the finances of the organization. As Ariel was realizing, it was not something that could be left entirely to the Finance Director or Accountant. She couldn't assume the role of decision-maker if she ignored the financial side of the organization.

FIRST THINGS FIRST: FINANCES

Around the world, many orchestras receive large portions of their funding from public authorities, such as their host city, municipality, province, or even the state. In other places, orchestras rely more on earned income and private donations. However, no matter what the funding structure in a given culture, it is extremely hard to rely solely on concert income or subscriptions to support the cost of running a professional symphony orchestra. Running an orchestra is a costly affair and most, perhaps all orchestras, rely to some degree on public funding, benevolent donors, or a mixture of both. Regrettably, getting financial support for symphony orchestras, either from public bodies or private individuals, is getting ever harder in many parts of the world. This is due, in some places, to public funding austerity measures, and in others, to the perceived diminishing relevance of classical music in society and fierce competition from other cultural institutions.

Knowing the financial situation of your organization is key to understanding how to manage it. Financial information is also essential for communicating with other stakeholders, such as funders and musicians, about the future development of the organization. The orchestra manager is advised to work with the Chairman of the Board to

identify key financial targets and critical performance indicators. Arrangements with an orchestra's financial institution or bank might help in getting leeway if there are difficulties (the possibility of a late payment on a loan, for example) while the orchestra is getting its affairs in order. A meeting with the orchestra's union is also advised. Having them on board with decisions you make, financially, is an advantage. In difficult financial times, it is better to have their support than their opposition.

Imagine that, like Ariel, you have just been hired as an orchestra manager. Where can you find a good financial picture of the organization you are now in charge of? Ariel sought out the accounting team and told them she wanted to study the previous four years of the orchestra's annual reports and accounts. It is easier than it sounds to get the gist of the broad picture of the finances with the help of the few basic questions she posed:

- How much cash is generated at each type of concert?
- What are the main sources of income other than ticket sales?
- What are the variations that explain the different income from one month to the next?
- What are the most significant costs and how do expenditures develop from one year to the next?
- How much is variable cost and how much is fixed?

Fixed costs are those that typically don't change, such as insurance premiums, rent or mortgage payments, or contracted services you pay for. Variable costs are those that vary depending on when they are purchased. Examples are instrument repairs or sheet music. However, items at fixed cost may still change over time. Rents can increase, for example, and insurance rates can go up. As Ariel contemplates the finances of the orchestra, she wonders if there are ways to get better deals on some of the fixed costs, at the same time that she keeps her eye on fluctuations of variable costs in order to capture the best price in a timely way. She investigates whether it is possible to find a better solution to the current rental arrangement the orchestra has. Would it be possible to get a fairer deal if they offered to make the contract longer? Or can she negotiate a better insurance rate, perhaps by switching companies?

One of the things that surprises new managers when they take over the role of general manager of a cultural institution, such as a symphony orchestra, is how bad the financial situation often seems to be. Running an orchestra is an expensive endeavor and takes a great deal of strategizing to make it work. The new manager might feel as if the previous management wasn't serious about the financial difficulties that confront an orchestra; it's easy to get into a mindset that success isn't possible, and you won't even be able to pay wages in the coming months without some help. While it is true that some orchestras go out of business due to poor financial management, many others succeed, indicating that success is very possible as long as the manager, and management team, take their jobs seriously.

The manager's role is to provide a stable financial environment for the orchestra so that it can perform music to the best of its ability. To do that the manager should meet regularly with key stakeholders to renegotiate funding from supporters, public and

private, reassess contracts with musicians and other staff, and review contracts with music venues. This is an ongoing task. Ariel is realizing that there will never be a time when she can sit back, content that she has secured the best contracts for the remainder of the orchestra's existence. Instead, she must constantly ask how they can do better, financially, in the future. In the current situation, Ariel decides to meet representatives from the musicians' union and the orchestra's funders. The questions she poses are intended to elicit their input and see how they can contribute to the orchestra's financial success. For example, she wonders if there should be fewer concerts in the coming year in order to get the orchestra back on track, financially. Or should they offer more concerts, at added cost, in hopes that they can earn enough excess revenues to restore the organization's financial health? Maybe the solution is to completely revise their season to offer performances that will attract more people, including potential audience members from groups that don't currently attend.

ORCHESTRA PERFORMANCE

The main activity of most symphony orchestras is performing concerts in front of audiences. While orchestra music has changed and evolved a great deal since the first opera and aristocratic chamber ensembles were gaining popularity around 1600 AD, the construction of the orchestra concert has not changed much since the turn of the 19th century (Spitzer and Zaslav 2004):

- During a typical evening orchestra concert, there are usually two or three works performed (but can be up to 20 or more short pieces) that might include a symphony, a concert, a suite, an aria, song, or an overture. The piece is arranged to be performed as a whole or a complete unit. The units are listed in the concert program as separate entities and each unit is notated in an individual musical score on musicians' podiums.
- Throughout the course of the concert, each work is demarcated by applause, which happens only at the beginning and at the end of the performance of each piece.
- Classical concerts are generally serious affairs with strict etiquette so that those who participate, musicians and audiences, will know beforehand what to expect and how to behave: the concert starts at a given time, the program is predetermined, and consists most often of known music rather than brand new compositions.
- The orchestra musicians perform at the best of their ability, they sit still and only move in a predetermined manner.
- In the audience section, there is no commotion, noise, or clapping, except between musical works, and polite orderliness is expected throughout the event.

The established protocol has made it easier to include guest conductors who fly in on short notice and conduct an orchestra they have never met before knowing that it will be similar to the orchestra they led the week before, even in a different country. For audiences, the predictability of the structure is valuable in that it allows for total

concentration, or relaxation, without surprises or any distraction from other members of the audience (or, indeed, from the music).

A performing symphony orchestra might have more than 100 musicians who play anywhere from 18 to 25 different kinds of instruments. The instruments are divided into four overall sections, which are the strings, woodwinds, brass, and percussion. Furthermore, within these sections, there are groups of instruments that are also called sections: the viola section is part of the string section, for instance, and the trumpet section is part of the brass section.

The number of musicians is predetermined by the musical works being performed, as indicated in the musical score. Each member of the orchestra is provided with their own part of the music, and the parts of different instruments appear on separate staves on large pages. Music stands for each musician hold the sheets of music, but in some sections, two performers can share. The musicians will also need appropriate chairs to sit on the stage. The orchestra will also need some rooms to rehearse, a secure place to store their instruments, and may need refreshments during rehearsals or before and after performances. And these things, and many more, have to be planned for by the orchestra manager taking into consideration not only cost but the suitability of a venue, individual needs (if any) of the musicians and guest conductor, among other issues to be considered and resolved.

CONTRACTS WITH VENUES

How does an orchestra manager go about securing an appropriate venue for the orchestra to perform in? Some orchestras have a home at a particular concert venue, such as a cultural center or a city concert hall. Others are linked to an affiliated organization, such as an opera house or a publicly run broadcasting company. Orchestras often have a long-term contract with a venue, or a concert hall, and they even consider the venue to be their home. The venue becomes part of the orchestra's identity and is sometimes synonymous with the orchestra. Many orchestras also make appearances at churches, schools, shopping centers, and even sports venues. The manager has to make sure that the venue the orchestra is performing in is suitable and has been booked beforehand, which often means months or years in advance, and that the orchestra will have adequate rehearsal time, before the performance, in the designated space. For reasons of acoustic differences, it is not possible to rehearse in a different space than the one in which the orchestra will perform.

The concert hall is most often run by a different organization that has its own board and management, and they have the role of generating revenue for the concert hall, which often means maximizing the use of the facilities. Performance venues and rehearsal spaces are often overbooked and busy places. Having solid, explicit, and transparent contracts about the rights and obligations of all parties is essential for the orchestra. It is important to understand the needs of the venue and its organizing principles so that the collaboration with the venue management can be as positive as possible. Best is to have detailed contracts that specify the orchestra's needs, for instance:

- Heating or air conditioning;
- Stage setup;
- Chairs and music stands;
- Lighting, and audience seating;
- Time required for setting up and tearing down;
- On-site, secure storage for instruments and any props.

There might also be a contract or collaboration between the orchestra and venue regarding ticket sales, sale of refreshments, ushers, and accessible areas. Based on the orchestra's need, there also might be a contract on piano and piano tuning, use of organ, percussion storing or rental, and about a hundred other things, all of which are the ultimate responsibility of a general manager, such as Ariel.

CONTRACTS WITH MUSICIANS

Without musicians, there is no orchestra. In smaller organizations, temporary orchestras, or an orchestra that works on a contract basis, it is not uncommon for musicians to be handpicked by the conductor or whoever constitutes the small management team (which may be a single individual). With established orchestras however, the process is more elaborate, and many professional orchestras only hire new players after rounds of auditions. There could, for instance, be as many as three rounds of live or recorded auditions: preliminary, semi-final, and final where a committee or a panel, consisting of the conductor, orchestra members, and management, select the best candidate. A number of orchestras have also adopted blind auditions, where a screen is used to conceal the identity and gender of the musician from the jury. Blind auditions are meant to help orchestras develop more diverse and equal selections (Goldin and Rouse 2000).

After the selection process, musicians are offered a contract. Musicians can be hired on a contractual basis (that is, they are hired only for selected performances as specified in a contract), as part-time or full-time employees of the orchestra. The general manager has the responsibility for securing the best deal possible for both parties. A salary that is too low might help the orchestra financially, but it might not attract the best players, or will generate resentment among those who are hired. Typically, however, the orchestra manager will negotiate with the orchestra musicians' union, rather than individual musicians, about salaries, working conditions, and types of compensation. Not only will contracts state the salary a musician will earn but can also contain such things as timing and length of rest breaks and lunch breaks.

Once agreements are in place, Ariel has to make sure that the orchestra complies. Ignoring such things as working conditions and work hours will have consequences for the orchestra manager and Board of Directors as they are violations of a legal contract.

Periodically, contracts will be reviewed and may have to be renegotiated. Contract negotiations, whether with the musicians' union or even individual musicians, can often be challenging since orchestras typically work under dire financial conditions and it is a challenge to find the best deal for both musicians and the orchestra company.

Because the relationships between musicians and orchestra were frayed under Ariel's predecessor, she now strives for open and constructive communication with the union and individual musicians. Before any conversation relating to contracts, Ariel reviews:

- Current contract terms;
- The desired outcome of the conversation (especially in case of negotiations);
- Interests and needs of the musicians;
- Interests and needs of the organization.

She also keeps in mind that all parties are going to have to live with those new terms and contracts for some time into the future. However, contract terms are always negotiable.

It is good to remember that something that initially seems to be fixed, such as the timing of breaks, is always negotiable as long as the case is made. In other words, the parties to the contract should provide good reasons for changing the terms, and making sure that if something is provided, something is also offered in return. Sometimes the dialogue can sour, and different interests seem incompatible, but in those situations, it is vital to keep the communication channels open, to listen, have an open mind, and not take things personally. Whether Ariel continues as the orchestra manager, or returns to her previous role as musician, good relationships are important to maintain. Securing a narrow "win" in contract negotiations might serve in the short term. But over time, can lead to increased resentment and lower morale. For that reason, Ariel is mindful of what she is willing to give up in order to make sure that relationships with musicians and other staff remain positive. And after all, the strong relationships she builds mean stronger overall support for the successful aims of the orchestra.

THE ORCHESTRA AND DIVERSITY: LISTEN TO THE COMMUNITY

The lack of diversity in the Western classical music tradition is an ongoing problem. Most of what classical music symphony orchestras play was composed by men who were European by birth or heritage, many of whom are now long dead. This leads to the assumption that all composers of classical music were, or are, men of European descent. In fact, many women and non-Europeans achieved renown as composers during their time, even though their work is often overshadowed by the current, classical repertoire. Some notable examples include Francesca Caccini (1587–after 1641), Joseph Bologne (1745–1799), George Bridgetower (1778–1860), Louise Farrenc (1804–1875), and Dikran Tchouhadjian (1837–1898). Sadly, the compositions of these composers are too often relegated to special event concerts rather than included as part of the regular fare. Ariel has initiated conversations with the musicians to find ways to include these works, and further, to highlight them as part of marketing efforts to attract new and more diverse audience members. She wants to make this part of the artistic vision of the symphony going forward.

But diversity concerns more than just the music the orchestra plays. Women conductors are outnumbered, worldwide, by men, especially in the high-status position of music director. In many places, such as in Europe and North America, it is uncommon

to see non-white musicians represented in the orchestra workforce. The same goes for the administrative staff and board members who too seldom represent the demography of their communities.

Lack of diversity is a problem in the orchestra world for many reasons. First of all, it makes it increasingly difficult to get younger musicians involved, especially those who come from the very populations you are trying to attract. Those with potential might assume there is no place for them in your organization. Sponsors and donors will also stay away since they, increasingly, prefer to support organizations that embrace diversity. The same goes for the administration staff and the Board. You miss out on talent and resources if your organization lacks the diversity that exists in the community. Finally, diverse audiences will feel alienated and unwelcome if the orchestra's musical repertoire, musicians, and other personnel only reflect a single culture. The financial success of the orchestra depends on people from different communities and backgrounds to buy tickets and attend concerts.

Sadly, there are no easy solutions to the problem of the homogeneity currently dominating classical music, but new orchestra managers can make a difference by creating cultures of justice, equity, diversity, and inclusion in the orchestra companies they lead.

Ariel was adamant that the Beside-the-Lake Symphony needed more diversity both in people and programs, and she wanted to communicate that idea to everyone at the organization. She pledged to involve the Board and key people in the orchestra so that everything from hiring practices to programming and promotional material would reflect the orchestra's dedication to change. Although a long-term solution, she is developing a mentorship program for young musicians and cultivating more diverse members of the community who might be interested in serving on the Board. She is even seeking the potential of funding (donations or a grant) that could help her with these endeavors.

Some of the additional steps that Ariel decided to take were as follows:

- Actively seek music composed by a wide variety of individuals from various, different backgrounds;
- Include and experiment with genres that relate to different musical cultures;
- Seek out or commission new compositions;
- Gain better understanding of the musical interests of the populations she would like to attract;
- Advertise widely enough for staff positions to attract a diverse pool of candidates;
- Recruit a diversity officer on staff.

ORCHESTRA MARKETING: LISTEN TO THE AUDIENCE

It is hard to overestimate the importance of marketing for a symphony orchestra. Marketing is a way to understand how to interest people in what you offer to entice them to buy a ticket (in fact, lots of tickets).

Marketing is more than just advertising. It includes the pricing of tickets, the condition of the venue (clean and in good repair?), the quality of service at the parking garage, the attitude of your orchestra toward audiences, and many other factors. The aim of marketing

is to get people to see it as it is in their interest to engage with your orchestra in ways that produce income (both ticket sales and donations). For that to happen, you propose to audiences something they value, and you make sure that what you supply fulfills its promise.

Beside-the-Lake Symphony Orchestra struggled to attract audiences for several years before Ariel took on the manager position. It didn't take much research on her part to know that failure to gain new audience members would mean the demise of the organization. For its survival, Ariel realized, all members of the organization would need to be involved in a concerted effort to broaden the orchestra's appeal. The Chairman of the Board, Rosalind, was convinced that a business consultant with marketing expertise would save the day. But hiring such a consultant would be costly and Ariel wasn't sure the investment would pay off, especially since the person Rosalind recommended didn't have any experience with arts organizations, much less with symphony orchestras. She didn't want to alienate Rosalind by rejecting the consultant out of hand. Instead, she asked some of her colleagues who they might recommend. Even though hiring a consultant can be expensive, some are willing to give, at least, minimal advice before you sign a contract. In fact, Ariel found such a person in Sirena, who was highly recommended by area arts managers. In their first phone call, Sirena told Ariel that if she wasn't sure she could afford the consulting fee, there was a lot she could do, on her own, with her staff. Further, that no matter who Ariel hired, and no matter what it cost, there was a lot of up-front work the organization would have to do in order to really benefit from a consultant. "With that in mind," Sirena said, "you might as well begin that process while you're still considering whether to hire someone." As an example, Sirena told her "to ask yourself, your musicians, Board members, staff, and stakeholders the following questions."

- Who are the current and potential audience members of Beside-the-Lake Symphony Orchestra? What are their demographic profiles? Where do they live? What lifestyles do they have?
- What do existing and potential audiences of Beside-the-Lake Symphony Orchestra value?
- What do current audiences like about the concerts, performances, and other events the organization offers?
- Is there anything of value to audiences that the symphony orchestra can propose that is currently not offered?

"The answers to these questions will go a long way toward helping you develop good strategies," Sirena said. She pointed out that as the general manager of a symphony orchestra, Ariel needed deep knowledge about what people experience when they attend a performance or event by her orchestra, what they liked and disliked, and how she could improve their experience. "You listen to your audiences by asking their opinions. Don't assume that just because you are an expert in the music the orchestra plays that you are equally expert in knowing what audiences want." The reasons that people prefer one type of music over another or why they are motivated to buy tickets vary among individuals but can also be unique to a particular orchestra. In other words, what motivates them to attend a performance by Beside-the-Lake Symphony Orchestra might be different from why they decide to attend performances of another, even similar, orchestra.

“That makes good sense,” Ariel thought. Even though she generally liked the music in Beside-the-Lake’s current repertoire, she also knew that audiences are composed of people with widely varying listening habits and preferences. There are groups of people who enjoy well-known works by famous composers such as Mozart and Beethoven. Other groups enjoy contemporary music, collaborative projects with local folk musicians, a night of film music, or a classical rendition of show tunes in the park. Ariel was convinced that like many other orchestras, Beside-the-Lake Symphony needed to be versatile enough to cater to different tastes and offer different types of music for diverse audiences. That might include playful children’s concerts, gala concerts for opera lovers, and performances in a more relaxed setting aimed at younger audiences. The point was to allow for more imagination in what was offered and how it was offered. While research is invaluable to understanding audience interests, values, and tastes, a certain amount of experimentation (as long as it wasn’t costly) could also contribute to the development of a new artistic vision.

“Great idea!” Ariel thought. She contacted Rosalind and asked her to help organize a series of listening sessions with the various groups Sirena had suggested. Together, they listed the many ways they could communicate with them to elicit feedback:

- Interviews
- Informal conversations with individuals or small groups
- Social media platforms
- Focus groups
- Questionnaires (both in person and online)

Ariel was able to convince Rosalind that they could do this work without hiring a consultant. She pointed out, following a comment that Sirena made, that the orchestra members, Board, and staff were well-positioned, with their existing background, to assess what was of value to their audiences. “It’s hard for someone to know what they might value if they’ve never encountered it before,” Serena said. “Do some research (interviews, focus groups, and the like), but also trust your instincts.” Sirena pointed out that the combined expertise of the musicians, staff, and Ariel, as general manager, is just what the audience is looking for. They want to trust that you know what you are doing when you program a particular piece of music or decide to perform in an unusual venue. If the performance is authentic and the experience is stimulating, interesting, or inspiring, audiences will value the experience and you will have satisfied their need for hearing something new and challenging. The key is to be responsive. If audiences truly rejected a particular type of music or performance, Ariel would need to understand why. But she also needed the fortitude to make necessary changes once she received the feedback she had elicited. Doing so would encourage audiences to be more receptive to the performances offered, and willing to come back.

Strategic Relevance and Purpose of the Orchestra

Many of the problems orchestra managers face have to do with an unclear focus on “why” the orchestra exists, and “who” it serves. Dwindling audience numbers, budget problems,

conflicts between musicians and the administration, and unclear artistic direction can all be symptoms of poor leadership at a stagnant organization. For a new manager, it is imperative to find a way to restore a sense of focus and passion in the orchestra members, while at the same time developing a renewed sense of relevance between the orchestra and the community.

Unsure of the best way to proceed, Ariel decided to contact people in her network for advice. One was, Gunnar, an arts management professor from her music college days. Gunnar suggested a series of face-to-face meetings that included the Board of Directors, representatives from the musicians, and the administrative and technical staff to come up with a workable strategy for the orchestra. “You need a concrete plan,” said Gunnar, “that is within your budget and can be executed within the coming year. If you don’t plan where you want to go, you will never get anywhere.”

Ariel’s other network connections suggested similar strategies. Her friend, Kenyatta, who had landed a job as general manager of the symphony orchestra in a neighboring town suggested structuring the meetings around three simple, but important steps:

- Gather representatives from stakeholder groups to debate the future of the orchestra;
- Listen to everyone and thoughtfully consider all suggestions;
- Commit, by the end of the series of meetings, to core values and a sound, concrete direction forward.

“Ten carefully chosen representatives from the musicians, the board, administrative staff, and key stakeholders from the city,” Kenyatta said. They should come together and hammer out a workable plan. Another network friend, Sigrún, suggested Ariel should include people from outside the core groups. “To be relevant to a larger group of people, and to the communities that don’t currently show up for concerts means including them in the conversation,” Sigrún said. In the end, Ariel took the advice of both of her friends, organizing groups of people familiar with the orchestra, and those who had never attended a performance. The questions she posed were organized around a basic SWOT (strengths, weaknesses, opportunities, threats) design. But she also allowed participants to raise their own issues and pose additional questions. Ariel recognized that the participation of members of the community was as important as their specific input. She even offered free concert tickets to those who took part in the meetings.

In this first set of meetings, Ariel found that there were both positive outcomes and challenges. Some of the questions generated much discussion and even heated debate. Rosalind, the Chairman of the Board was not pleased, initially, that her opinions carried the same weight as people from outside the orchestra, but she admitted to Ariel that it was refreshing to get new voices to the table. Ariel was happy to get all the suggestions and comments that came out of the sessions, and she could also see that there was real enthusiasm for the Beside-the-Lake Symphony to succeed. There seemed to be a consensus in the group about key areas:

- The orchestra should continue to deliver quality musical performances by hiring only the best musicians and working with good conductors. But to do so required clear policies on hiring and decision-making;

- The orchestra needed to be more relevant to the community and could only achieve it by listening to community members and making changes to the kinds of music it performed;
- Guest soloists and conductors could better represent the different groups and communities both inside and outside the orchestra;
- Periodic review of the repertoire should focus on including music from women composers, younger and living composers, and composers from a wide range of ethnic groups, in addition to the traditional repertoire.

Ariel felt that she was on the right track to making the needed changes in Beside-the-Lake Symphony Orchestra that would make it more relevant to community members, which would likely lead to increases in audience numbers. Listening to people was indeed key to generating change. Could the same strategy work in other problem areas in the organization? Ariel was willing to give it a try.

NEGATIVE MORALE: LISTEN TO THE MUSICIANS

One major concern in any artistic ensemble is to keep good morale. It can be easy to miss early signs of worsening morale since much of the communication among musicians is not verbal, but manifests in their musical performance, in rehearsals, and on stage. Ensembles can function and even perform at the highest level even with considerable animosity among their members, and often the antagonism can persist for years within an orchestra without anyone feeling it is their job to resolve issues or even imagine that a solution is possible. The damage to the organization is less in terms of musical performance than it is in generating buy-in. Organizations with low morale are less likely to embrace change or to take on new habits, even if they resolve problems. The issues can be complicated and involve deep-seated disagreements between people who may not talk to each other on a regular basis. Ignoring problems, however, can only exacerbate them; they become worse and worse as time goes on.

Ariel prepared herself to tackle the problems, first, by doing some research. She found a number of journal articles, talked to members of her network, and did some of her own observations to better understand the roots of the problem. She concluded that the reasons for the low morale in an organization can be complex, multi-faceted, and spring from more than one source. Over time issues can entangle and overlap. However, one common thread is a lack of communication. Employees perceive that they are not being listened to, spoken with, or aren't treated with the respect they deserve. The feelings may be particularly acute when the administration is occupied with critical issues (such as saving the orchestra from financial disaster), and cannot take the time to explain, or reveal, sensitive information. Or the lack of communication can result from a difficult negotiation stalemate concerning salaries and working conditions. However it comes about, untangling the complexity depends a great deal on a manager's willingness to listen and take appropriate action.

Pick up any journal on orchestra management. You'll find that distrust and animosity between musicians and the administration is a common theme. Adding to the

problem is that management personnel are often seen by others in the organization as the source of the problem rather than as part of the solution. Many orchestras try to solve this dilemma by hiring an outside human resources (HR) consultant to work with the organization and/or by having an HR specialist as a permanent member of the administration. HR management professionals can help identify the problems at hand and contribute to finding solutions if all parties are willing to make an effort. Importantly, for a new manager like Ariel, the honeymoon phase at the start of her assignment gives a unique opportunity to observe any signs of bad morale within the organization and find solutions to the problems. While Ariel thinks that hiring consultants and an HR manager would go a long way toward resolving the problems, the funds to do so just aren't there. But "nothing happens without a concrete plan," she says. The first step is to solve the immediate problem. The second is to begin a discussion about hiring an HR manager in the future, pointing out that with so many employees, full, part-time, musicians, and non-musicians, they really can't afford to go much longer without such a person on staff.

As to resolving the immediate problem, in her favor is the fact that Ariel is still a relatively new manager in the organization. The mistrust of the staff and musicians were directed at the former manager. Ariel can capitalize on the fact that she offers a fresh perspective, a different approach, and a more open, honest, and transparent way of managing to counteract any residual negativity from the previous manager.

Ariel's simple approach is to:

- Start a dialogue;
- Listen to concerns;
- Mitigate any attempts to add to the problems;
- Make meaningful changes.

Ariel set up an informal meeting in which she detailed what she saw as major areas of concern. Rather than invite open discussion at the same time (which might tempt some people to cast blame or stir up old animosities), she made clear that she was initiating a conversation rather than dictating a set of rules, and that repairing old wounds would be a gradual process. She followed her presentation with an invitation to each staff member, and each musician with a permanent contract, to meet her individually. She scheduled meetings over the next several days, devoting 10–15 minutes to each person in order to listen to their ideas. She also invited the freelance, temporary musicians to meet her and discuss their contracts and obligations. She hoped that her willingness to listen would generate enough trust that the organization could begin its journey toward a better working environment.

Once again, the most prominent theme emerging from discussions was that musicians and staff, alike, wanted more opportunities in decision-making, more opportunities for input, and above all, more assurance that their concerns would be heard and attended to.

Using the input she received, Ariel put in place the following process:

- Regular meetings with orchestra members and staff so that concerns could be discussed in an open and constructive way.

- Create a set of rules for respectful and civil discussion in all meetings and get all parties to agree to them.
- Ask each group in the organization to designate a trusted spokesperson who could present concerns to management on issues that were best addressed in confidence, rather than open discussion.
- Establish an open-door policy during working hours and encourage both musicians and staff to stop by whenever they felt the need to ask questions, address problems and concerns, or just to let her know how they were doing.
- In conjunction with the Board, draft a no-tolerance policy on abusive behavior, discrimination, and harassment.

With the latter point in mind, Ariel felt ready to tackle the specific problems of bullying and unacceptable working conditions.

OPPOSE BULLYING AND IMPROVE WORKING CONDITIONS

A culture of bullying has been known to thrive in some orchestras where chauvinism, prejudice, and dynamics of power can take hold. The traditional, hierarchical structure of symphony orchestras contributes to the problem—or, in some views—is the source of the problems. A common theme in orchestra management emerges around difficulties in the relationship between “the maestro” (or conductor) and the orchestra. Sadly, the notion of the conductor as autocratic arts leader is still solidly entrenched in the orchestra world, and it is not often easy to change the existing culture even where people agree on the need for change.

Old-fashioned notions that a healthy antagonism should exist between an orchestra and its conductor can lead some leaders to go too far or suggest that musicians should put up with bad behavior, even if they find it offensive, discriminatory, or hurtful. Musicians may be reluctant to say anything negative to, or about, the conductor, leaders, or managers for fear that it will compromise their jobs or their positions in the orchestra. Such behavior works contrary to the aims of diversity and inclusion, as well. Ariel’s no-tolerance policy is intended to address that. But changing the status quo takes more than drafting a few policies. To show that she took these issues seriously, Ariel announced that one particular guest conductor would not be invited back since many complaints about the person had already been filed in the past. She also issued warnings to members of the orchestra who had been named in previous complaints to let them know that further complaints would lead to consequences. Getting the musicians’ union on board was easy. It was in their interest as well to make sure their members embraced anti-bullying practices in order to foster a healthier work environment.

Other working conditions also demanded Ariel’s attention. Maintaining a clean and safe facility has a direct impact on the well-being of its occupants, and thus, on the organization as a whole. This included everything from making sure that heating and cooling systems operated properly, that expensive musical instruments were properly stored, that bathrooms were in working order, and parking areas were safe and well-lit at

night. Making sure that supervisors allowed regular rest and lunch breaks, and that overtime was arranged in advance and compensated, were other issues that Ariel addressed. Unglamorous, perhaps. But Ariel was realizing the importance of all of these tasks if Beside-the-Lake Symphony Orchestra was to overcome its current difficulties and be able to meet new challenges in the future.

NEW DIRECTIONS: CHALLENGES FOR SYMPHONY ORCHESTRAS

Most of what Ariel was occupied with in her first weeks at the helm of Beside-the-Lake Symphony are problems common to many other symphony orchestras, as well as other types of arts organizations: financial woes, low morale, and dwindling relevance in the community. Some of the remedies she explored had to do with rethinking the symphony's artistic vision, how it prioritized money matters, increasing diversity in staff, musicians, and audiences, and setting policies on good behavior and work ethic, as well as working toward creating what she likes to call a "listening organization."

However, Ariel hasn't really given the technical challenges facing the orchestra much notice. Some of the most important issues confronting symphony orchestras today have to do with the future of music and how technological changes will affect it.

Part of the reality orchestras are facing has to do with the changes in the recording industry, starting in the first two decades of the 21st century, which saw radical changes in how music was organized and experienced (Wlömert & Papiés, 2016). The transformations have to do with internet connectivity and the digital revolution, which along with globalization, have transformed the way people produce, perform, record, distribute, finance, and listen to music (Gebesmair, 2017; Gamble, Brennan, & McAdam, 2017). This situation means that music is available everywhere, at any time. This makes it doubly hard for an orchestra such as the one Ariel is managing to find relevance in this world. If people can make their own music, on demand, why attend a traditional concert, especially one with the rigid kind of performance structures that are still common for most symphony orchestras? In the new, digital paradigm, many independent musicians have become their own music managers, handling all aspects from production to promotion as "reluctant entrepreneurs" (Haynes & Marshall, 2018) who are nevertheless successful enough to challenge the traditional paradigm.

However, it is important not to see the role of music only in terms of reaction or an afterthought to these changes. In a system of connectivity and instant access, music streams seamlessly into portable devices and listeners pay with their attention to advertising or through subscription fees (Negus, 2019). All of this relates to how technology and digital connectivity have changed modes of listening and the overall listening experience (Stockfelt, 1997; Herbert, 2018). Digital software is used for creating, performing, and editing music. Anything that can be digitalized can be shared over the internet and is potentially available through music platforms or streaming services. Live performances are recorded on countless digital mobile phones and then broadcast live or post-produced to anyone with access to video-sharing websites or social media platforms.

Successful orchestras (those who follow the times) are exploring ways of connecting with audiences through digital technologies such as live broadcasts through subscription channels, on-the-spot recordings, and videos in concerts. In that way, music epitomizes the human condition in an internet-based society where information can be quickly found in a constant flow within the “constant flux, of endless sound bites, quick cuts and half-baked ideas” (Kelly, 2000).

In coming to terms with this paradigm and perhaps a future of even more technological advances in automation and artificial intelligence, Ariel imagines that the “the purpose” of the orchestra can be understood as a mixture of artistic, cultural, educational, and economic objectives that are both explicitly stated and tacitly unstated. The purpose, however, always has to do with humanity’s search for meaning and its own purposes, as discovered through music. Ariel’s aspirations for Beside-the-Lake Symphony will be to embrace these technological changes in order to stay relevant far into the future.

SCENARIO DENOUEMENT

Any new manager can get buried with problems left by her predecessors. It is easy to become complacent, accepting an unhealthy situation as normal or given. Instead, Ariel’s journey from musician to orchestra manager entailed meeting difficulties head-on. Using a combination of research, advice from experts and colleagues, and her own observations, she determined that her best tool was an ability to listen, and take appropriate action based on the information she gleaned. She understood that change isn’t easy, even when people know that making a change is necessary and will lead to improved conditions. However, by involving a wide range of people from Board members to staff, musicians, audience and community members, and other stakeholders she developed strategies that most could agree on and that held promise in achieving one of her primary goals, increasing audience both in numbers and in the types of populations served. She tackled personnel problems, such as bullying, by setting no-tolerance policies and holding people to account. Along with the board, she made a commitment to a throughgoing diversity in the organization, from the type of music performed to the hiring of staff and musicians. She tackled financial problems by learning more about the organization’s financial history and reviewing its cost and revenue structures. She learned that while the job of orchestra manager is a tough and often unglamorous job, it is a satisfying one because, in the end, performing music for appreciative audiences is a worthy reward.

SUMMARY

This chapter looked at orchestra management from a leadership perspective with an emphasis on how to create and maintain a working environment that supports staff and the artist/musicians, while also serving the needs of the public. Traditions and habits developed over time have often institutionalized certain ways of doing that may not always produce good working conditions or attract new audiences. The chapter followed Ariel, the new manager at Beside-the-Lake Symphony, as she confronted many of these

problems. Her primary guiding principle was to listen to others and encourage their collaboration in solving the problems. She helped the orchestra embrace change both regarding internal structures and in the way the organization presented itself to the community. Recognizing the need for more diversity, and a fresh approach, was an important first step in finding new relevance to the community they served.

KEY TERMS

Orchestra management
Music management
Organization development
Strategic planning
Finance
Orchestra marketing
Bad morale
Relevance
Diversity

STUDY QUESTIONS

1. How would you describe the role of a symphony orchestra in your community?
2. This chapter advises listening to the audience in order to better serve their needs. How would you go about doing that? How can you translate the information into effective action?
3. Imagine you are a new orchestra manager. What might you do during your first week or month to put yourself and the orchestra on a secure footing?
4. What future trends do you see that may have an effect on symphony orchestras in the next ten years?
5. Have you experienced negative morale in an organization you know? How did you become aware of the low morale (people's actions, behaviors, conversations, or other)? What are the best ways to handle negative employee morale?
6. If your organization cannot afford a consultant, what can you do on your own, and with staff, in order to address challenges?

GAIN EXPERIENCE

1. Create a list of questions you might pose to stakeholders in order to initiate a conversation on how to decrease costs or increase revenues (or both) for the coming year.

2. Do some research to find samples of common types of musician's contracts in the country you live in. What do you notice? What items do you think are most readily negotiable?
3. Contact a local venue and ask if you can interview the person in charge of scheduling music performances. Find out what you might need to know in order to rent the facility. Also ask what expectations the venue has for an organization that might be considered a good client.

ADDITIONAL RESOURCES

- International Society for the Performing Arts: www.ispa.org
- International Conference of Symphony and Opera Musicians: www.icsom.org/about

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Festival Management Practices

Olga Kolokytha

SCENARIO

Phoebe has worked for the city of Newtown for the past three years and is responsible for organizing the city's cultural events, which mostly consist of public lectures. She accepted the job right after she graduated with a bachelor's degree in economics. She also attended some classes on management, which have proven helpful for tracking her departmental budget. She reports directly to the City Council, which thinks enough of her diligence and expertise that she was recently asked to take charge of a new festival. The Council envisioned it as a way to attract both residents and tourists in order to promote the image of the city and boost visitorship. The festival would be themed around traditional arts including classical music and dance, as well as local visual art. Phoebe was pleased to be asked despite her lack of experience. It was a way to further her career, and she received a small salary increase as an incentive to take the position. She didn't think that planning and managing a festival could be that different from what she'd done before.

Her new job began in winter; the festival was to take place the following summer. Her very first task was sending a memo to the Council requesting enough funding to hire an additional person to assist her. Although she had not yet heard back, she was confident they would see the need for an extra staff person and approve her request soon.

The new festival would take place in mid-July, a slow time for tourism, when the town could use an economic boost. The Council decided the festival would last eight days and consist of dance performances, classical music concerts, and a parallel exhibition of products from local producers. Unfortunately, they made all the decisions without input from Phoebe, or any local stakeholders, and also voted to keep costs low by cutting the budget request in half. Soon, Phoebe found herself doing all the preparations on her own since there was no funding to cover a second staff person. When asked, the Council made some vague promises to provide Phoebe with an additional staff person once the festival started.

One month before the festival, Phoebe still hadn't received the okay to hire additional staff and realized that she couldn't do it all on her own. Her only choice was to find volunteers. They were mostly local students who were tempted by Phoebe's offer of free tickets to festival events. Managing them was difficult and time-consuming as Phoebe had no prior experience, and it took a relatively long time to train them. In addition, although she was happy to promote a festival celebrating traditional arts, it wasn't clear that it was truly meaningful to the local population, and Phoebe found herself spending extra time justifying the choice to local stakeholders. Because everything depended on her, with no backup staffing or additional funding, mistakes were unavoidable.

When the first day of the festival finally came, problems were already racking up. The sets for the first theater performance did not make it to the festival site from the airport on time. The premiere performance took place, but with some basic props borrowed from local amateur theater groups instead of the company's custom-designed sets. When they finally did arrive the next day (in time for the company's second performance), there were no stagehands to help put them together as they were not notified in time for the change of schedule. By the third performance, the sets were in place, but without some of the lights, as Phoebe, with little time on her hands, misread the technical rider and had not arranged for the proper lights to be brought.

The first classical music concert started one hour later than planned because no one had notified Phoebe to include piano tuning in the schedule. The second music event, an opera concert with two singers and a piano, was almost canceled as one of the singers got sick the day before the concert. Fortunately, Phoebe was lucky enough to find a replacement who was available at the last moment. The local products exhibition started a day late. Contrary to the original plan, local businesses ended up paying for their own stands as it turned out there was no funding to cover their costs.

Phoebe had expected the performances to be well-attended. But, since marketing and promotion had only started two weeks before the first performance (Phoebe simply had too much on her plate to get it done sooner), there was not enough time to attract enough people in the local population, and since the program itself was finalized late, there was not enough time to advertise to tourists or create promotional brochures.

There were some encouraging reviews in the press for the new festival, but there were just as many that focused on the problems. To add to the disaster, Phoebe has been asked to explain to the City Council what went wrong. Although she knew she wasn't entirely to blame, Phoebe thought it was more diplomatic to present the Council with a plan for the next season, taking into account all the difficulties she had faced, coupled with an honest assessment of the major challenges.

ISSUES

- Failure to recognize festivals as complex events;
- Lack of research to test the feasibility of a new festival;
- Hiring someone inexperienced in festival management;

- Poor planning and project management;
- Lack of follow-up on important matters and deadlines;
- Criteria for success left undefined;
- Lack of timely funding, sponsorship, marketing, and PR activities;
- Lack of communication with festival funders;
- Poor management of human resources including volunteers;
- No contingency plans.

INTRODUCTION

Festivals are social phenomena that exist in almost all human cultures (Falassi 1987). They have been the subject of research by scholars from many disciplines including arts management, cultural policy, sociology, human geography, and tourism studies (Getz and Andersson 2016; Quinn and Wilks 2013; Crespi-Vallbona and Richards 2007; Arcodia and Whitford 2006). Considered from the perspective of the social sciences, festivals are recurrent social occasions of coordinated events in which all members of a community participate directly or indirectly and in a variety of forms (Falassi 1987). Most modern festivals are planned events and take place to achieve certain goals such as community cohesion, financial profit, or place branding (Zifkos 2015, 7).

Festivals are communicative spaces that provide a platform for contact and cultural expression among citizens but can also serve as points of reference within a community. As Falassi argues:

both the social function and the symbolic meaning of the festival are closely related to a series of overt values that the community recognizes as essential to its ideology and worldview, to its social identity, its historical continuity, and to its physical survival, which is ultimately what festivals celebrate.

(1987, 2)

The social and cultural importance of festivals is also highlighted by Quinn (2003), who provides a context for the development of academic research and literature on topics associated with festivals and tourism, such as the interconnections of spatial, political, and economic factors, the reproduction of place and space, and the use of identity and cultural views by different groups of people within the framework of festivals.

An increase in the number of festivals taking place worldwide is the result of many different factors related to supply—such as repositioning of cities and tourism development, and demand—such as socialization and the need for new and different experiences (Prentice and Andersen 2003). As Getz (2009) argues, the value placed on festivals has been too focused on tourism and economic benefits. This has resulted in less attention being given to their social and cultural value, which is neither identified nor measured in a sufficient way (Getz 2009). The role of festivals in a community is manifold: they

act as instruments for developing social relations and social capital and as platforms for different social groups (Arcodia and Whitford 2006) to participate in and share their cultures. The cultural significance of festivals is related to the arts through engagement with artists—local and international—and the possibilities for festival audiences to experience and value arts, culture, society, and the world. These aspects are common to most, if not all festivals (European Commission 2011).

Despite their recognized importance to individuals, communities, and society, festivals are no easy undertaking. Even if people, in general, enjoy attending festivals, there is no guarantee they will attend *your* festival. An initial step for any organization or community contemplating such an event is to better understand the role festivals play and what benefits they can deliver.

Events can be created for political or ideological reasons and as such, festivals have a political nature (Getz 2009; Quinn 2003). They can also be sites of political struggle and power, hierarchies, and tensions, where particular groups promote their own sets of values and reproduce important cultural meanings. They are therefore a way that people can exercise ownership and produce values and practices (Quinn 2003), as well as celebrate them and transmit them to others. This is as true of the traditional High Arts festival envisioned by Newtown's City Council as for such festivals as the International Queer Film Festival "Merlinka" in Serbia, the Sick! Festival in the UK, and the Afrovibes performing arts festival in the Netherlands. In either case, the community role that festivals fulfill implies a particular set of values. In some views, that makes them more about community, rather than commercial, institutional enterprises, with closer ties to public authorities than private businesses (Getz and Andersson 2010). They, therefore, develop a dependent relationship with local governments that is expressed through venues, money, regulation, and political support (Ibid). The involvement of governments in festivals, however, is due to the fact that they tend to promote tourism. Festivals have a strong impact on tourism through increased revenues, which support local communities, and positively impact the image of the place where the festival takes place. Government intervention ranges from minimum to maximum, and includes contributions to sponsorship, establishing venues, or event production (Getz 2009). Another reason that governments are often involved in festivals is that there may be licensing, permit, or taxation requirements, especially if the festival is organized by a non-government entity. Festival organizers must therefore contact local government to make sure that all legal requirements are fulfilled. In the case of Phoebe, the local government that she works for decided to put on the festival, so issues like permits and taxation fees were not a factor she needed to worry about.

Festivals can also serve as instruments of diplomacy (Dragičević Šešić 2017). Cultural diplomacy in the context of festivals includes hosting foreign artists, cultural exchanges between the artists and the audience or between local audiences and audiences attending from outside the area, and co-productions between two or more countries. Film festivals are also a common site for the exercise of cultural diplomacy as they provide platforms for showcasing national cultures and cultural expressions (Goirizelaia and Iturregui 2019, Herrschner 2015; Razlogova 2019).

PRACTICAL FESTIVAL MANAGEMENT

General Planning

Festival management is really an umbrella term: it comprises a variety of management tasks for the smooth operation of the festival. They include:

- Setting the festival dates. Time of year and the specific length of the festival are important considerations to avoid conflicts with the schedules of other important events. Organizers should also consider when people are most likely to attend and for how many days.
- Market research, planning, and implementation of a marketing campaign. Marketing is an indispensable element of a festival to promote the festival to prospective attendees. It involves coordinated and synergistic relationships between all parts of the festival—from artistic planning to audience development, PR, and general management.
- Booking the festival venues. The festival venue is not only related to a festival's identity, but also to its audience and attendance. Accessibility of the venue and any association with particular categories of audience should be taken into consideration.
- Creating the festival budget. A good budget is crucial; it should take into consideration costs, such as venue and equipment rental, artist's fees, and personnel salaries, but also revenues such as box office and merchandise income.
- Hiring (and training) professional staff such as venue managers, stage managers, and technicians that might not already be part of the festival personnel
- Hiring additional staff when necessary, such as ushers or helpers for general tasks. Many festivals operate with a small, full-time, core staff augmented with seasonal personnel, such as box office staff, who may also need some training to perform their duties.
- Obtaining insurance if and where necessary. Festival organizers, hosts, and even sponsors may be liable for the health and safety of festival goers, so insurance is a basic requirement. Insurance may also be needed to cover potential damage to equipment, infrastructure, and the festival site.
- Renting necessary equipment, such as lighting and sound equipment. There are festivals that do not own all the equipment necessary for their events, and in such cases, additional equipment has to be rented.

It is clear to Phoebe, in her post-festival assessment, that little thought and planning went into Newtown City Council's decision to create the festival. Once they put Phoebe in charge, they expected the festival to happen and afforded her little time and few resources for true planning. However, planning is one of the most important steps in creating a festival, as well as one of the most complex since it has to consider preparing for, and integrating, a variety of elements in ways that achieve the best results. The earliest stages of planning a festival should address the basic questions: *why, who, where, and when.*

Why an event is held involves both tangible and intangible meanings and values for the economy and a society (Getz 2009). This is probably the most essential question because it combines the artistic vision with the mission of the festival. The answer will vary from festival to festival, but some possible answers include:

- To showcase a particular type of art: contemporary dance, jazz music, culturally relevant theater, folk crafts, or others;
- To contribute to audience education by, for example, hosting works that are not part of the standard repertoire or by organizing pre- and post-performance talks that elaborate on the presented works;
- To contribute to the economy or to regenerate the local area economically;
- To provide a platform for artistic development;
- To highlight the identity and traditions of a particular community;
- Or a combination of the above.

Who relates to the festival audience. It is crucial to think of what categories of people the festival wishes to attract and who will benefit from attending. The “who” is also linked to other considerations such as finding sponsors and supporters, planning the communication campaign, and PR activities. A festival is not just an occasion to attend an arts event, but also an opportunity to spend quality time with friends, and a meeting point for people within a community. It can also be a reason to travel and, in some cases, can be a popular tourist destination.

Where the festival takes place is another crucial element. This not only relates to the geographic location but also whether it will take place indoors or outside. A winter festival in a cold location will most likely take place indoors, for example. The location also has to do with what is the most appropriate venue with regards to the expected audience and visitors. Does the location and venue ensure access for people with special needs? Is it in a part of town that is safe for visitors? Is there public transportation as well as parking for those who drive to the festival? Such questions not only ensure access, in the sense of including as many different categories of audience as possible but also relate to the desirability of the location for attracting a maximum number of visitors.

When the festival activities take place also requires deliberation. It is important to consider all advantages and disadvantages before deciding. Festival seasons are time-limited and there are many differences between winter and summer festivals. These differences are associated, for example, with the choice of venues, and, as discussed previously, whether the festival will be indoors or outdoors. The availability of seasonal culinary goods might also be a consideration. Summer festivals often take place in areas that are holiday destinations for tourists. There are not only different dynamics between summer and winter festivals but also differences in audiences and cultural offerings, depending on the time of year. For example, a December festival may include Christmas, Hanukkah, or other religious, winter holidays. An autumn festival may include something relating to harvest. Conflicts with other major events happening on the same dates may reduce the number of people who will attend your festival. Festival planning teams should be aware of, and if possible, be in contact with, other festivals or events happening during the same period in the same town, but nationally, and internationally, as well.

Financing, Budgeting, and Ticketing

Financing a festival is not an easy task. Current global economic conditions may not favor lavish financing of arts and culture, so a creative approach to funding may be needed. Festival income usually comes from a variety of sources; it can be a combination of public and private funding, as well as earned revenue from ticket and merchandise sales. In-kind donations are a way to help finance a festival and can include both goods and services. Examples include offering a venue for free, hotels offering accommodation to artists, restaurants contributing to artists' and/or staff meals, and even a private collection or museum offering costumes for performances.

Securing funding for a festival means devising a detailed budget to estimate the costs of the festival and then researching, identifying, and approaching potential contributors who can help cover costs. Typically, funders fall into two major categories:

1. Local and regional governments. In many places, government agencies can be relied on as funders because festivals can be investments in the economy of a local community or a way to promote the community to potential tourists. In the case of festivals supported by local, regional, or national authorities, public funding and support can be in the form of financial subsidies or special arrangements to use public venues for free or with minimal cost. Some festival organizers may also be able to attract funding from international agencies. Whatever the source for public funding, however, it is usually not enough to cover all the costs. Box office revenue is needed to complement other sources of income in addition to funding and sponsorships from private individuals or companies.
2. Private funders can be individuals and/or companies from local regional, national, and international communities. A first step is to identify potential private funders, which takes research, and a solid strategy for how to approach them to win their support. Private funders will typically expect a written plan and a well-developed budget showing the costs involved. The aim is to provide potential sponsors with a clear idea of the festival's mission, aims, and objectives, and the organizational capacity to achieve its goals. Private funders may also want to know what direct benefits they can expect from their donations or sponsorships.

Incentives for individual sponsors might include complimentary tickets for festival events, inclusion in the pre-sale of tickets, invitations to pre-opening events, or meeting festival artists. There are many incentives for commercial companies to finance festivals—a means to offer quality entertainment for their clients and free invitations for performances and events for their personnel and clients—and also a way to align a corporate brand with a festival event for image and prestige reasons. Additional incentives can be tax reliefs, and the opportunity to demonstrate a company's social responsibility as a supporter of a cultural event. An in-kind contribution is also a means of providing financial support and can be in the form of meal vouchers by local restaurants and cafes or free provision of spaces where festival activities take place.

Phoebe might have been able to augment her small budget by approaching private funders. However, to do so effectively requires time and expertise. A festival organizer

needs ample lead time—measured in months, rather than weeks—in order to secure such donations.

The Festival Budget

Here are some useful tips to have in mind when making a budget:

- Make sure to account for all your costs even the small ones.
- Use current market and statistical information, where possible, to calculate costs rather than relying on assumptions.
- Include fixed costs in your budget and—in the case of a recurring festival—assume costs will have increased from previous years.
- Communicate with other members of the festival team. For example, the artistic director can supply information on artists' fees. The marketing manager can provide insight into marketing, PR, and publicity costs.

Creating a festival budget needs to take into consideration the many different possible categories of expenses and income. On the cost side are such things as:

- Rent (if applicable) and maintenance costs of the venues;
- In-house administration and technical staff fees;
- Salary for temporary staff;
- Marketing and publicity costs;
- Costs for individual productions that are part of the overall festival.

The costs of the individual productions can include:

- Artist's fees;
- Transportation for artists;
- Food and accommodation for guest artists;
- Costs of building sets and making props;
- Costs for renting (if not making) sets and props.

On the revenue side are:

- Financial subsidies from government agencies;
- Donations and sponsorships;
- An estimation of box office income;
- In-kind support;
- All other financial support you may receive.

The lists above are suggestive of what to include but are not comprehensive. Each festival will have its own unique set of costs and revenues that must be reflected in its budget. And, given adequate time to plan, festival organizers like Phoebe can discover additional

sources of revenue in addition to those listed here. Festivals often generate income from merchandise sold during the festival season but also throughout the year. Mugs, bookmarks, notebooks, pencils, t-shirts, scarves, and other items that might include the festival logo are not only a source of income but also serve as a way to advertise the event for upcoming years. However, selling merchandise means spending money to design and produce the items. For that reason, a budget should take into account the costs as well as the potential revenue for such items.

Since ticket sales are an important source of revenue for a festival, *ticket pricing* is one of the most important financial considerations Phoebe needs to consider. Pricing policies are determined within the context of the total festival budget, which gives an indication of how much the box office revenue should be. Important considerations include:

- The number of people estimated to attend the festival;
- Sociodemographic characteristics of the intended audience and their employment status;
- A calculation of what is reasonable in terms of ticket price and how much your audience can afford. In most cases, the ticket price should be high enough to bring in revenue in excess of costs. The excess revenue can then help to fund the next year's festival.

Prices for special categories of audiences such as seniors, children, families, groups, and in some cases, low-cost or free tickets for those who could not otherwise afford it, are additional considerations. Many festivals provide season tickets for people who attend more than one performance. In sum, since tickets are a revenue source for the festival, Phoebe needs to calculate her expected net revenue, after costs, and set prices accordingly.

Stakeholders, Human Resources, and Staffing

Given that festivals serve different cultural, social, and economic roles (Getz and Andersson 2010), they have a series of different stakeholders, each with different motivations for creating, supporting, regulating, or even obstructing the event according to their own reasons, goals, and agendas (Getz 2009). An important part of festival management is the identification and management of the festival's stakeholders, which play an important role in the success or failure of the festival and contribute to its long-term success and sustainability (Getz and Andersson 2010). Festival managers need to be flexible enough to deal with the complex networks of stakeholders that exist around and influence a festival. They need to be able to address stakeholder issues, which sometimes entails forgoing independence in order to ensure support (Getz and Andersson 2010).

Potential stakeholders include:

- Staff;
- Artists;
- Audiences;

- Volunteers;
- Suppliers;
- Sponsors.

But also:

- Local and national authorities;
- Businesses;
- Media outlets;
- Tourism organizations.

Festivals require ample staff to carry out the work needed to produce a successful festival. Newtown City Council's assumption that Phoebe could manage everything on her own was a major factor in the problems she faced. With regards to festival staff, a list of typical positions includes:

- General/ financial manager;
- Artistic director;
- Technical director;
- Communications, marketing, and PR manager(s);
- Education/audience development manager;
- Production manager;
- Stage manager;
- Box office/customer relations manager;
- Front-of-house staff;
- Ushers;
- Volunteers.

Whether these people are fully employed or freelancers who work temporarily during the festival season depends on the festival size and, of course, its budget. Big festivals can employ personnel either full- or part-time, all year round, in areas such as artistic administration, technical direction, marketing, and press relations. It is important to point out that wherever there is a manager in charge of a particular area, there may also be additional staff who help to carry out the functions of that area. In addition to regular personnel, festival organizers may also employ temporary, seasonal staff. Smaller festivals can be run by a small core team, which may be as few as two full-time staff augmented with a team of seasonal staff and volunteers.

Managing all these different categories of people, whether they are many or few, requires immense skill on the part of festival managers, and can be particularly difficult during the festival season when everything happens under extreme pressure. If the City Council had provided Phoebe with time and staff resources, she could have defined the various staff positions, in advance, including job descriptions and an organizational chart showing the lines of reporting. Since it is crucial for a festival manager to be able to remain calm, resolve conflicts, and address any staff issues clearly, written job descriptions and staff policies are a minimum requirement. That includes specifying

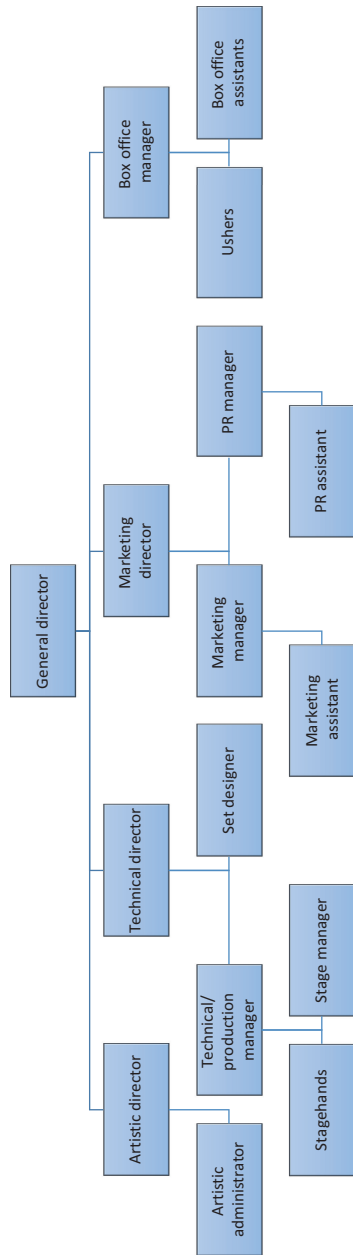


FIGURE 9.1 Festival Organization Chart

work schedules, compensation, tasks and responsibilities, reporting lines, who to contact in case of emergencies, and any other important information that helps to organize and supervise staff. This type of planning would help Phoebe stay proactive regarding problems that are sure to crop up and helps ensure she has a range of solutions at hand to solve them.

The next section provides an overview of the various personnel that make up the festival team, along with a description of their primary functions. Not every festival will require an extensive staff or will need to be concerned with all the functions listed below. The overview, however, provides a good summary of what festival organizers should consider when putting together a team. It begins with an organizational chart (Figure 9.1) showing the relationships among the various staff.

ARTISTIC PROGRAMMING AND PLANNING

Big festivals have their own, in-house artistic planning teams responsible for contacting agencies, booking artists, and executing contracts. For international festivals, this process can start as early as two years in advance in order to secure international artists who are in demand worldwide and have limited availability.

Creating a festival program should be done with some thought to what the organizers want to achieve—the “why” the festival is taking place. When Newtown City Council decided to have a High Art festival, Phoebe might have asked them why? Was it a matter of council members’ preferences or because members of the community wanted such a festival? Did they believe that such a festival was likely to draw the widest possible audience, including tourists? Given the focus on traditional art, such as classical music and dance, were Council members unaware that some people might perceive their choice as elitist, and a deliberate effort to discourage more ethnically and culturally diverse offerings? Since no feasibility study or market research had taken place prior to the decision to hold the festival, Phoebe couldn’t be sure. And since she was hired after the decision had been made, she wasn’t in the position to question the choice. For the future, however, she knew that the first step in creating a program is understanding the reason the festival exists in the first place, and the aims and objectives the festival organizers hope to achieve.

From a very practical perspective, once the organizers decide on the type of festival, a program depends on the artists selected to take part. One option is to invite artists and productions the artistic directors think would fit the festival program, and the other is through an open call for applications. In the first case, artistic directors either consider productions they have attended themselves and find interesting and suitable or invite artists to create productions specifically for the festival. Once again, artistic directors should keep in mind the vision and the mission of the festival when creating the artistic program, but also consider additional factors such as cost, suitability of venues, availability of artists, and other events that may be taking place in the city or area at the same time. An artist who has just participated in a festival in the next town, shortly before your festival, may not draw an audience a second time. On the other hand, an artist who

is already performing in the region may also be willing to perform for you, with savings in transportation costs.

One of the challenges for artistic programming is to be coherent in each season, but also in the long term while remaining distinct at the same time. Artistic decisions take into account both the practicalities of a festival and the particular identity artistic directors want the festival to have. Having a balance between these different elements is not always an easy task. Artistic directors juggle between innovation and constancy. An innovative program can attract publicity and new audiences, but a measure of constancy in the festival's identity, which can mean making safer choices, may help organizers maintain loyal audiences and long-term sponsors.

Well-known artists can be a safe choice for attracting audiences, but many festival directors consider it their mission to give opportunities to young artists while at the same time providing audiences the possibility to see new, cutting-edge performances. For that reason, some festivals include both young, emerging artists as well as renowned artists in order to attract more diverse audiences.

The *artistic director* is not simply the program decision-maker but also serves as a projection of the festival for the public. Good relationships between artistic directors and artists, therefore, play a role in programming. An artist's decision to participate in a festival can be just as much a result of good personal relationships as a professional strategy. This can also be the reason why certain artists or groups are invited to participate in a festival more often than others, but it is important to maintain a balance.

Production Management

Production management is overseen by professionals who have a range of skills and expertise such as familiarity with technical specifications of venues and equipment, working effectively under strict deadlines, anticipating production problems, and having a range of ready solutions at hand. They are also good at managing people and communicating successfully. They collaborate with a wide range of individuals on the festival team. Their responsibilities include:

- Supervising stagehands;
- Ensuring compliance with health and safety regulations;
- Providing on-site management at the venues;
- Ensuring professional completion of all tasks, whether performed by themselves or others, under their supervision.

The production management team can include production managers, set designers, lighting designers, costume designers, and stage managers.

Production managers ensure the smooth running of productions that take place during the festival. The process starts long before productions are scheduled to take place and guest artists arrive. The production manager is in contact with all staff involved in the production from the stage director to the set and costume designers and technical staff. The production manager oversees every step of the production process from the

initial concept, during which the stage director envisions the production, to making or renting the equipment needed and the planning of rehearsals. The work of production management depends on the size and type of the festival and the number of productions. The type of venue is also a factor because productions for an indoor versus an outdoor space have different management requirements. Indoor venues usually have suitable infrastructure such as lighting and audio equipment (or they can be easily installed), and a stage, whereas outdoor venues normally have to be made from scratch. They often lack any technical equipment, which has to be rented in advance.

Set designers design the sets for the different productions. They work closely with the stage director on the design. Then, stagehands take over to construct the sets or assemble the sets required by guest productions.

Lighting designers and lighting technicians are responsible for the lighting in all festival productions and events. Lighting designers create the light plot, which they deliver and discuss with production managers to ensure it fits the technical specifications of the venue. The plot is akin to a map that shows where lights will be placed, what types of lights will be used, what they will focus on in the performance, and any additional important notes.

Sometimes the number of lights desired for a particular production requires more electrical power than the venue can deliver, in which case lighting design needs to be re-envisioned. Lighting technicians arrange for the proper placement of the lights according to the light plot, and also operate the lights from the production console, along with the lighting designer or according to instructions the lighting designer supplies.

Costume designers are responsible for designing the costumes, which can be custom-made or rented. Some large-scale cultural organizations have their own in-house staff to create the costumes.

Stage managers are also part of production management. Stage management takes over before rehearsals start to make sure everything runs smoothly in the production. Whether it is to check that props and backdrops are set up or ensure that everything needed by performers on stage is available to them, the stage management team has an important role to play. Stage managers attend rehearsals and take note of everything that has not gone according to plan so that it can be resolved for the next rehearsal or performance. Stage managers are also there to fix smaller problems, distributing aspirin, for example, or sewing material to fix a costume, supplying batteries or tape, or any other item that might be needed at the last minute. Stage managers often compile such items into their own management kit, ensuring that whatever might be needed is always ready for use.

Many festivals, particularly smaller ones, use volunteers, not just to cover temporary needs during the festival season, but throughout the year. Without volunteers, many festivals would never take place. By contributing their time, volunteers save a great deal of money that would otherwise be needed to pay for all the additional people a festival needs to run smoothly. There are different reasons why people want to be involved as volunteers in festivals: some to experience working in the arts, others to gain professional experience for their future careers, and others out of a need to offer and contribute to the life of a community. Volunteers can receive in-kind compensation for their contributions, which is usually in the form of free entrance to the festivals' performances or free participation in workshops, seminars, or other events. Volunteers need not have

a formal education in areas related to festival administration, but they can be competent and effective, nonetheless. It's worth mentioning that some festivals are entirely run by volunteers with no compromise in quality and efficiency. However, since volunteers are usually not professionally trained in areas that require a high degree of expertise and responsibility, they should be assigned tasks that are appropriate to their skills and training.

COMMUNICATION: MARKETING, PRESS, AND PR

Communicating to prospective audiences about the festival, its program, events, and related happenings is needed to inform and attract prospective festival goers. Perhaps the most important marketing and communication tool of the festival is its logo, which should be distinct, recognizable, and reflect the identity of the festival. The logo is created one time, when the festival is established, and usually remains the same over its lifetime.

Festival communication requires as much time and attention as any other aspect of organizing a festival and consists of a series of activities developed as an overall communication strategy. Communication activities are the responsibility of the designated communication manager. Depending on the size of the festival, a full communication team may be needed. Responsibilities include:

- Design and dissemination of posters and flyers;
- Creating and placing advertisements in the media;
- Writing and distribution of press releases;
- Arranging press conferences and other press events;
- Composing the festival program notes.

Communication activities do not only take place during the festival season. In many cases, they should be kept up throughout the year, with added intensity as the date of the festival draws near. Too often, promoters wait too long to begin promoting a festival only to be surprised when too few people show up. In fact, it takes a substantial amount of time and effort to attract a sufficient number of festival attendees. Strategic information is crucial at this point to ensure targeted activities as outreach. For this reason, communication should be seen as a reciprocal activity between the festival organizers and team, and festival audiences. What kind of audiences does the festival want? Where can they be found? How can you reach them? These are important questions to answer as part of developing the communication strategy. Identifying, for example, whether the festival is aimed at, and is interested in attracting local audiences only, or national and international as well, will influence communication activities, promotional material, and the messages they deliver.

Promotional material is conceived, discussed, and created early before the festival opening, and is then refined according to the different communication channels and tools the festival organizers choose. This material is usually in the form of posters, flyers, print and digital advertisements, brochures, and souvenir merchandise for sale. Creating

the communication material depends on whether the team is in-house or outsourced. In the latter case, more time is required from the concept to the final product and should be considered when creating a time plan for marketing and communication activities.

The festival program is usually publicly announced in a press conference with invited journalists and reporters who will also cover performances and events. During the festival, they will write reviews of performances and exhibits to be published in newspapers, magazines, and digital outlets.

Organizers can foster good press coverage by preparing a press kit with essential information such as:

- Important festival information that includes its aim, objectives, and history;
- Press releases to announce the festival and its season program;
- Details on the creative team and artists taking part in the season;
- A synopsis and press photos for each production;
- Reviews and press articles from past seasons;
- Any awards, endorsements, and recognitions of the festival or its organizers.

In the case of bigger festivals, journalists are also invited to attend dress rehearsals so that they can report on the performances in advance of each premiere. These are not reviews, but rather informational articles on the particulars of a performance. For example, for a music festival such as the one organized by Phoebe, the focus might be on particular musical pieces, their themes, and the era in which they were composed. The aim is to assist audiences in making informed decisions on whether to attend the festival and which performances they might prefer.

During the festival season, press information is constantly fed to cultural journalists who then channel it to their readers. To ensure that coverage is timely, Phoebe should send press releases and press materials for individual performances or events, on an ongoing basis, as the festival proceeds. Cultivation of media sponsors provides the incentive of media exposure for sponsors while at the same time providing free or augmented promotion of the festival and its events (Getz and Andersson 2010).

The role of social media has become increasingly important for the arts as a useful tool to attract younger people, as well as to contribute to overall audience development. Social media can often reach much wider, or more diverse channels, and thus reach new categories of people who might not otherwise be informed about the festival. Offering online activities such as games or quizzes with questions related to the festival can help in establishing a direct and interactive relationship with social media users and keep them informed about the festival, while motivating them to attend performances. Bigger festivals also often tap into the tourist market, promoting the event through travel agencies, travel-related websites, and travel writers.

Audiences and Audience Development

Audiences are the heart, soul, and target of festivals. For that reason, audience research is essential for insight into how prospective audience members perceive the festival and what they expect from it (perceived value). Organizers also view audiences as potential

donors who can contribute to fundraising and sponsorship efforts. The more information you have about your prospective audience, the more likely you are to attract sponsors and raise funds. Audience information consists of demographic and socioeconomic characteristics such as gender, education, employment, and where your prospective audience lives. It also includes answers to questions such as why people choose to attend. Such information can provide Phoebe with insight into the motivations of people who are likely to attend the festival, which can also supply information for the design of the artistic programming and communication activities. Audience research is an activity that should be conducted every season to identify trends in audience composition and reasons for attendance, as well as to check the effectiveness of audience development strategies and projects.

Prentice and Andersen (2003) identify motivators such as socialization, cultural exploration, and sharing of experiences as factors contributing to festival attendance. Festival audiences include inhabitants of the area where the festival takes place, local and regional authorities, local businesses, schools, and vocational and educational institutions, as well as the artists themselves who perform and/or otherwise participate in the festival. A proliferating supply of cultural events, worldwide, makes it increasingly difficult to attract audiences. Arts and cultural festivals have multiplied around the world. Audience motivation and development in the case of festivals is a topic area, therefore, that deserves particular attention. The aim is not only to advertise the festival to prospective audiences but to find ways to motivate people to attend your festival instead of selecting the myriad other, competing activities and events they might choose instead. For that reason, many festivals include add-on activities that enhance the event, as well as distinguish it from other choices festival audiences might make.

These include education programs, pre- or post-performance talks, and backstage tours and visits, as well as outreach activities to schools, elderly homes, and community centers. Education programs can include activities aimed at children, families, or elderly people. Such events are increasingly important for the social role of festivals in the local community, and also attract positive coverage in the media, which in turn can increase attendance. Pre- and post-performance talks usually revolve around a topic related to the theme of a particular performance or to the general framework of a particular musical piece being performed. But it can also involve behind-the-scenes insight, such as what goes into the process of producing a performance. Typically, these talks take place the same day, before, or after the respective performance, and usually involve artists and members of the creative team and/or the artistic administration. They serve as a means to either prepare the audience for the performance or to provide a bridge between the artists and the audience, instigating and encouraging communication and interaction between them. Backstage tours offer audiences a glimpse of the venue and all the work that is taking place behind the scenes before the curtain opens. Outreach activities involve taking the festival to the community instead of bringing the community to it; it is a way of enabling cultural exchange and community engagement that takes place outside the traditional festival environment.

A good measure of the success of audience development is increased attendance at the festival. But attendance is not the only means of determining how well Phoebe has done her job. The next section covers the topic of evaluation and assessment.

CONSIDERATIONS FOR ASSESSMENT AND EVALUATION

Festival managers will at some point during the course of a festival face many types of practical and technical challenges, the most important of which is the need to be innovative in programming, marketing, financial management, and services (Carlsen et al 2010). It is important to devise and establish an assessment and evaluation scheme early in the festival planning to ensure goals have been met with reference to the vision of the organizers and artistic director, as well as the festival mission. Assessment and evaluation are also practical tools to identify weaknesses to address any improvements to be made.

The terms “assessment” and “evaluation” are often used interchangeably, but in fact they refer to rather different activities. Assessment is a process for deciding how one might improve. For example, you may want to assess the effectiveness of a campaign to promote your festival using social media in order to find out how you can do it better the next time. In contrast, evaluation compares the results of an activity against a benchmark or known value, for example, whether or not you met your objectives in carrying out the particular activity.

Where they overlap is that the first step toward evaluation or assessment is to collect data before, after, and during the festival. The type of data one can collect is quite vast—everything from attendance numbers to demographics, ticket revenues, types of products sold, audience preferences regarding festival activities, the effectiveness of advertising, quality of training of the volunteers, and the degree to which the festival grounds are kept clean by an outside contractor you hired. This chapter does not cover details on how to do evaluation or assessment. Instead, it covers some general ideas relating to these activities in the festival context.

Increasingly, evaluation of festivals seems to focus exclusively on economic factors. The economic benefits of festivals and their contribution to a city are easy to research and identify (European Commission 2011). For some purposes, such data is exactly what you need. Examining festivals’ structure, market conditions, and management is a vital first stage in a process of creating knowledge that will then be channeled into the decision-making mechanism of the festival. The information can bring about new products, services, and models of participation (Carlsen et al 2010). In a review of relevant literature, Robertson, Rogers, and Leask (2009), acknowledging the importance of cultural festivals within the wider panoply of festival types, note that the predominant focus of research has been on the economic benefits. They highlight, however, the limitations of relying purely on financial measures, or of the pressure on festival organizers and public authorities to account for benefits and costs (expressed in economic terms) as part of their responsibilities. Robertson, Rogers, and Leask (2009) identify six additional themes that are most prominent in festival evaluation literature, namely festival directors, policy, stakeholders, community and networks, social impacts and measurement scales, and social capital. Each of these items lends itself to scrutiny in deciding if a festival is successful (per defined criteria), delivers on expectations, meets needs, or merits further consideration or elimination.

Innovation also often comes up as a response to the risk of failure. The way festival managers respond to innovation is decisive for the future of a festival. It is therefore

crucial to develop and acquire knowledge from experiential learning and practice, so as to respond to any problems that may arise (Carlsen et al. 2010). Everyone involved in a festival including stakeholders, staff, volunteers, and audiences are invaluable sources of information for evaluation purposes. Just as important, however, is that their resources of knowledge can help to instill fresh ideas and innovation into the festival design (Carlsen et al. 2010), which may also create enough buy-in to prevent risk failures and/or ensure future attendance.

Festival failure has also been researched by Getz (2002) from a variety of perspectives. He argues that failure can be related to a series of financial, marketing, human resources, organizational, and external problems. Factors that can contribute to the failure of festivals include population density and saturation since large numbers of festivals in given time periods can lead to decline. He also identifies pragmatic reasons such as lack of funding and support from stakeholders and sponsors, or even bad weather conditions (Carlsen et al. 2010). The central point is that since the factors contributing to success or failure are myriad, collecting data and interpreting it for decision-making purposes are among the minimum requirements for festival planning and organizing.

FESTIVALS, REGIONAL DEVELOPMENT, AND TOURISM

Festivals have both a time dimension (they take place within a fixed timeframe), but also a spatial one since they are connected to a particular place. There are many cities that are defined by, and are well known for, their festivals. Examples include Salzburg, Montreux (with its jazz festival), Rio de Janeiro and New Orleans with their respective Mardi Gras, Edinburgh, Scotland, with the Edinburgh International Festival, and so on. Festivals not only attract visitors but are also integral to the communities where they take place. They are a means by which people connect to *place*. The presence of a festival can also impart new meaning to a well-known destination (Quinn 2003). Many festivals are actually positioned as tools to discover, and then promote, a city's identity, and as a means of revitalization (European Commission 2011). The connection between festival and place means that such events are key players in the process of boosting a place's image which, in turn, strengthens its connection to tourism. The significant rise of festivals, and urban festivals in particular, that has taken place beginning in the 1970s and 1980s has been the result of a need for urban regeneration. Culture-led regeneration is currently the dominant perspective in festival research, although the potential of festivals to achieve regeneration objectives has not been thoroughly proved (Sassatelli and Delanty 2011). Within the current debate is whether connections to tourism in festival planning and development result in a loss of authenticity and identity (Sassatelli and Delanty 2011).

Whether or not research demonstrates the positive effects noted above, festivals have served as tools for place marketing by cities to generate positive images; the exploitation of this use has led to the term *festivalization*, used to denote such negative effects—ironically—as the loss of sense of place and cultural authenticity (Richards 2007 in Getz and Andresson 2010). In other research, Sassatelli and Delanty (2011) argue that city

branding has become linked to festival promotion. Festivals are now often associated with their host cities in an intertwined, symbiotic, and symbolic relationship. For this reason, festivals are strongly related to tourism and are one of the most rapidly growing sectors in the cultural economy (Zifkos 2015). Tourism, likewise, is found to influence the experience of festivals and the development of place. Organizers should be aware, however, of the ways tourism can intervene in the social and cultural dynamics of festivals (Quinn 2003).

The social and cultural contexts of the relationships between festivals and tourism require some understanding (Ibid). Festivals are not always established for touristic purposes, but they can be marketed as such by marketing organizations. There are, in fact, plenty of festivals, established for local audiences, which would experience constraints if they were tourism-oriented (Getz and Andersson 2010). Such constraints include limited capacity for visitors and a lack of appropriate offerings to a local versus a non-local audience. Small budgets for some festivals preclude the ability to reach a tourism-oriented audience. Festival organizers who, nevertheless, want to expand their audiences to include tourists, should therefore develop synergies with tourism-oriented businesses and organizations that can provide them with the necessary resources (Getz and Andersson 2010). What actually makes a festival a destination rather than an attraction is gregariousness, as identified by Prentice and Andersen, as well as uniqueness, quality, and atmosphere that add to making festivals special (Prentice and Andersen 2003). This is true whether the festival is intended for a local audience only or wishes to expand to include regional and/or international tourists.

NEW DIRECTIONS IN FESTIVAL MANAGEMENT

Co-Productions

Co-productions are not a recent trend in festival management, but it is one that has become standard practice in many festivals around the world; it is valued as a good practice. The reason festival organizers may seek out co-productions is twofold: 1) the need to share expenses, particularly during times of global financial instability. Co-productions involve sharing of resources, both financial and human, among the partners, and 2), co-productions are a means to encourage artistic exchange. Co-productions have more than one team of organizers who are jointly responsible for the end product—the successful festival. Co-productions can combine organizations of the same type (one or more opera companies, for example, or multiple theater companies) or organizations of different types (a museum and a symphony orchestra, for example, or a film company and a theater company). They can also combine for-profit and nonprofit enterprises, public and private, and so on.

Although they have undeniable benefits for the parties involved, there are two big challenges in co-productions: one is to ensure there is mutual benefit for all parties involved rather than exploitation of the weaker organization by the stronger; the other is to balance the personalities of everyone involved in the creative process, which is not always easy, particularly with teams who have not collaborated previously and

are working together for the first time. Co-productions involving teams from different countries may also pose challenges due to language barriers, differences in working customs, other cultural differences, and differences in legal and public policy requirements.

Sustainability

Environmental issues have become paramount for festivals as a result of climate change, scarcity of resources, and rising energy costs (Getz 2009). The environmental impacts of event tourism have been neglected until recently and have not been included in impact assessments (Getz 2009). An *impact assessment* is a process for determining the effects of an action or event. Often, impact assessments for cultural events, like festivals, look at economic or social factors rather than environmental factors.

Zifkos (2015) discusses the introduction of the term *sustainability* in the festival sector. He distinguishes it from *green* festivals, as he sees sustainability as a wider and more inclusive term that constitutes an organic part of all festivals. Sustainability has been strongly associated with the preservation of ecosystems and the natural environment. Zifkos also considers quality of life and well-being of future generations as elements of sustainability. He identifies three different perspectives:

- Pro-environmental management practices and ethical considerations. These include wise energy use, waste management, and public transport access;
- Survivability over time;
- Management performance evaluation, with reference to achieving social, economic, cultural, and environmental goals that are supported by the community. This latter category includes green events (Zifkos 2015).

Recycling is the most common term that can be associated with sustainability; it is a feature of sustainable festivals that is widely practiced. Increasingly, however, sustainability in this context is framed in terms of green events, which take into account practices such as recycling, imposing reuse and reduced-use initiatives, and calculating energy consumption and greenhouse gas emissions, especially as part of efforts to decrease them. “Leave-no-trace” events are another category associated with sustainability, where sustainability is the same as natural environment protection (Zifkos 2015). Getz (2009) highlights some interesting perspectives relating to sustainable events: he argues that sustainability is not just a matter of longevity of the event (the number of years it is sustained over time) but also a matter of how it fulfills valuable social, cultural, economic, and environmental functions that then provide a reason for a festival’s continued existence.

Virtual Festivals

Switching to virtual delivery of festivals has been a new way of both organizing and attending. An immense advantage is that it allows for festivals to take place that would

otherwise not be possible, such as occurred during the unprecedented Covid-19 pandemic that began in December of 2019 and resulted in the cancelation of most, if not all, cultural events for almost a year. During this time, plenty of festivals took place online, rather than with a physical presence, and their success suggests that virtual festivals are here to stay (Bradshaw 2020). Examples include established festivals such as the Edinburgh International Festival, the Blue Ox Music Festival, Tomorrowland, and the Hay Festival, among many others, but also newly created ones such as the Virtual Food Festival, connecting local food suppliers with communities.

Organizing a virtual festival is also a result of technological developments and their increasingly widespread use in the cultural sector, which opens up a whole new world of opportunities and challenges. Virtual festivals allow attendance by wider audiences, such as, for example, the 2020 Tomorrowland, which attracted one million people in a single weekend (McGlynn 2020). Cheaper ticket prices are another advantage. Costs for a virtual festival are typically not as high as for a physical festival, so the savings can be passed along to attendees. Likewise, both organizers and attendees do not incur extra costs such as traveling and accommodation. Of course, virtual festivals cannot substitute for the experience of on-site festivals, but they are an option to consider for the new possibilities they offer for festival organizers and audiences. Surely virtual delivery has a continued future in the festival sector.

SCENARIO DENOUEMENT

Phoebe's post-festival assessment paid off. She created a detailed report and presentation for Newtown City Council to review the successes and failures, as well as justification for continuing the festival into the future. She was able to convince the council members that planning and funding were key elements of success. They acknowledged that it is impossible for one person to plan and manage an entire festival on her own. They created the position of Assistant Festival Manager, a post that was advertised, and quickly filled by Michael, who not only has an arts management degree but considerable experience working at festivals.

Michael took over marketing and press activities and started planning. He got in contact with two renowned artists in the area who helped give the festival a distinct character and created the artistic program for the next season. With stakeholder input, they decided to keep the overall theme of the festival—traditional art and music—but to carve out, as well, a portion of the festival for new music, theater, and dance. Because he is well connected to the local business community, Michael reached out to potential sponsors, securing funding to hire additional, temporary staff just for the festival days, and a stage manager, who would be hired closer to the beginning of the festival.

Phoebe and Michael agreed on the festival's dates for next season, taking into consideration what other events were planned in their area, and started booking artists and venues. As the festival dates neared, they recruited and trained volunteers to assist in ushering and front-of-house.

With Michael on board, Phoebe was able to devote time to the financial planning of the festival, especially to support the marketing and promotion needs. She was able to build on the goodwill she had managed to develop in the previous year's festival, which made the job somewhat easier. She also created an evaluation plan well in advance so she could begin gathering information and tracking trends that would serve her in subsequent years. Instead of feeling harried and overwhelmed, Phoebe was actually looking forward to enjoying the festival. She felt much more secure that she and Michael would be ready with everything in place once the festival began.

SUMMARY

- Festivals exist in almost all human cultures and are recurring events in which members of a community participate in myriad ways.
- Festival management is a complex task that requires a set of specific skills and competencies.
- Festival funding and income come from a variety of sources that include public authorities, commercial businesses, and individual donors.
- A festival consists of many different activities, each one involving people with different skills and expertise that are either in-house or hired each season according to funding and needs.
- There are different types of stakeholders in a festival, each with their own goals, motivations, and agendas.
- Audience is one of the most significant parts of a festival and audience development one of its most important considerations.
- Evaluation and assessment plans are crucial for a festival to identify weaknesses, achieve objectives, and address problems for future improvements.
- Festivals are of paramount importance for the city and area that hosts them and can serve as tools for tourism, economic development, and regeneration.
- The tourism benefits of festivals are not only financial but also social and cultural for both attendees and local inhabitants.
- Festival sustainability is a term that encompasses not just environmental, but also organizational considerations.

KEY TERMS

Artistic programming

Arts marketing

Arts audiences

Assessment

Audience development

Co-productions

Evaluation
Events management
Festival failure
Festival tourism
Festivalization
Festival attendance
Green events
Impact assessment
Project management
Sponsorship
Stakeholders
Sustainability
Virtual festivals

STUDY QUESTIONS

1. Who should you consult when creating your festival budget and why?
2. What motivates volunteers to work at a festival? Why should you cultivate volunteers?
3. What is the difference between evaluation and assessment? Can you give a concrete example of each that would pertain to festivals?
4. How would you design add-on features to your festival to make it unique and motivate attendance?
5. Why are stakeholders important to festival planning?
6. Do festivals need an artistic vision to be successful? Why or why not?
7. How does festival sustainability impact on the design and management of festivals?
8. Imagine you work for a city council or other organization that wants to put on a festival. Just as in Phoebe's case, they haven't done any research or talked to any stakeholders. What advice would you give them to help them make better decisions before they go forward with festival planning?

GAIN EXPERIENCE

1. Select an existing festival in your region and critically assess its program, stakeholders, and sponsors. Note the strengths and weaknesses you see. What could be changed in order to improve the festival? What precise improvement would you anticipate if changes were made?

2. Research potential funders for a festival to take place in your city or town. Identify one likely government funder and two likely private funders. Prepare a short report explaining their suitability and the amount that you think they might be able to give.
3. Do some research on an existing festival. Based on what you can discover about it, create a budget with both costs and revenues. Although your budget may not be accurate for the real event, creating such a budget can provide you with a great deal of insight into that festival.

ADDITIONAL RESOURCES

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Cultural Work

Johanna Schindler

SCENARIO

Gael is a real go-getter. He cares about the projects he is working on and commits himself to them 120 percent. He has worked as a project manager at several arts organizations, completed his PhD dissertation on cultural policy, and presented his research internationally. To gain a little extra money, he also does translations and editorial work on the side for clients in arts and academic fields. Even though he is just a few months into his career as a freelance cultural worker, it is not a surprise that he already has a number of projects lined up: conceptualizing a conference at his favorite arts organization, copy editing and managing two large editorial projects, and a few translations for an exhibition catalog at a local art gallery. On top of that, he will begin work, soon, as a visiting scholar in cultural policy at a German university, which will allow him to spend a few months abroad. There is also a collaborative writing project and a favor for two friends who asked him to comment on their dissertations—something to which he really cannot say no. To broaden his international network, however, he would really like to do some field research or consultancy work for an arts organization outside of the United States or Europe. Luckily, a well-renowned NGO with a branch in Hong Kong just published a call for research proposals, which is a perfect continuation of Gael's dissertation topic. He is sure that he will be able to write the application in no time. He's almost certain to receive the grant, which would put him on a more stable footing financially.

Three months later, Gael spends most of his days on one of the editorial projects. Some authors submitted their texts late and didn't bother to format them properly, or even run a spell check. Rather than finalizing the texts, he is busy copy editing them. Fortunately, due to some shifts in the arts organization's programming, the concept he was supposed to write up is postponed for a week.

In the evenings, even though his eyeballs already hurt, he reads his friends' dissertations, since their submission deadlines are approaching. On the weekend, he copy edits the second book project, which almost feels relaxing since there are just a few formatting issues he needs to resolve. There's no time left for the collaborative writing project he was looking forward to so much. The next day, he receives a call from one of his clients: "Didn't you get my emails? You were supposed to send the translated text to me a week ago." He promises to take care of the translations that same week, but the client has already contacted a different translator since they hadn't heard back from him. And since there had been no legal agreement, except for the email exchange between the two of them, Gael will only receive a small compensation fee. Later that day, he finds a letter from the arts organization in his mailbox and another one from the tax office. The arts organization letter includes his job description. It spans three pages. As a project coordinator, he will be tasked with conceptualizing the conference program and the accompanying publication (wasn't he supposed to conceptualize the conference only?), communicating with the contributors, promoting the project to the various audiences, text editing, team supervision, hiring additional staff if necessary, and planning the project budget. The letter concludes with the organization's policy: *It can't be done is not part of our vocabulary, we always find a way to make things happen.*

Still wondering about how he is supposed to make it all happen with such a broad range of tasks, not to mention all of the other projects he has committed to (like the classes he's supposed to teach next month—he hasn't even started preparing). A ping on his mobile phone reminds him of the NGO's call for proposals. Only two days to go. How had he let it go so long? He immediately starts writing, going on about how relevant his research question is for the current situation in Hong Kong and why he would be *the* person to carry out the project. He'll spend the next day updating the list of references to meet the current discourse about the topic, still sure to meet the deadline. Typing a few keywords into the search engine, an announcement for an online seminar on creative writing comes up first and immediately catches Gael's attention. Besides helping the participants to develop a storyline for their first book, the course even includes a few modules on project management—exactly what he would need right now. If only he had the time and money to complete the class, he'd register within a heartbeat. But first things first. He resumes work on the grant, goes through the formal application criteria once more and realizes that he was supposed to submit two letters of intent by local cooperation partners to underline the feasibility of his project. How could he have forgotten about that? He'll never get the grant without those letters. Thinking that he really needs to get a foot in the door of that NGO, he decides to submit the application anyway. Shutting down his laptop, he sees the tax office's letter still unopened on his desk. It includes a bill asking for a significant amount of money to pay, in advance, based on the revenue gains he was so proud to declare to the tax department to state his success as a freelancer. Checking his savings account, there's no way he will be able to

pay this amount in addition to his regular monthly expenses. At least not until the arts organization has transferred the salary they agreed on.

ISSUES

- Lack of project planning and time management skills;
- Inability to decline exciting projects;
- Lax attention to personal finances;
- Need for prioritizing jobs and tasks;
- Poor understanding of relevant legal matters;
- Inattention to details that affect responsibilities;
- Difficulty in juggling multiple client demands.

INTRODUCTION

In comparison with arts managers who typically occupy full-time positions at a single organization, cultural workers usually work on a freelance basis and are people who wear many different hats. With a background in, for example, cultural studies, anthropology, arts management, sociology (of the arts), cultural policy, economics, media and communication studies, art history, and other related fields, cultural workers are likely to have received an interdisciplinary training, which leads into a broad variety of professional pathways rather than a few specific career options. McCall (2019) suggests a definition according to which “cultural workers tend to move between different types of professional activity that combine practice, production, and management” (168). Her research on cultural work closely links to creative industries discourse and practices and draws on artistic practices and other kinds of creative labor that artistically trained people might engage in to earn a living. This is in line with Beck’s (2003) edited volume, which gives a broader overview of work practices in different fields of cultural production, and Scharff (2018), who analyzes various dimensions of individual entrepreneurship in classical music professions in relation to the creative industries sectors in Germany and the UK. Similarly, in one of the first analyses of working conditions and processes in cultural production, Banks (2007) gives the following definition of cultural workers:

The creative cultural worker (aka the “artist”, the “designer”, the “director”, the “writer” and the “musician”) is very much at the centre of the cultural industry labour process; it is they who are primarily responsible for the production of those symbolic commodities judged to be essential components of the transition to a “post-industrial”, “creative” or “knowledge” based economy.

(7)

This chapter defines cultural workers as freelance arts managers and researchers who are mainly employed in temporary project-based work. They spend their time editing, teaching, researching, curating, and managing projects in fields like arts advocacy and

consultancy, arts management education, cultural policy development, or cultural production. Facilitating the production of artworks could very well be part of these jobs; this chapter will not, however, put individual artistic practices at its core. Rather, it addresses skills and strategies for getting started and establishing oneself as a cultural worker.

Building on broad skillsets and knowledge about the arts, cultural workers will most likely find themselves working on multiple contracted projects at the same time. Each project will have its own focus, scope, and time frame for delivery and completion. Work models for cultural workers include, for example, the one-person business, based entirely on independent freelance projects and contracts, or the part-time employee who works at a private or public organization or institution and does freelance projects on the side, which might be carried out alone or with a team. That means that they will sometimes take the lead on a project while having a subordinate or assistant role in others. They might work in informal contexts, that is, from home or a public library, in a co-working space or a café, in their town of residence, or any other part of the world—depending on the possibility of working remotely and, of course, financial capabilities. It is increasingly common for cultural workers to work across international borders, that is, they may take on projects for clients living in another country or may have clients or team members living in multiple countries.

From the day-to-day perspective, similar to other occupations that are project-based, cultural workers might face periods of intense work (and higher income) as well as times during which there is no work or income at all. Unlike project work done by employees in arts organizations, freelance cultural workers simply aren't paid when they aren't directly working on a project. They don't have the luxury of being able to work intensively on an important project and take time off to compensate for overtime (or even to get paid for overtime). Instead, freelance cultural workers need to take responsibility for their financial security themselves. In addition to a well-thought-out private budget plan, a freelance work model requires endurance, flexibility, and backup strategies to get through phases that are less financially secure. At the same time, the opportunities cultural workers have to shape their freelance work are numerous: they include engaging in local initiatives as well as taking part in projects from public or private institutions all over the world, participating in residency programs and research fellowships, or meeting and working with international colleagues from different backgrounds, all of which leads toward a solid professional network in various fields, and—most importantly—good word-of-mouth about their services, which cannot be underestimated for developing a long-term, stable career. This is due to the fact that regardless of the sector in which freelance work is carried out, a great part of the daily work is finding jobs, continually promoting one's services, and writing proposals or (other kinds of) applications to get hired. It is often only after several years of working for a number of different contractors that cultural workers can claim to have established professional relationships or a career that generates frequent, ongoing, or longer-term jobs and a stable, solid income.

WHAT MAKES A CULTURAL WORKER?

The decision to do cultural work as a freelancer is an important one, which might be taken either by choice or out of necessity. While some people might (be able to) choose

freelance cultural work as their preferred work model, others might have lost their jobs or may not earn sufficient money in their primary occupations so they might need to establish a second professional career. Either way, the opportunities and independence cultural work offers go hand in hand with the insecurities of project-based work and individualized forms of labor that characterize today's economic and social systems.

Work and workers' benefits are increasingly precarious, especially in the cultural and creative sectors (Reckwitz 2020). Projects often depend on third-party funding, which makes long-term planning difficult. In addition, changes in or cancellations of entire programs, in the case of rejected funding applications or budget cuts, can mean that work you were counting on may not come through. Cultural work can therefore be described as an occupation situated somewhere between the flexibility and the precarity of freelancers. This idea of cultural work is in line with Oli Mould's (2018) critical standpoint toward (freelance) creative work in many social sectors, from artistic practices to urban development, higher education, and health care. Mould claims that this kind of work is increasingly set in low-paid working conditions with short-term or minimum wage contracts for researchers and freelancers who take care of outsourced creative labor framed under the banner of flexibility. Such conditions ultimately increase the systemic social differences inherent in the labor market and "simply entrench precarious-ness" (60).

To deal with the uncertainty inherent in the field, a few skills are required for success in the field of cultural work, especially when you take on multiple jobs and roles in parallel. In addition to an interdisciplinary background, cultural workers are often equipped with the following:

- Entrepreneurial thinking;
- Stamina and financial management to get through phases with little or no work;
- Creativity and openness to find new revenue streams;
- Abilities to manage multiple responsibilities and demands;
- Multitasking oversight for project requirements, budgets, and schedules for multiple projects simultaneously;
- Honesty and trustworthiness for transparent communication with clients;
- Flexibility in the face of unexpected changes and requests;
- Self-discipline and self-direction;
- Ability to work independently and remotely;
- Openness toward and ability to integrate oneself into dynamic teams.

This list is by no means an exhaustive description of cultural work. Those who are considering a career as a freelance cultural worker can use it as a starting point to see if they can imagine themselves in such a role.

Facts and Figures

Freelance cultural workers often carry out several jobs at the same time and respond to requests for work on-demand. They are comparable, therefore, to "gig workers" (Gig Economy Data Hub 2020), who are in standby mode and carry out temporary, contract jobs. They are an often invisible and low-paid workforce that keeps the cultural sector

and—in the case of gig workers in the original sense of the term—the global economic system running (Merkel 2018; Mould 2018).

Cultural workers may never even meet their employers or collaborators in person. Rather, tasks, salary, and the timeframe are agreed upon via email, phone, or e-meeting. Written exchanges may substitute for official contracts. As a consequence, the legal status, social welfare benefits, and financial situation of cultural workers are often precarious. This is especially the case in the first years of self-employment when their services and competencies are not yet well known and hiring depends on recommendations from a small professional network. These conditions are aggravated by the volatilities of the labor market, overall, and competition in arts fields and creative industries. In comparison with other sectors where freelance work takes place, arts and culture sectors have high numbers of independent curators, freelance copy editors and translators, self-employed consultants, and project managers. As an example, the most recent data of the German Federal Statistical Office (Statistisches Bundesamt) states that 39 percent of all people currently working in the cultural sector, overall, do so on a self-employed or freelance basis (compared with 10 percent of self-employed people in all other sectors; see also Liersch and Asef 2015). This is equivalent to roughly half a million people out of 1.3 million people working in the cultural sector overall (Destatis 2020a, b).

These numbers include all occupations from dancers, journalists, architects, movie producers, event managers, and instrument designers to ceramic artists and editors. A further indicator of the number of self-employed cultural workers is the number of people who are registered with the German social security fund for freelance artists, the Künstlersozialkasse (KSK), which coordinates basic health insurance and social security benefits for people with artistic professions in the four categories of fine arts, performance art, music, and word (see Künstlersozialkasse 2020). The fourth category comprises authors, copy editors, and curators, so would include people like Gael who do freelance work in this area.

The situation is not unique to Germany. Since 2017, the *Compendium of Cultural Policies and Trends* has compiled data on cultural employment in the European Union. Their data show results for individual countries, and comparisons between countries (*Compendium of Cultural Policies and Trends* 2021). Comparative tables are based on regularly published employment data from the various European countries showing overall cultural employment, as well as the share of self-employed cultural workers in selected professional fields. In 2017, 15 percent of the people employed in the cultural sector in Croatia were self-employed, with cultural employment making up 3.5 percent of overall employment. This compares with 11 percent of self-employment in all other sectors. Similarly, in the Netherlands, 64 percent of cultural workers are self-employed. Cultural employment, however, makes up only 4.5 percent of overall employment. In contrast, only 16 percent of workers in all other sectors in the Netherlands are self-employed. In Norway, the figures are 38 percent self-employed, with cultural employment making up 3.9 percent of the overall employment compared with a 6 percent share of self-employment in the overall employment figures.

Looking beyond the European context, a recent statistical analysis of employment data for artistic professions and “other cultural occupations” in the United States shows that cultural workers make up roughly 1.2 million people, including both self-employed and

wage-and-salary workers, spanning occupations such as curators, editors, broadcast and sound engineering technicians, ticket takers, tour guides, printing press operators, and metal-workers, among many others (NEA 2019). Looking at these census data and, more importantly, the categories used to define cultural workers, it is nearly impossible to find reliable data on how many people comprise the freelance cultural workforces. It is also difficult to determine the kind of professions that cultural workers carry out on a regular basis, let alone their long-term career paths. On the one hand, missing or unreliable data can be explained by the fluid nature of the jobs and by the fact that official surveys on occupations in many nations do not yet include non-traditional work models and interdisciplinary professions. On the other hand, the numerical invisibility of freelance cultural work underlines the structural precarity of the field. Discourse and research about the creative industries frequently analyze and criticize the isolation of cultural workers (for example, in their need to take care of their own legal and financial well-being and social security) (Merkel 2018). The lack of policies to ameliorate the uncertain conditions of freelance cultural work, however, calls for more nuanced surveys to better understand the sector's needs in order to make improvements that meet the realities of work and life of (freelance) cultural workers.

Whether one is a cultural worker by choice or out of necessity, this chapter provides a non-exhaustive set of strategies and skills that can help cultural workers to establish themselves, develop strategies for the up- and downsides, as well as deal with the ambiguities freelance cultural work implies. Readers will gain practical guidance for getting started as a freelancer, and for establishing work models that can contribute to a long-term, successful career as a cultural worker.

GROUNDWORK I: PROJECT PLANNING

In the context of cultural work, *projects* can be anything from writing an article to conceptualizing and organizing an event, building a website, submitting a funding application, curating an exhibition, or carrying out a research project. Projects usually have purpose or aim such as advancing research in a certain field, transforming an institution, or investigating a topic of social relevance, which is mirrored in the projects' *approach or methods*. Examples of the latter might be using an innovative research design, setting up a new hiring policy, or developing public programming on a topic of interest. The duration, scope, and complexity of projects vary greatly. Planning a three-day event can take several months, including research phases, conceptual development, communication with participants, finding a space, organizing the technical setup, and promotion of the event. Implementing an exhibition that runs for a few months might take more than a year of planning and preparation including curatorial development, allocating third-party funding, communication with artists, artwork installation, and dismantling of the show. Carrying out a research and evaluation project to write a policy statement or develop practical guidelines for organizational change might take several years with varying peaks during interview and field research phases or the submission of the final report. Writing and submitting a funding application might only take a few days while compiling the necessary documents could take several weeks. The key to *project planning*, therefore, is to start from the end of the project rather than from its starting point and anticipate external factors that might

influence (or delay) the schedule when determining the order and completion deadlines of different tasks. A project plan similar to the one shown in Table 10.1 can help keep track of individual projects' tasks and timelines. The table shows an imaginary annual plan of Gael's projects. It includes various steps that are needed to complete the projects, buffers allowing him time to take breaks or reschedule due to unforeseen events, and clearly shows peaks of workloads, as well as conflicting projects like the exhibition opening and the prospective start of the research grant in Hong Kong. Such an overview would have helped Gael to assess the workload he was going to face from a different perspective and decide on the next steps to complete the individual projects.

A different example of intertwined projects would be the publication of an exhibition catalog that comprises views of the installed artworks. For the catalog to be available in time for the exhibition preview requires installing and photographing the artworks at least four weeks prior to the printing deadline to give the publisher time to transfer the files with the typeset and copy-edited layout to the printer. This schedule affects both the installation date of the exhibition and the start date of the research phase. Consequently, to keep a project running and to guarantee its smooth realization, solid *project management* is needed. This implies the following:

- Creating a project plan like the one displayed earlier to keep an overview of when tasks need to be completed;
- Delegating tasks and team management, including motivating individuals and solving conflicts;
- Monitoring the completion of tasks, including checking on whether team members might need support, a reminder about the deadline they have to meet, or assistance with resources or infrastructure;
- Being aware of, and factoring in, the amount of time project managers need to complete their own tasks, including communication with team members, service providers, funding bodies, and administrative liaisons;
- Transparent communication with all team members;
- Continuous exchange with external service providers about workflows, delays, and shifts in schedules;
- Monitoring the project budget and translating delays into the costs they imply (e.g., an extra fee for a fast translation service) or factoring in third-party funding;
- Adapting the project plan as the project develops given that circumstances may change over the life of a project;
- Completing evaluation processes and transmitting project reports or public reviews as requested by funding bodies or any other responsible person after completion of the project.

GROUNDWORK II: HOW TO BE YOUR OWN MANAGER

Whether they work in teams or individually and whether they lead a project or only complete one small task for someone else, cultural workers need to take care of their *self-management*. This is especially true when they are engaged in several projects at

TABLE 10.1 Annual Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Exhibition (curator)	Research	Research	Writing	Submission deadline concept	Concept revision, inviting artists	Summer residency? Vacation?	Invite speakers for public program	Installation	Opening		Public program	Dismantling
Grant application (applicant, researcher)	Paperwork	Paperwork	Research, writing	Submission deadline					Start research grant			
Publication A (publication manager)			Authors' submission deadline, chapter review		Send feedback to authors		Remind authors of submission deadline	Chapter review round 2	Submit manuscript to publisher		Proofreading	
Publication B (copy editor, proofreader)				Copy editing	Copy editing		Copy editing		Proofreading	Proofreading		
Teaching (teacher)							Submission deadline syllabus	First class	Project work with students			Last class, grading

the same time. On a very pragmatic level, this means personal *time management*. Each individual project should have its own plan. When you have multiple projects, they need to be part of a bigger, individual work plan that will help you stay on track. For Gael, such a work plan would allow him to identify his peak work phases, see whether the schedules for his multiple projects are compatible or conflicting, and also decide the number of projects he is actually able to manage. A simple spreadsheet like the one displayed in Table 10.1 could provide such an overview for each of Gael's projects, while one of the many collaborative software solutions available online, such as Trello, Slack, or Freedcamp could help to structure his collaborative work.

As mentioned previously, to plan a project, one usually goes backward in time. In other words:

- Start with the date a project needs to be completed (that is, the exhibition opening, the release of a publication, or the submission deadline for grants or proposals).
- Depending on how many people are involved and on your own role, define the individual tasks and timeframe for completion.
- Keep track of how much time you need for different services you provide. For example, it would generally take three hours to copy edit a well-structured academic paper of 10,000 words on a topic you are familiar with, and six hours if it needs thorough revisions. An initial concept proposal for an exhibition should take about four hours of research and another three for writing. As you gain experience as a cultural worker, take note of how long the tasks of a project take so that you can maintain deadlines, as well as estimate how many projects you are able to take on. Some clients may ask for an estimate of the time you will take to complete a project before they hire you, and for a quote that gives them an orientation as to how much the services you are performing are going to cost.
- Include time for project administration (writing emails and paying bills), private administration (doing taxes), taking breaks, and taking time for a vacation.
- Include buffers that allow you to accommodate shifting schedules or illness, and to adjust your schedule to new projects you take on.
- Create templates for administrative files such as contracts, offers, and bills. This will help you increase your efficiency and keep track of important documents.

If project schedules conflict, setting priorities will help you schedule tasks and pay heed to the stakes one has in relation to the projects. In other words, it is important to take note of why you are doing the project in the first place. The reasons can range from financial security to network building and maintaining autonomy in one's work life to finding inspiration in the project itself. Gael, for example, particularly likes interdisciplinary projects that allow him to try out site-specific curatorial approaches and develop events and publication formats that address the audience in an engaging manner.

One strategy for time management is to look for one or several collaborators in order to efficiently take on more than one project at a time instead of rejecting those that you can't handle on your own. It may require you to re-define your role within the project framework. Rather than co-curating three festivals at the same time, for example, it might be helpful to serve as an adviser for one of them and contribute with an article

on the third festival's main theme only. With such a set of varying responsibilities, committing oneself to several types of projects simultaneously is more manageable. You may earn less on each individual project as a result of adding team members, however, rather than taking on too much and risking not being able to complete a task, you are better able to deliver high-quality work and maintain professional credibility.

On a second level, self-management is related to *work routines* based on the portfolio of services one is actually hired for. Especially when making the transition from an employed position to freelance work, one should be aware of the fact that working on one's own requires self-discipline to establish routines. In contrast, the work of an employee is often directed by or at least coordinated with others. Working on your own can make it a challenge to give your day some structure. It is therefore helpful to stick to a schedule, but also to engage in projects that allow for a number of different tasks varying between on- and off-screen work, or between individual and teamwork. Find the best time of day for you to focus on research or writing and organize meetings at other times to offset the concentration of intense writing. Make sure to schedule breaks (and vacation) so that, in the long run, the boundaries between work and leisure time are maintained, and, consequently, your individual physical and psychological well-being won't be sacrificed.

Many of the choices and decisions implied above are related to financial resources that cultural workers depend on or are able to allocate for even cash flow. The next section looks more closely at these issues.

Developing a Business Plan

Regardless of whether one establishes a career as a cultural worker out of necessity or choice, it is important to assess one's competencies, goals, drivers, and needs to develop a solid *business plan*. As mentioned previously, cultural workers are likely to have received a broad interdisciplinary education, equipping them with analytical skills and tools to take on work in the cultural field and quickly grasp the bigger picture of a problem or topic. But success in cultural work also depends on the specific services you can offer to establish yourself in the freelance cultural work market. A good first step is to define and list your individual expertise and core skills, professional experience gained, strengths, weaknesses, and likes and dislikes. Doing so honestly is key: someone who simply does not enjoy managing projects should not offer this service. Better to offer yourself as a consultant or in some other role.

Keep in mind too, that clients expect you to have experience in what you offer. Leading just one single project on socially engaged arts does not an expert make. Claiming expertise that you don't possess can damage your reputation and make finding additional jobs more difficult.

It may be useful to carry out a SWOT analysis of your own strengths, weaknesses, opportunities, and threats to position yourself in the market. To do so, these questions might be helpful:

- What are your core competencies?
- What services are you able to offer based on these competencies? Which services would you *like* to offer, but are not able to do on your own?

- Is there a specific target market that needs these services and is able to pay for them?
- Can you imagine developing the services further in the future to create a longer-term foothold in that market?
- Who else is already offering similar services, are they competitors or potential collaborators? At what prices are they offering their services?
- In what way are your skills and services different from those of others? Why would someone hire you instead of someone else?
- What does your network look like: are there any potential or current collaborators?

As soon as the service portfolio is set, you should determine *prices or fees* for each of the services. There are certain international standards that can help you determine what is reasonable even though the precise amount charged varies from country to country. Nevertheless, a rule of thumb is that editorial services are usually charged by the hour or by the number of pages in a document. Translations are usually charged by character count, and consultants, as well as curators, work based on hourly, daily, or overall fees for an entire project. Professional associations and networks might provide further orientation on standard fees; they often publish templates for standard fee agreements. Some cultural workers publish their price lists on their websites. Searching for these can also inform you about the type of services offered in the field.

Usually, agreeing on a fee with a client is based on individual quotes and project-specific offers. It may involve some negotiation given that all parties will be working on a budget and, no doubt, within the constraints of public and private funding regulations. Self-security about the quality of work one is going to deliver suggests you should stick to the price originally quoted. But implicit work ethics in the field permit adjusting the fees to meet the client's financial realities or making adjustments if the scope of work changes during the course of the project.

Copy editors and proofreaders often offer reduced fees for students and PhD candidates, translators may adjust the fee per standard line to meet their clients' budgets, and consultants might ask for higher fees when they are working for companies or government bodies as opposed to smaller arts organizations. For individual cultural workers, negotiating fees also implies keeping the balance between offering reduced fees for a specific group of people, pro bono work, and well-paid work to secure one's own livelihood.

To give a specific example, Gael periodically accepts to provide lectures on his areas of expertise. Early in his freelance career, he wasn't paid a fee, but was offered reimbursements for travel, food expense, and accommodation "only." A current goal in his business plan is to accept these invitations when a basic honorarium is paid in addition to travel and other expenses. Again, this might depend on the context and organization doing the hiring. The point is, however, that the work needed to prepare and give a talk should be compensated monetarily—even in the case of webinars and online lectures, which do not require any traveling and use the existing infrastructure of the person hiring.

The next step includes doing *market research*. First, such research means determining your target market—the people who might need your services and are willing to pay

for them. Next, look at how possible collaborators or competitors communicate their services, as well as what prices they charge. This way, you can determine the rates for individual services, ensuring that they are in line with the average market value and can generate the income you need. Defining the way in which your services or expertise differ from what others offer is the next step. In business terminology, it means defining your *unique selling proposition* (USP). As a translator, Gael should highlight the different languages he speaks or specify a text genre he is well versed in. For example, if he can translate or edit policy texts, or has proficiency in writing grant applications, these are skills he should highlight.

A cultural worker who offers services as a consultant might have special expertise in moderating change processes in arts organizations or helping an organization establish diversity and equity policies. The USP could also be your special knowledge about arts and cultural sectors, or the ways you could apply that knowledge to other fields. Looking at other fields as prospective work environments can help Gael to broaden his services, for example, he might translate documents in the health, legal, or manufacturing sectors as well as those relating to arts and culture.

Third, market research is helpful to get inspiration for determining individual goals for where one would like to be in five to ten years. Gael's personal goals are to engage in projects with a high social impact, which might result in collaborations with the non-profit sector and corporate social responsibility initiatives of bigger companies. As an editor, his longer-term goal is to establish and lead an editorial office, which would mean he would need to allocate enough money to employ people and rent an office space. As a curator, Gael would like to develop an artistic project internationally with renowned institutions and colleagues that would raise his international reputation.

Key to any professional undertaking, including achieving long-range goals, is a *business plan*, that is, assessing the cost of the basic infrastructure one needs and translating the goals one has previously determined into numbers and steps to take. Depending on where you live, there may be various types of assistance available to you in creating a business plan. In Germany, for example, cultural workers who start a freelance career after a period of unemployment can ask the Federal Employment Agency or the Association of German Chambers of Industry and Commerce for support in setting up a business plan. They can also receive a monthly stipend of €600 in the first 6–12 months of their freelance careers. In Ireland, freelance workers might visit the Local Enterprise Office as a first step toward finding assistance. Cultural workers in France who have been unemployed can get free business advice and loans through a national business start-up scheme. Cultural workers can search for such services in their own cities and countries that might be offered through government and through non-profit or for-profit enterprises, or both.

Cultural workers who mainly work on their own can create a plan for their one-person business, those who are working in teams or aim at employing people in the future should additionally create financial scenarios that correspond to these goals.

A simple spreadsheet, like the one shown in Table 10.2, can provide an initial overview of the monthly and annual expenses and income needed.

TABLE 10.2 Monthly and Annual Expenses

<i>Expenses</i>	<i>Overall sum exp.</i>
Essentials	Sum 1
Rent	
Electricity	
Internet	
Cell phone	
Groceries	
Childcare	
Car	
Insurances	
...	
Leisure time	Sum 2
Gym	
Streaming	
Shopping	
Eating out	
...	
Vacation	Sum 3
Spring holiday	
Winter vacation	
Income	Overall sum inc.
Exhibition	
<i>Grant (tbd)</i>	
Publication A	
Publication B	
Teaching	
...	
Difference	Overall budget

Your spreadsheet should be as realistic as possible and include:

- *Regular expenses* such as payments for rent (for both private living and office spaces, if applicable), food, phone and internet, salaries (if applicable) including taxes and social benefits that employers need to pay for their employees, membership fees, and promotional services such as online advertisements;
- *Infrequent expenses* for leisure time activities, subscriptions for periodicals, professional travel and vacation, and continuing education.

After calculating your financial picture, you can develop a strategic plan for the income needed to cover expenses. On the *income* side, both regular salaries and income from any temporary or contracted work should be included, as well as realistic calculations of gross and net income. Your final calculation of income minus expenses will paint a sensible, representative picture of your individual financial situation. Base your calculations on different scenarios to determine how many projects you *need* to take on to make a living.

- Use the spreadsheet you created, which should include regular expenses (monthly or weekly rent payments, mobile phone and internet bills, groceries, and food bills, for example) as well as irregular expenses (such as business meals and vacation).
- Include an additional amount of money that you would like to put in a savings account or set aside for other purposes. Calculate the average amount of money you need to generate every month.
- Determine the prices for your services. Use any data available online or ask colleagues about standard fees to make sure your rates are neither too low nor too high.
- Determine which of the services you are offering has the best, and which has the least financial output compared with the time and effort you put in.
- Come up with various scenarios about how to generate income: Scenario 1 just covers your regular expenses. Scenario 2 gives you a fair amount of financial flexibility (to invest in continuing education, for example, or to hire people). Scenario 3 results in a negative number.
- Come up with an emergency plan for times when Scenario 3 might apply for a longer period of time.
- Avoid over-optimistic tendencies about the income you might receive. Also realize that things change over time. The calculations you make this year may not be adequate in future years.

The process above can help you determine your cash flow over the course of a year and identify periods when income can be expected, and those during which you might have to live on savings or find alternate means to cover expenses. In this context, a business plan is also a way to refine your work strategies and find opportunities to increase income or decrease expenses.

One way to increase income is to define a service that is needed by many people or organizations and that requires only little adaptation or preparation. Put differently, think about your service as a product with high turnover. Strategic consultancy work or giving public talks in a field of expertise are ways to achieve that. Another way to secure

regular income is to find a client who has recurring projects or production processes. Typically, arts organizations that produce regular program brochures, exhibition catalogs, or other types of publications work with external graphic designers, translators, and editors. Once these collaborations are established, they often last several years. Getting your first job with such organizations may require persistence but can pay off by providing a stable flow of paying projects once you are established.

A way to decrease expenses is to apply for research, writing, and curatorial residencies that cover some of your regular expenses, for example, the Goethe Institute's READ Residency Programme, or mobility programs like those promoted by the European Cultural Foundation and individual arts and culture organizations. Regularly employed cultural workers are often not eligible for these opportunities, but as a freelancer you can, and should, apply. Also look for stipends that cover continuing education and training.

Last but not least, a business plan helps you assess your needs from a different perspective: making your financial situation (as transparent (as it can be in a field of changing schedules and spontaneous new projects) first helps clarify how many or what kind of projects are necessary to financially afford a living. This clarity, in turn, allows for self-directed, active decision-making in the process of being hired or offering services. Just as important, it will better position you to decline projects that take too much time for too little money, even if they are compelling. You do not need to accept every project that comes along. Rather, you can ask yourself in what way a project will enhance your career, financially or personally. Review each project opportunity to decide if it will increase your reputation and skills, if a collaborative project is inspirational and broadens your professional network or if, on the contrary, it might turn into a burden with online meetings, administrative work, and tedious decision-making processes.

To make these decisions, it is helpful for cultural workers to be aware of their drivers, motivations, and requirements for their professional, physical, and psychological well-being. Are they motivated by independence? Or by teaching others useful tools in the field? Do you enjoy conceptualizing projects and helping others achieve their project goals? Do you thrive on getting to know and working with different people, or learning about or working on new ventures? In this context, it is also helpful to clarify your individual notion of success, which can shape the underlying ethics of cultural work. If, for example, the idea of success is quantifiable and related to earning a certain amount of money, or to publishing a certain number of texts, the resulting work model is different from one that is based on a qualitative approach to success, related to personal growth, team leadership, or promoting strongly held fundamental values.

The following questions can help you define your work model:

- Do you prefer working independently or in teams?
- Would you like to know exactly what your role and tasks are, or do you prefer fluid, flexible working structures?
- Would you like to lead projects and teams?
- What motivates you?
- How do you define professional success on your own terms?
- Are you looking for challenges? What would you like to learn?
- What would you like to achieve in five and ten years from now?

Finally, for any business model, stay informed about legal matters pertaining to freelance cultural work. These are different in every country, and include, for example, taxation models, deadlines for pre-payments or filing reports, health insurance and social welfare (including retirement plans), insurance (especially regarding legal liabilities), and standard contract forms for fee agreements. Much of this information is available online on the websites of local tax offices, insurance companies, and information platforms or exchange forums for freelancers. Don't simply rely on what you find online, however. It pays to get in touch with the local tax department to make sure to receive the relevant information, provide all necessary documents on time, and determine the number of tax pre-payments required. Find a reliable insurance agent who can tell you what might be required as a freelancer, or as an employer (if you take on staff). It is also helpful to become a member of professional networks, which are additional sources of information. Exchanging ideas and information about different work models and learning about the tricks of the trade used by other cultural workers is a way to make sure you are well-informed.

After creating a business plan and setting up a service portfolio, the next big task will be to promote your services and get jobs.

PROMOTIONAL ACTIVITIES

The biggest challenge for a freelance cultural worker is to succeed in what is called the *cold acquisition* of projects, that is, finding paying clients for the services you offer, on your own, usually without the help of friends, family, or colleagues. Just as large companies need to find clients and customers, you will need to find a pool of individuals and organizations who want to hire you. How do you go about making yourself known?

A personal website and a social media presence are no longer mere suggestions. They are absolutely required by today's freelance cultural worker for the marketing and promotion of services. Software solutions, website hosting, and building services are available at a broad range of prices, from freeware to paid basic and premium plans. In addition, online forums and tutorials provide step-by-step guides to setting up and maintaining sites and increasing your search engine results. Reviews of the best (sustainable) service providers, and low-cost web design (if you don't have the skills to design your own), can also be found online. At the beginning, it is unlikely that your website will generate a great number of jobs. First, search engines are unlikely to direct potential clients specifically to you when you are first starting out, especially if potential clients don't even know who you are. Second, most freelance cultural work is based on personal, *word-of-mouth* recommendations. The point of a website, however, is to give credibility and legitimacy to you as a freelancer, to present who you are, what you've done, and who else has hired you. Gael considers his website as an online business card he can hand out to a prospective client after an initial meeting to establish the professional relationship. In the future, he might create a blog at the same domain and publish articles in his field of interest to increase his online visibility (through search engine optimization) and assert his expertise.

Because your website won't generate enough jobs to make a living, you should investigate additional and potentially more efficient ways to promote your services. Efficiency, in this context, relates both to the amount of time and money you have to invest and the turnaround of valuable professional connections and paid jobs.

This is where previous colleagues, collaborators, and friends who work in related fields can help by spreading the word about your services, especially during the first years of your freelance career. There are various ways to broaden your network and establish additional professional connections. These include memberships in professional associations or unions that meet regularly, networking events thematically related to your interests and work, and giving presentations at conferences. All of these are opportunities to present yourself publicly and meet possible collaborators. Furthermore, training programs or residencies directed at cultural workers provide longer-term opportunities to do research on a specific topic, develop public programming, and collaborate on a specific theme with fellow residents. Suggested resources for research networks, professional associations, and residency opportunities in the arts and cultural fields are provided at the end of this chapter.

Subscriptions to email lists that regularly publish job announcements can also pay off. Registering on websites that pool services such as copy editing and translating can help potential clients find you. Satisfied clients can also be an excellent source for referrals.

Simply put, promotional work is an ongoing part of your freelance job to make sure people know about your services. The following list sums up a few essential steps to promote yourself and manage clients:

- Tell your network about your services and ask them for their support in promoting and recommending you.
- Look for professional associations you can join and participate in events to broaden your network and increase your reputation.
- Search for platforms where you can register to promote your professional services.
- Consider posting promotional ads on websites and social media channels that prospective clients might visit.
- Create an online presence that is easy to manage and has a quick turnaround in terms of people finding and contacting you.
- Create an email list that includes collaborators, people who recommended your services, and other people you have been in contact with professionally. Use this list to send out regular newsletters, thank you cards, New Year's greetings, or other messages to help build long-term customer relationships.

Some of these measures might initiate a snowball effect and generate jobs almost on their own, while others might take time to become effective. Yet others can, and should, be quickly omitted if they are unsuccessful or a burden on your budget. In each of these cases, a great part of cultural work is, and will always be, to get jobs while handling uncertain finances and establishing good professional *work relationships* with collaborators and clients. Transparency, professionalism, and an ethical approach to cultural work are imperative, as discussed in the next section.

ETHICAL DIMENSIONS OF CULTURAL WORK

Cultural work as outlined in this chapter includes a few implicit ethical dimensions and some which are more explicit. *Codes of conduct* vary depending on the professional field cultural workers are involved in. For example, researchers are asked to comply with ethical standards of scientific practice, which in some countries, like the United States or Canada, includes specific training and defending research proposals in front of ethical commissions or review boards prior to investigating humans or animals. Cultural workers who do evaluations or consultancy work need to be transparent about the methods they used and avoid biased reports. Translators, to give a different example, usually carefully assess the types of texts and content to see if to see whether they are the right people to take on the job. They also consider whether the texts require subject-specific vocabulary or sensitivity to cultural or language issues. Some translators also consider whether the text presents ideologies and perspectives that they find objectionable and may refuse a job on that basis.

One ethical dimension of cultural work that spans different kinds of occupations is related to *trust* and *confidentiality*. Even though there are standard fee agreements for specific types of tasks and jobs, much of freelance cultural work is carried out and agreed upon on the basis of trust. As stated earlier, emails often serve as the only written form of agreement about basic conditions such as deadlines, tasks, and fees. On the one hand, it is important to establish and maintain these trust relationships with different clients. On the other hand, verbally assuring that information is kept confidential might not always be sufficient. So, it is important to identify cases that require a more formal contract to secure both sides. These include, for example, dealing with sensitive data, non-published manuscripts or research, conceptual ideas or applications, or any other case that concerns authorship and requires professional discretion. Information or documents might slip out into the public without intent (for example, if malware infects the computer), and such a situation could quickly result in a legal case. It might therefore be worthwhile to look into liability insurance and pay specific attention to confidentiality clauses in contracts if one frequently deals with sensitive documents.

Some areas of cultural work such as consultancy, advocacy, or headhunting for arts and culture organizations might lead to a *conflict of interest* when working for several institutions at the same time. This means that the financial, strategic, personal, or other interests of cultural workers might affect the work they do for organizations, especially if they are working for two competing organizations at the same time. A conflict of interest would occur, for example, if you were hired to evaluate and develop a strategic plan for future programming and funding by two different NGOs with similar missions, both active in the same region.

Standard agreements often include a paragraph to prevent conflicts of interest. To be entirely safe, make sure contracts you sign include a paragraph on dispute resolution with a mutually agreed-upon arbitrator. Should an unforeseen circumstance arise that threatens financial or other damage to either party, this protection clause will already be in the contract. Rather than an extreme or unlikely case, situations like this are frequent enough that it pays to prepare oneself for their eventuality. Overall, defining the terms

and conditions of joint work or services helps to establish a good work relationship and maintain personal and professional integrity as a cultural worker.

A FINAL WORD ON CONTRACTS

Whether written or verbal, formal or informal cultural work is contracted work. Cultural workers like Gael form agreements with clients to perform work. That means that contract terms define their work, pay, regularity of payment, and many other matters. While Gael is unlikely to become an expert on contracts (when would he find time, anyway?), he should be familiar enough so that he can prepare his own contracts, as needed, but also review contracts before he signs them to make sure he agrees with the terms. Below are some useful tips for the kinds of cultural work contracts Gael is likely to encounter.

- When creating contracts on your own, use existing templates for standard fee agreements for the different services you are offering (e.g., editing, translation, consultancy, or curatorial services). Make sure to make any needed changes to the template in order to customize it for your needs.
- Define the services you will provide for each project, including a paragraph on what your services do *not* include.
- State the fee, payment rates, and the milestones establishing progress. Some clients may make partial payments at each milestone until the final payment is made when the entire service is completed.
- Include the amount of taxes (if applicable). Include a paragraph about who will cover additional costs such as transportation, work infrastructure, or tax payments.
- Make sure milestones are in line with the cash flow you need to pay your regular expenses.
- If applicable, include a paragraph on confidentiality about the information you are dealing with.
- Make sure the contract states how your work will be credited. For example, will your name appear on a brochure that you wrote or translated? Whenever appropriate, insist on visible credit for your work. It is a way for you to gain visibility, attract new clients, and build your resume.
- Make sure the paragraphs on copyright and data security are in line with the nature of the project and the policy of the country in which the services are carried out.

FUTURE PROSPECTS

It is safe to say that voice-recognition technology and translation software will speed up writing and translation work in terms of efficiency but not necessarily with regard to quality. Thorough copy editing of texts, which have been translated with the help of artificial intelligence, will still be needed to ensure logical consistency of texts and idiomatic use of words. While this might reduce the amount of work for traditional

translation professions, new opportunities will be created to deal with changes in both content and format. Participatory online publication projects, new live formats, and project archives are already being created. Since these projects require different forms of audience communication, they may create opportunities for freelance cultural workers—in a dynamic, internationally connected world that has become used to the daily practices of remote work and the trust relationships it implies. It is more difficult to speculate about the future of the social and economic characteristics, which currently determine cultural work, namely, flexibility and precariousness, which are often perpetuated by policy conditions. However, several initiatives—in Europe, the United States, and beyond—are publicly demanding that social welfare benefits and financial security systems be adapted to meet the many hybrid working models cultural workers—and freelancers especially—are using, and developing, to sustain their lives. Pressure is increasing from within independent and even institutional cultural scenes by people who are invested to maintain (and create an even more) diverse cultural landscape. To elicit change, and to strengthen the financial and legal structures found in the field of cultural work, work policies are needed just as much as role models who can implement them. Even a new system, however, will probably have failures and flaws, which will make freelance cultural workers connect with each other and come up with new working models and policies that meet their needs, goals, and work ethos.

SCENARIO DENOUEMENT

Gael had found himself wound up in a knot with competing demands and too little time to accomplish what he had set out to do. He had lost track of his responsibilities and project tasks due to lack of self- and project management. Going forward, he decided he should create a schedule with an individual plan for each project coupled with a daily to-do list to keep himself on track. These mistakes may be common among freelancers but realizing that they are often the result of hasty behavior in times of increased stress and workload is the first step to making a change. Gael came to recognize that being self-employed means monitoring *oneself* and reminding *oneself* of the obligations one has. By the time a client sends a reminder, it will probably already be too late to take action.

Gael also realized the need to set priorities prior to agreeing to any new work. The research project he applied for was important for his own financial stability, and he might have handled the application process with more care or not committed himself to it at all if he didn't reasonably have the time for it. Reassessment of his situation showed Gael the importance of creating a business plan. Although the many projects he took on all had value for his career development, some of them did not necessarily contribute to his cash flow. Because Gael is eager, enthusiastic, and curious, he has a hard time declining projects—even more so when friends ask for help. However, reminding oneself of the fact that project schedules are often negotiable, at least to a certain degree, means it is always worthwhile to ask collaborators and clients how much flexibility they have in order to avoid conflicting schedules. Gael takes pride in delivering high-quality work and is likely to be recommended, often, by clients, for future opportunities. But this is

where self-consciousness, trust, and stamina join forces in freelance cultural work. The field will no doubt remain one of both opportunities and uncertainty. Gael must find an appropriate balance between the two in order to do justice to himself and his clients.

SUMMARY

Similar to managing an artistic performance, a publication, or a conference, cultural work can be considered a project in and of itself. A career as a cultural worker needs a great deal of planning, with much attention to the details that can mean the difference between success or failure. Planning and budgeting should take into account unplannable variables to maintain control over multiple projects and one's own career. Cultural workers need perseverance and patience to situate themselves in and deal with the tensions between precariousness and flexibility discussed in this chapter. Getting started and establishing oneself as a cultural worker requires the following:

- An entrepreneurial spirit and ability to develop a business strategy.
- Long-term goals to better assess the resources, needs, and strategies to achieve these goals.
- Resilience and financial management skills to cope with an irregular income stream.
- Endurance and flexibility to deal with the fluid time management needed for project-based work.
- Ability to work both independently and as part of a team.
- Ability to adapt to different clients and their needs.
- Communication skills for better trust relationships with clients and teams.
- A professional network for job leads and recommendations.
- Basic knowledge of and the will to deal with legal issues.
- A thorough understanding of one's own work ethics for the responsible completion of projects.

KEY TERMS

Flexibility
Precariousness
Entrepreneurial thinking
Projects
Project planning
Project management
Self-management
Business model
Market research
Unique selling proposition (USP)
Work model

Fees for services
Standard fee agreements
Word-of-mouth
Cold acquisition
Work relationships
Code of conduct
Confidentiality
Conflict of interest

STUDY QUESTIONS

1. To what extent is it correct to say that freelance cultural work requires more self-management than other professions?
2. To what extent is it correct to say that cultural workers are entrepreneurs?
3. What can cultural workers do to shape the conditions of their work?
4. What do you think about the following statement? Someone who is bad at project management should not become a cultural worker.
5. What is the best way to establish and maintain good relationships with clients?

GAIN EXPERIENCE

1. Find out statistical information about the employment situation of cultural workers in your country.
2. Using the sample questions, create a plan for your current and prospective projects similar to Table 10.1.
3. Using the guidelines, create a budget for your current and prospective income and expenses similar to Table 10.2.

ADDITIONAL RESOURCES

- Cultural Research Network
- Sociology of the Arts Research Network
- ENCATC: European Network on Cultural Management and Policy
- International Association of Curators of Contemporary Art
- Society for Artistic Research

Websites for international job, residency, and fellowship announcements:

- www.kunsthistoriker.org/stipendien-preise.html
- <https://on-the-move.org/>
- www.curatorialprogram.org
- <https://culturalfoundation.eu/>

Listserves for international job, residency, and fellowship opportunities:

- www.jiscmail.ac.uk/groups/startagroup/categories.html
- www.callforcurators.com/
- www.e-flux.com/
- www.faces-l.net/
- www.e-artnow.org/

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PART III

Arts Law, Policy, and Advocacy

Cultural Policy

Constance DeVereaux

SCENARIO

Trey is the Education Coordinator of Art Town Arts Company (ATAC) located in the mid-sized city of Art Town. He has worked as an arts manager for many years, applying for grants, soliciting donations, and planning and running popular education programs for young dancers. The job was an easy transition from his former life as a dance instructor in Art Town Public Schools. He loves his job even though it could be described as full time, and then some. Long hours leave him little opportunity, outside of work, to do much more than gather with a few friends now and then at Art Town Cidery, a popular hangout. Although it's mostly a time to socialize, the conversation seems to turn, predictably, to the poor state of support for the arts in Art Town—and in the country as a whole.

“It's the education system!” offers Aisha. It's her default contribution to the conversation. “People just don't appreciate art the way they used to,” she says. “But unless you change the whole educational system and revamp how government funds the arts, nothing's going to change.”

“Good luck with that,” Elton tells Aisha. “Little chance government will do anything. They're just in it for themselves. Put them in fear of losing their jobs and then they'll do something!” Elton's standard response is that the only thing that will make a difference is taking to the streets. He thinks that Trey and Aisha should join him in organizing a protest or a happening in the middle of Art Town. “Bring everything to a halt!” he says. “Let's show them that we're ready to take charge.” Trey is sure that Elton is more talk than action, especially when he claims that high-profile protests will translate into more support for artists, affordable places for artists to live, and affordable studios where they can work. When asked how the one leads to the other, Elton doesn't have much of a response. He's also vocal on the matter of too few venues in the downtown area—empty buildings that could be turned over to artists if only “they” would let it happen; he's never clear on who “they” refers to.

“Maybe we just occupy the buildings, paint some murals downtown so people understand it’s a place for the arts. That will get some notice,” Elton says, to which Aisha replies, “Yeah? Good luck with that.”

Although Trey figures there is an appropriate middle ground between Aisha and Elton’s two extremes, he’s not sure what it is. He’s never done much in the community beyond his own job. When would he have time? Besides, what difference could one or two people make? Things would be different, he thinks, if there was a local arts council to get things done. Other cities, towns, and even nations have them. Why not Art Town? He knows it’s been discussed for years, but it’s mostly been a lot of arguing and getting nowhere, which is his general view of anything that has to do with politics—people divided into their own separate ways of thinking and never getting anything done. He wonders if Elton could organize a big enough happening so that people would take notice and realize the importance of an arts council, not to mention the other issues they’d discussed. Or maybe Board members of some of the local organizations could do something. After all, they seem to be well-connected socially. Why don’t they get involved? He wonders if anyone would even listen if he made such a suggestion. Good luck with that, he thinks, and orders another cider.

ISSUES

- Little knowledge about what public policy is and how it affects arts and culture;
- Assumption that individuals have no role in policy;
- Substituting talk for proactive policy participation;
- Belief that the only useful actions are those that bring about substantial and cataclysmic change;
- Failing to recognize the value of civic participation;
- Assuming that only well-connected citizens can influence policy;
- Seeing cultural policy as separate from the day-to-day work of cultural management;
- Believing that participation in policy is something for other people to do;
- Mistaking policy disputes as unproductive arguing.

INTRODUCTION

Like many arts managers, Trey has limited knowledge of public policy and its processes, even though his daily work, as an arts manager, is affected by the public policies operating where he lives. Policies relating to arts and culture have an impact on the artists he works with, the availability of art in his community (and in the world), his access to cultural experiences, and a good deal more. His lack of knowledge may be due to the fact that although policies have significant impact on daily life, they are created and implemented through processes that mostly happen outside of public awareness. People notice policies, if at all, primarily through outcomes in the form of programs,

regulations, events, and public pronouncements on policy issues. Increased awareness comes from knowledge about what public policies are, in general, about specific policies in arts and culture, and about the processes that create them and put them in motion.

Very broadly defined, public policies are actions that governments take in doing the work of government. Policies are laws, regulations, priorities, intentions, actions, and in many cases, inactions that relate to all aspects of life.

The outcomes of cultural policies could be considered the cultural *policy landscape* of a town, region, or nation in terms of such things as number and types of cultural institutions and events, the degree of support for artists, accessibility to the arts, and many other such issues. Trey and his friends are well aware of Art Town's policy landscape even if they don't see its connection to policy or as an arena in which they can realistically take action.

Governmental policies cover a wide range of issues, not just for arts and culture. They relate to health, transportation, education, defense, commerce, housing, employment, and much more. In the case of the arts, public policies affect for-profit, nonprofit, and public organizations in visual art, performance, literary arts, film arts, and the many other forms and instances of art that exist. Arts and cultural policies address everything from subsidies for artists and organizations to cultural diplomacy, human rights, labor issues, copyright, education, and a wide variety of other arts and cultural issues.

Policies are put in place to address problems in the world, both real and perceived, in order to alleviate or eliminate them (either wholly or in part) to make life better. It would be naïve to assume, however, that public policies, no matter their intent, will always solve problems or lead to improved conditions. Governmental policies sometimes do great harm, whether intentionally or unintentionally, which can lead members of the public, like Trey and his friends, to have a dim view of the policy process. A better understanding of public policy not only helps arts managers like Trey develop realistic expectations but can also prepare them for participating in policy processes to achieve more positive outcomes. Policies affect us as members of the public, so we should have a say in what those policies will be. Absent knowledge of policy processes, we are less effective in securing and protecting our rights.

For Trey, better understanding of arts and cultural policy will mean that he is informed about the processes and principles that shape rules and regulations affecting him, his organization, and his town. On a very basic level, he will better appreciate the need to structure programs to satisfy policy requirements (for example, from government granting agencies) and why those requirements exist in the first place. On a wider scale, knowledge and participation in policy matters can help ensure an important role for arts and culture in his community. Trey's knowledge about policy, in fact, can contribute to his position as a community leader advocating for arts-friendly policies and other community improvements, as well as providing him facility in translating intricacies of policy issues to community members, colleagues, and organizational stakeholders affected by them.

Public policy takes place in what is sometimes called the *policy arena*. Rather than an actual place, it is the collection of individuals, groups, institutions, issues, and interactions that occur around policy issues. In the case of arts and culture, it is called the arts policy or cultural policy arena. One might ask if there is a difference between arts policy

and cultural policy. While some people make a distinction, others do not. Arts policy, on the surface, seems limited to the arts, whereas cultural policy includes wider questions of culture, but also includes the arts as a subset. The view adopted in this chapter is that culture is inherently part of the arts and the arts are inherently part of culture, so whichever term is used is necessarily inclusive of both.

Full of controversy and contention, collaboration and discussion, special, individual, and community interests, policy arenas are places where alliances come and go, viewpoints coalesce and shift, and where the social, political, economic, and cultural come together, take shape, and prompt action. But just as often, they collide, creating divisions and insurmountable barriers. In the policy arena, just about anything can happen. Being part of the action means that you have a chance to influence policy decisions and policy directives, policy solutions that are put forward, how they are formulated and implemented, and whether or not good policies are retained and bad policies eliminated.

In a democratic system, where members of the public engage in open debate, the free flow of ideas, beliefs, and opinions can produce avid disagreement as frequently as fostering consensus. This chapter focuses on the operations of cultural policy in democratic societies. But commonalities exist no matter the system. Foremost is that competing interests in any society will vie to be heard and win influence in order that their priorities and solutions are implemented instead of others. A democratic system, in principle, encourages wide participation in political processes, including policy. Less democratic and repressive systems afford political advantage to some individuals and sectors of society while restricting others. But even in democratic systems, there may be biases and limits on some voices. Once again, this is a good reason to be aware of the workings of government and its policies in order to correct or mitigate these imbalances.

Given the above, the policy arena could be compared to a “marketplace of ideas,” a concept coined by the US Supreme Court Justice, Oliver Wendell Holmes (and echoed by many other writers) who wrote the dissenting view in a political censorship case *Abrams v. United States* (1919). The idea is that open, free, and transparent discussion of ideas, in public, tends toward better solutions that will benefit all. In contrast, closed and restricted discourse will tend to serve only those groups who manage to rise to the top to be heard by government. Although power is evident in both of these cases, an open and free policy arena is more likely to balance power and distribute it among the many rather than the few. The marketplace of ideas is a kind of crowdsourcing of opinions, values, and perspectives ideally leading toward better governance and better society.

To the uninitiated, however, the policy arena can seem arbitrary and confusing—more disagreement than working together. For this reason, some people shy away rather than enter into the fray. But Trey’s view that policy is just people arguing and getting nowhere has little merit. The disputes that happen in the policy arena, no matter how contentious, typically have an aim. Disputes happen because people care about the places they live, and the rules and policies that govern them. People holding different values will tend to champion those that matter most. But the fact that policies are created and implemented, often with some measure of success in resolving societal problems, means that the process is not a waste of time. One might say that it is in the policy arena that democracy happens, and to absent yourself is to turn your back on the

exercise of civic life. Given the centrality of arts and culture in the civic life of any community, and the active engagement of many artists in policy issues, arts managers can really not afford to be absent.

Still, it takes some fortitude, knowledge, skill, and time to be fully (and successfully) engaged. Fortunately, there are many ways to participate in cultural policy—and to stay informed—that do not require big investments of time.

This chapter is offered to arts managers, like Trey, who may never have entered the arts policy arena, or who have little knowledge of cultural policy processes. One barrier may be the lack of vocabulary for discussing policy issues as well as a lack of knowledge about the actions and principles that underlie policy processes and participation. The next section looks more closely at definitions of policy, as a general concept, as well as definitions of cultural policy in particular.

SOME DEFINITIONS

The word, policy, on its own can refer to the practical or expedient intentions of a single individual. For example, a person may have a policy to always act ethically, an individual policy to never trust anyone, or to always be on time. But policy can also refer to the intended courses of action of an entire organization, for example, the internal policies that guide such things as handling of complaints from clients or customers, or the appropriate use of social media accounts during work hours. Policies are practical in the sense that they are intended to be put into effect (into practice) rather than serve as fodder for reflection or conceptual analysis. They are expedient in the sense that they make it possible to carry out functions conveniently and effectively (since they are guides to action). That is not to say that theory has no place in policy. Theoretical knowledge is generally beneficial in any area of endeavor. The point is simply that policy is meant to guide concrete actions, often within a defined area of practice.

Public policy therefore refers to the actions or intentions of governments, that is, with public or governmental entities such as local, state, regional, provincial, national, or international governments, as well as the administrative agencies of such governments. Very often, however, a person will use the shortened term “policy” to mean “public policy.” This chapter exclusively addresses public policy with a focus on arts and culture.

A public policy is one that pertains to the public sphere where people interact with each other in public (rather than in private). Generally, governments have a legitimate interest in how individuals and groups behave in the public sphere. In a *liberal*, democratic system of representative government, the government acts on our behalf to make sure that society operates in a more or less organized manner. Policies are put in place to ensure roads are safe, public areas are clean, that people can buy and sell goods, make and enjoy art, attend school, and find jobs and get paid for them. Liberal, in this context, simply means that government limits its concerns (in principle) to the public sphere of life, and not the private (which relates to matters such as who you marry, your religion, your cultural identity, the language you speak, your preferred gender, as just some examples). *Liberalism* is a political doctrine that believes that a central feature of government is individual freedom within a system of rights, duties, and laws. So, while

an individual's freedom cannot extend to the harm of others, the government also cannot arbitrarily (that is, without cause) compromise an individual's rights. An example specific to the arts is the freedom to create art, or enjoy it, unrestricted by censorship or mandates on what is officially permitted.

If the purpose of policy is to resolve societal problems, they "do more than affect change in societal conditions; they also help hold [people] together and maintain an orderly state" (Dye 1976, 20). To appreciate Dye's view more fully, take a look at early 20th-century filmstrips depicting the days of road traffic before rules of the road were established. Watching them from the distance of history may amuse you, but they also reveal the chaos that ensues in the absence of agreed-upon order. Nowadays, rules of the road conventions—enforced by laws in most countries—impose separate lanes for opposing traffic and establish rights of way. Policies regulating traffic reduce collisions, making it easier for everyone to navigate roads and get to their destinations more safely.

Augustin Girard, author of the influential *Cultural Development: Experience and Policies* (1972) defines policy as "a system of ultimate aims, practical objectives and means, pursued by a group and applied by an authority" (171). Here, policy is recognized as a system rather than a single object—such as a written document—made up of interconnected administrative and management functions. In Girard's view, public policy also has to do with the setting of practical objectives for a group, defining the means to attain them, and relying on a recognized authority to ensure they are achieved. Laws, plans, regulations, and directives, called *policy instruments*, are the tools, or means, used by governments to attain *policy objectives*.

Although public policy has to do with government actions, it is not only government that formulates policy. Policy systems include individuals, groups, organizations and institutions, foundations, industry sectors, and private companies that all have interests in how society operates. In arts and culture, policy systems include individual artists and artist collectives, arts organizations, foundations that support the arts, companies that are connected to the arts in some way (for example, as funders or sponsors, as companies producing art, or that supply artists and organizations with services and goods), schools and universities, and members of the public. In other words, they are the policy participants (called *policy actors*) whose interests align with efforts to increase arts opportunities in the public sphere. Assuming that these various policy actors, all participating in the cultural policy arena, will have the same views and values, however, is a mistake. At its best, the cultural policy arena is a collaborative, societal process whereby values, interests, and needs are brought forward, addressed, and appropriate actions are defined. Achieving consensus on any issue, however, may only happen after disagreement and debate.

The American political scientist, James Gosling, sees policy as choices governments make on behalf of citizens. Specifically,

Governmental officials make authoritative choices on our behalf. They adopt and execute policies that affect our lives. We refer to these as governmental authorities, whether elected directly by the people or appointed by elected representatives, and because they affect us as members of the public.

(2004, 1)

The choices are authoritative in the sense that they are made with the authority invested in elected officials, and are choices, at least ostensibly, that we would make on our own. In practice, of course, that may not always be the case. Since policies imply choices, actions selected in the policy process may confer benefits on one group or set of individuals, but not on others. Or they may uphold some values while compromising others. That doesn't necessarily indicate favoritism or a negative outcome. To illustrate, consider a family that limits the daily use of their car to just one member to go to work (and thus to earn money for the family), thereby restricting other members from using it. Such a choice is in the interest of all family members (who benefit from the earnings). Trey's organization, as an example, provides scholarships to dance students who, though very talented, are otherwise not able to attend, thus nurturing and maintaining an environment of excellence for all students. In the public arena, such things as establishing cultural districts in a town, subsidizing arts performances, ensuring equitable and inclusive access to arts and cultural experiences, and preserving traditional art forms are done by government in the public interest. In practice, conferring benefits on only some members of the population is inevitable. Not everyone may be able to take advantage of a benefit no matter how widely it is distributed. The overall aim, however, is that the choices made by government, in the form of public policies, will be collectively beneficial.

A broader definition of policy is provided by political scientist, Thomas Dye (1976), who sees policy as all actions that a government takes (what governments do) including governmental non-action. In other words, policy includes specific, concrete measures, and ways that governments fail to act (the absence of choice). As an example, Art Town has no local arts council to organize monthly arts events like the ones Trey attends with his friends in the neighboring town. The dictum that the absence of choice is itself a choice applies here. Rather than lacking a policy, one could say that Art Town's policy is to *not* establish an arts council or hold monthly arts events. The local government has chosen not to act or has decided against a particular choice. Local policy actors needn't accept that choice, however. Art Town arts supporters can make their preferences known to policymakers in order to bring about change. One way is to appeal directly to policymakers in order that, through them, public choices are known to the agencies that can then carry them out.

People who make policy are called *policymakers* in the same way that people who make laws are called lawmakers. Primarily, they are legislators, government officials, and other individuals who work in government departments. The term can be used, informally, to apply to individuals who work for organizations that function in the policy arena. Nonprofit arts organizations, for example, can be instrumental in the cultural policy arena by providing relevant information on cultural policy needs and effects. Trey's organization might enter into the policy arena in this way, but also by cultivating relationships with other groups (even those not involved in the arts), government staff, and legislators. The access he and his organization gains, as a result, can translate into influence on issues relating to arts and culture. Policymakers will often call on individuals in a particular field to give expert advice, or other input, on policy issues throughout the policy process.

CULTURAL POLICY

So far, we have looked at general definitions of public policy. A very broad conception of cultural policy, delimited by one of the leading journals in the field, understands it “as the promotion or disparagement of particular cultural practices and values” (*International Journal of Cultural Policy*, 2022), reinforcing comments earlier in this chapter that policy is a selection among differing societal values. For example, does a particular nation, state, city, or town hold arts and culture to be an important value? Is it as important as health care, education, defense, and a healthy environment? Government policies can either uphold or discourage any of these. In other words, the actions of government can promote creation, development, and participation in arts and culture, make access difficult, or restrict it altogether. Another definition, specific to arts and culture is provided by the Rand Corporation, a think tank in the United States, which sometimes performs research on questions of arts policy. They define it as “the role that government agencies play in the availability of arts education, in cultivating a demand for the arts in society as a whole, and in developing and supporting strategies to maintain interest and participation in the arts” (Rand Corporation 2022). The United Nations Educational, Scientific and Cultural Organization (UNESCO) defines cultural policy this way: “a body of operational principles, administrative and budgetary practices and procedures which provide a basis for cultural action by the State” (UNESCO 1969, 4). This definition highlights the fact that policies are created, implemented, and enforced through administrative (government) action, and require resources (budgeted funds) to do so. This definition suggests that the procedures for carrying out policies are as important as their substantive content. The same document provides the added definition that cultural policy is

the sum total of the conscious and deliberate usages, action or lack of action in a society, aimed at meeting certain cultural needs through the optimum utilization of all the physical and human resources available to that society at a given time.

(Ibid, 10)

Emphasized in each of these definitions is the role of government. Without government, a prominent role for the arts, in contemporary society, would be unlikely. But what role do governments play? What are the cultural policy areas in which they take action?

While definitions are an invaluable beginning point, understanding arts and cultural policy is better achieved by looking at what issues are addressed and how policy operates within a governmental system. Acknowledging that policy systems and policy actions may differ considerably from nation to nation, city to city, or on the spectrum from local to international, there is nonetheless much commonality. This chapter focuses on what is common among the various cultural policy systems relating to arts and culture, beginning with a list of some common policy issues.

ARTS AND CULTURAL POLICY ISSUES

The list provided here is not comprehensive. It is intended to show the range of topics that are either directly or indirectly affected by public policies. Since production,

participation in, and dissemination of arts and culture can be found in some way in a wide array of human activities, a more complete list would be far longer.

- Access to arts and culture;
- Arts education (for children and individuals of all ages);
- Arts and the environment;
- Community cultural development;
- Creative industries;
- Cultural rights;
- Cultural tourism;
- Digitalization and new technologies in arts and culture;
- Disability as it relates to access to or participation in the arts;
- Freedom of cultural expression;
- Funding and subsidies;
- Heritage;
- Import-export relating to art objects, cultural objects, antiquities, and heritage;
- Intellectual property and copyright;
- Ownership of art, antiquities, and heritage;
- Public art—regulations and ownership;
- Rights of artists and other creative workers;
- Tax deductions for charitable donations;
- Tax exemptions for charitable organizations;
- Visa and immigration regulations for mobility of artists across borders.

The thread that connects these ostensibly diverse areas of concern is that they all have to do with the availability of arts and culture in society and speak to the way that arts and culture have value whether it concerns school children, artists, citizens, urban dwellers, tourists, arts managers, teachers, policymakers, or anyone and everyone else.

To see how some of these issues might affect Trey and his organization, directly, Figure 11.1 shows a series of activities by Art Town Arts Company and the type of cultural policy that might address each one.

Policies can also be categorized into four major types by their function.

- *Constituent policies.* These types of policy are typically applied to new agencies. They are policies that establish the structure of government, internal distribution of funds, and rules that apply to agency staff. Constituent policies are either structural or procedural. Structural policy serves to establish an agency, for example, the creation of the Ministry of Education, Culture, Sports, Science, and Technology (known as MEXT) in Japan in 2001, or the creation of the National Endowment for the Arts in the United States in 1965, and Arts Council England in 1994. At the local level (a town, state, or region), structural cultural policies can create local arts councils and arts commissions. Procedural policies have to do with carrying out the functions of the agency, and how they are to be done. For example, Australia Council for the Arts gives grants to artists and organizations as a way to support and encourage development, production, and dissemination of arts and culture in Australia. Grants given by the council must be targeted at these specific activities.

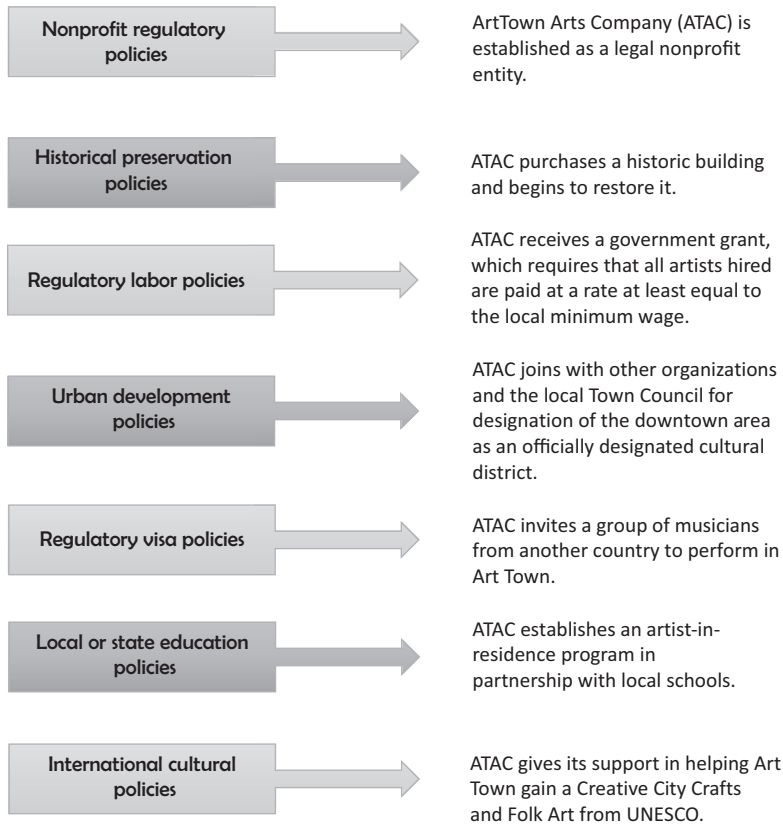


FIGURE 11.1 Policy Connections

How they go about doing so is the concern of procedural policy—for example, do applicants apply on their own or are they nominated and voted in? Appointed by a government official? Selected from a designated pool of artists? Who selects the grant recipients? A panel of experts? A committee of citizens? What are the criteria used to make these decisions? These and other procedural questions are answered using procedural policies under the larger category of constituent policies.

- *Distributive policies.* In this category are policies whose objectives are to distribute goods and services as benefits to the public at large. An example is museums that are free to all members of the public. Another is arts education provided as a regular part of the curriculum in public primary and secondary schools. Because such schools admit students who are members of all social classes, regardless of ability to pay, arts education in this context falls under distributive policies. Other examples include public arts festivals or public art that can be viewed and enjoyed by everyone.
- *Redistributive policies.* In contrast to distributive policies, redistributive pertains to policies that use tax money (which are paid by the many) for policies that give benefits to some, but not all members of the public. Subsidies to arts and culture

generally fall under this category because the source of funds are taxes paid by citizens, but the number of organizations or artists that receive them is limited by eligibility and other criteria. Trey's organization benefits from redistributive policies in the form of federal and local grants that support his organization's programs.

- *Regulatory policies.* This category describes policies that allow or disallow particular behaviors. An example in the arts are prohibitions against distributing or exhibiting images deemed to be pornographic. Another example is the use of artworks that are in the public domain (that are no longer copyrighted)—they do not require permission from the artist. This is an example of a policy that allows, rather than disallows behavior. Given that Trey's organization is a registered nonprofit, it is subject to rules and regulations governing nonprofits. Other examples include regulations for importing art from other countries, visa requirements for international artists, rules governing the display of cultural property, and preservation and use of heritage sites.

FORMALIZED CULTURAL POLICY INSTRUMENTS

Some people think that policies must be written in document form to be considered as policies. The definitions provided at the beginning of this chapter make clear that policies can take a variety of forms. Written policies, however, have the advantage that they fix, in document form, a set of beliefs the government intends to uphold, providing explicit guidelines and directives for how they will do so. A written document makes explicit what a particular government entity will do and what it expects to achieve. In the case of cultural policy, the written document can serve as an important positioning statement. It broadcasts, to the public, its principles and values relating to the role of arts and culture. Keeping in mind that a democratic government is a government of the people, the cultural policy document reflects the will of the people in a way intended to assure the importance of the arts and hold government agencies accountable. Some examples of formal cultural policy documents are listed below and discussed in the next section. Full-text documents can easily be found online or through a library search. They may also be available in print form from the government agencies involved.

- Cultural Policy for Aguilla;
- Culture 2025 A National Cultural Policy Framework for Ireland;
- National Cultural Policy (Nigeria);
- National Foundation on the Arts and Humanities Act (United States);
- Strategy for Cultural Policy (Finland);
- The White Paper on Arts and Culture (South Africa);
- UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (International).

What They Have in Common

Cultural policy documents, such as those listed above, often begin with a preamble or positioning statement that communicates an understanding of the role arts and culture

play in the nation or community concerned. The preamble can include definitions of arts, culture, or both terms, and can specify what is covered by the policy in question. South Africa's first cultural policy was drafted in 1996. In the original and subsequent drafts, the South African government has articulated a set of values that include

Access to, participation in, and enjoyment of the arts, cultural expression, and the preservations of one's heritage [as] basic rights; they are not luxuries, nor are they privileges.

(Republic of South Africa 2022, para. 13)

Statements like these set in writing the public values of a particular nation (or multinational entity) on arts and cultural issues. They serve to assure citizens that these values will be paramount and upheld as a framework for actions and further policies. Of particular interest in this document is the emphasis on heritage as a basic right rather than a luxury or a privilege. The statement alludes to South Africa's history of apartheid, a time during which the cultural heritage of many South Africans was suppressed.

Cultural policy documents typically define key terms, such as art, culture, and heritage. Nigeria's national cultural policy, launched in 1988, defines culture as

the totality of the way of life evolved by a people in their attempt to meet the challenges in their environment which gives order and meaning to their social, political, economic, aesthetic and religious norms and modes of organization, thus distinguishing a people from their neighbor.

(Federal Ministry of Information and Culture 2022, para. 1)

The definition emphasizes the role of culture in individuals' lives and articulates the value of cultural identity (that is, distinguishing a people from others). In this way, the policy document shines a light on specific values regarding the role of Nigerian national identity, which may reflect the nation's pride in becoming an independent nation—no longer a British protectorate—in 1960.

Finland's *Strategy for Cultural Policy* states the "aim in government cultural policy is to promote creativity, plurality and inclusion" (Ministry of Education 2009, 11), stressing the role of government and the actions it should take. Highlighting values such as plurality and inclusion in a written public policy sends the message that these are top priorities and that policy actions (programming, subsidies, and the like) should hold these values paramount.

Crafting policy statements in written documents takes thought, deliberation, and input from multiple stakeholders. In other words, they are not arbitrary statements. Although cultural policies of different countries are often similar in their overarching aims, each also articulates a set of values specific to the public it is intended for. Comparable in intent to the mission statements of nonprofit organizations, they shine a light on the values a nation, town, or international entity wishes to uphold. They embody the commitments and aspirations of a people around their cultural identities and the role they imagine the arts will play in their individual and communal lives.

Written policies also include procedural elements, which specify how the values articulated will be carried out. Some written, policy documents are very specific and highly detailed in procedural requirements down to the number of staff to be hired and the amount of money to be budgeted for implementation. Others leave details rather vague. Sometimes, policymakers prefer details to be tailored to a particular agency's capacity and may prescribe procedural requirements. In other cases, policymakers may lack expertise in the policy area and prefer an agency to fill in the details at the implementation stage. Yet again, it might be that the policy issue is so low in priority that policymakers lack sufficient interest to specify details.

It is important to keep in mind that a nation's (or local jurisdiction's) cultural policies are not limited to single, all-encompassing documents. Instead, they are typically found in multiple formal and informal governmental actions, documents, interactions, and relationships among agencies, and in ways that may complement or contradict each other. As noted, public policies can occur at any level of government, and it is not uncommon for an organization to be affected by policies originating from more than one level. For example, a planned exhibit of artifacts in Art Town Cultural Museum, on loan from abroad, will be affected by local, national, and international policies. Likewise, the dance program Trey's organization initiated with local schools may be affected by local policies, as well as educational policies mandated at the state or national level.

Since different policies are created to address different challenges and realities, at different moments in time, and under different political, social, and economic circumstances, the likelihood of contradictions may equal the chances that different policies are complementary in their respective aims. Staying informed about existing policies, changes in policy requirements, and potential conflicts take some time and commitment from cultural managers, like Trey. A basic framework for understanding policy processes is a valuable aid.

THE POLICY PROCESS

Public policies in arts and culture, as in any policy area, are created and implemented as part of a process in which many individuals, groups, organizations, agencies, and institutions take part. A good comparison is the process by which laws (which are a type of public policy) are created and enforced. Laws arise from the perceived needs of a country and/or its citizens. They are created by legislatures, and implemented and enforced by courts, police forces, and through myriad informal social, political, and educational means. In other words, the legal system operates through a set of interrelated processes. Similarly, public policies are put forward, carried out, and amended through an ongoing stream of activities that are described as the policy process, or *policy cycle*, where societal issues, political and social values, and the actions of government and stakeholder groups are interconnected. It is a mistake, therefore, to view the policy process as a purely linear progression of steps. Figure 11.2 shows the policy process as a cycle of related actions.

Problem identification. Without problems to solve, public policies might not exist. Although problems never cease to crop up, recognizing them is not always straightforward.

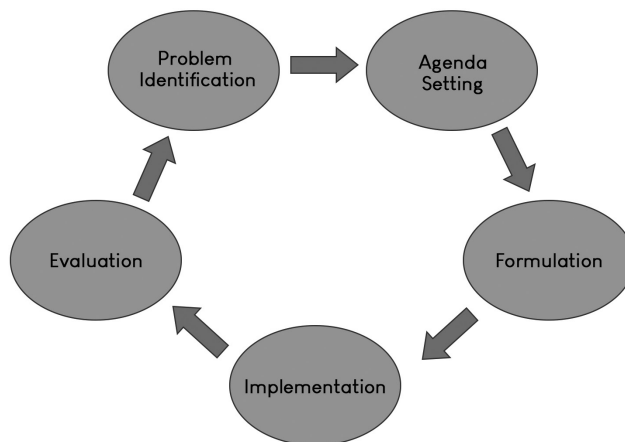


FIGURE 11.2 The Policy Cycle

Indeed, we may not realize that a problem exists until long after it has become acute and threatens imminent, negative consequences. The ideal outcome for this stage of the policy process is identifying the root cause of a challenge that a government, political party, or group of citizens would like addressed. Consider one example.

Artists and organizations in Art Town have few places suitable for arts performances or exhibits in the downtown area, which has undergone an economic downturn over the past decade. The lack of art venues seems straightforward as a problem that could be easily solved if the local government allocates appropriate funding. In fact, Trey and some of his colleagues have been suggesting this strategy for years. In reality, the alleged problem is not so clear-cut. Is it a problem of urban blight or a lack of arts venues that needs to be solved? The point is that the way you define a problem will dictate, in large measure, the means available to solve it.

To illustrate further using a non-art example, suppose you are prevented from falling asleep by the sound of a dog barking outside. From one perspective, the dog's barking is the problem. But the core problem might be the stranger lurking in your backyard that is causing the dog to bark. The simple example illustrates a challenge in problem definition. Suppose that you define the problem as not being able to sleep. In this case, a sleeping pill might be the solution. If you think the problem is the barking dog, then you might solve it with earplugs. Neither of these gets at the real problem, however—the lurking stranger—which, if ignored, could lead to tragic consequences.

People may disagree that a problem exists and fail to agree on the core cause, its seriousness, its impact, who is affected, and other factors. Research is valuable in this case, especially if it goes beyond what is superficially evident in order to discover background contexts and contributing factors. Returning to the question of arts venues in downtown Art Town, Trey and his colleagues should give careful thought to how they frame the problem, strategically, to gain awareness by local policymakers and stimulate interest in finding an arts-related solution. Using the policy cycle as a guide might in fact contribute to achieving their aims.

Agenda setting. There is the saying that “empirical facts don’t exist until we notice them” (Somers 2014, 46). A problem may not be noticed because there is insufficient interest in the problem, it affects too few people, or the people affected are too marginalized to advocate on their own behalf. It can also be that the problem has existed for some time so that people have adapted themselves to living with it, believing it will never be solved. Whatever the reason, the fact is that until it is noticed by individuals willing, and able, to do something about it—including bringing it to the notice of policymakers—no action will take place.

The agenda-setting phase of the policy process is where problems get noticed by government, which is to say that they are on the *public agenda*. The public agenda has some similarities to an agenda you prepare for a work meeting. On it, you place top priority items that must be addressed. A public policy agenda could be thought of as a collection of problems and issues that come to the attention of members of the public and their governmental officials with sufficient force that they want to do something about it.

In addition to various problems, the public agenda includes beliefs about what the problem is, how it came about, how serious it is, who should address it, and what should be done. An issue comes to be on the public agenda in various ways.

- A sudden crisis that brings awareness to an issue. A recent example is Covid-19, which raised awareness about the precarity of arts organizations and professional artists. Although artists experienced difficulties prior to the pandemic, the global lockdown made work and life conditions of creative workers much more apparent.
- Lobbying or advocacy by interest groups directly to policymakers. Many artists and arts managers belong to professional societies and trade unions that engage in direct lobbying to government in order to direct attention to the issues affecting them. These groups often facilitate the process by researching important issues, preparing reports that communicate the problem, suggesting remedies, and encouraging their constituents to contact policymakers. Lobbyists and advocates backed by groups with large memberships are generally more likely to get their issues on the public agenda.
- Reports in the media, including social media, on a particular issue or event are a means for placing issues on the public agenda. Recent media attention to the underrepresentation of ethnic, racial, religious, and gender groups in art exhibits and performances, and in receiving awards and grants, are examples of issues that have captured media attention. The recent Black Lives Matter Movement helped to elevate these issues onto the public agenda.
- Scholarly publications and reports can bring awareness to cultural policy problems, especially if results are widely disseminated. Research on the outcomes of arts participation, the societal impacts of arts and culture subsidies, and the effects of inequality in the arts are among policy problems that have been studied by scholars and disseminated to the public.
- Activism by artists in the form of happenings, performance art, exhibitions, films, and music, for example, has been a successful means for increasing awareness of a variety of social issues, including those with a direct impact on artists. If Trey’s

friend, Elton moves forward with his idea to organize a protest, it could be categorized under agenda setting as a policy action.

- Changes in the economic environment are certain to be noticed by policymakers, especially in the case of economic downturns. Fluctuations in the economy have been an opportunity for positioning the arts as a tool in economic development. Earlier, it was noted that Trey and his friends might do well to connect the issue of downtown arts venues to the economic downturn of Art Town's central quarter. Another example of connecting agenda setting to economic realities is the decrease in international tourism over the past decade, which has captured the attention of policymakers, creating an opportunity for cultural policy advocates who promote support of the arts as a means to attract tourists.

Events that create opportunities for policy issues to come onto the public agenda are called *policy windows*. They create a window of opportunity for connecting arts and culture as potential remedies for existing policy problems. Policy windows can result from events that are unrelated to arts and culture. The refugee crisis in Europe, shortages caused by commercial shipping delays, Covid-19, and other world events create openings that can make policymakers more receptive to policy issues in general. Interested individuals can make a strategic connection between these events and their own policy interests in order to elevate their issues on the public agenda.

Formulation. This part of the process begins with defining policy goals and exploring options for achieving them. According to Girard, long-term purposes of policy are achieved through "medium term and measurable" objectives attained through the combination of people, money, and legislation (1972, 172). To elaborate, policy goals (the long-term purposes) are set following a period of study in which alternative solutions are proposed. For any particular problem, there are myriad solutions, some better than others. For example, subsidies to arts institutions are one possible remedy for preserving traditional art forms. Another is training artists in traditional techniques. Yet another is to develop school programs that educate children about traditional art. Of course, it is possible to pursue multiple solutions using a variety of policy instruments.

Measurable objectives, which lead to attaining the goals, are then defined, and a policy is drafted and adopted. The policy is assigned to a particular government agency or department (the people who will carry it out) and provided a budget (the money) and other resources, making it possible for the policy to be implemented. Ideally, policy objectives should be framed as measurable or observable achievements in order to provide for observable verification that objectives are met.

Implementation. At this stage, the policy is set in motion and carried out by the agency to which it has been assigned. Implementation can take many forms, and there may be multiple stages in this phase of the policy process depending on the particular agency or group assigned to carry it out, and their level of discretion in doing so. It may entail hiring or appointing staff, receiving and allocating funds, establishing procedures, initiating programs, developing infrastructure, and even, in some cases, building a facility in which to carry out the policy. As an example, imagine that an existing government agency is put in charge of implementing a new policy that will provide affordable housing for artists. The agency has been given the discretion to decide what kind of housing

and how to provide it. Perhaps they decide to acquire existing facilities in the city and readapt them as live/workspace for artists. The agency will need to assign staff to the project, set up procedures for identifying and acquiring suitable buildings, develop criteria for selecting artists who will live there, determine the cost for artists, and procedures for managing the facilities. These are just a few of the many decisions and tasks they will encounter in the implementation phase. In sum, the agency is tasked with taking the policy, as formulated, and putting it into action.

Evaluation. Policymakers must decide whether to continue a policy, revise it, or get rid of it altogether. Evaluation is a way to determine the success of the policy in achieving its goals. There are a variety of approaches evaluation might take. Analysis can focus on alignment between the purposes of the policy and the ends achieved, the foreseen and unforeseen effects, the impact on individuals or groups targeted by the policy, or on society as a whole. Objectivity in evaluation should be an overriding principle, and those doing the evaluation should use sound methods for data gathering and interpretation. Evaluation can focus on policy methods to determine if they were effective, efficient, or equitable. Effective methods are those that accomplish their intent. Efficient means that the methods are cost-effective, and equitable means that they are applied in a way that is just and fair. Evaluation can also focus on the political acceptability of the policy, its methods, or outcomes, its legality, ethical considerations, the suitability of the agency that implemented it, and the extent to which it brought about desirable and undesirable effects.

WHAT COULD GO WRONG?

Broadly speaking, policy evaluation poses the question; did it work? The summary provided in the previous section only briefly touches on the many ways a policy might go well or derail. In addition to the very broad question of whether a policy worked or not, policy evaluation can take a more granular approach. Evaluation can ask in what way and to what extent a policy worked or didn't work. For example, in terms of achieving policy goals, the evaluator might ask if they were achieved efficiently—that is, did they use too little, too many, or the right sum of resources to achieve the goals? One can ask whether or not the policy had popular support and among which groups.

Policy evaluation might also look at whether the goals were effectively achieved. Did the policy solve the problem in the way intended? Was the problem only partially solved and in what way? In other words, there are many questions one can pose in evaluating a policy. The lists below suggest additional questions one might ask at each stage of the policy process. The list is by no means exhaustive.

Problem Identification

- Was the problem clearly articulated?
- Is the problem identified a core or secondary problem?
- Is the problem solvable by policy?
- Is there agreement among interested individuals and groups on what constitutes the problem?

Agenda Setting

- Was awareness of the issue widespread enough to put it on the public agenda?
- Were appropriate groups involved in identifying the problem and raising awareness?
- Who was left out that should have been included?
- Was there an appropriate policy window?
- Was there enough support from interested individuals and groups before moving to the next policy phase?

Formulation

- Was adequate research done before formulating the policy solution?
- Were appropriate and achievable goals defined?
- Was the right agency identified to implement the policy?
- Were the procedural and substantive aspects of the policy well-formulated and well-balanced?
- Were procedural aspects of the policy well defined or will it be up to the agency to decide?
- Are necessary resources part of the formulated policy (such as budgeted funds)?

Implementation

- Are budgeted funds made available to carry out implementation?
- Are the budgeted funds adequate for achieving the policy goals?
- Does the agency have the appropriate capacity for carrying out the policy?
- Does the level of discretion given to the policy make implementation possible?
- Are policy goals clear enough for the agency to carry out?

Policy researchers can use questions like these to home in on factors that lead to the success or failure of a policy. Listed below are additional factors that may affect policies at any stage in the cycle.

- *Accountability.* Policies can be evaluated on the basis of whether or not policy resources were prudently and responsibly used by the agency charged with implementation. Suppose that in the case of artists' grants, funds were used to hold lavish events in luxury hotels around the country to promote the grant program. This extreme example doesn't demonstrate a prudent use of funds. Accountability demands that the use of resources will match needs in achieving policy goals. Accountability is particularly important given that the money government spends to achieve policy goals derives from the public (the taxpayers) who have a legitimate interest in knowing whether policies are prudently implemented.
- *Attribution.* The extent to which improvements are the result of the policy and not some other factor is important in determining whether or not a policy achieved its goals. For example, there are numerous studies claiming that participation in the arts improves educational test scores for children. Unfortunately, many of the

studies are unable to show clear causal connections between arts participation and educational success in a way that eliminates any other possible cause. Because children from affluent families are more likely to do better in school and are more likely to have formal engagement with the arts (taking art lessons, attending performances and exhibits), it is difficult to separate correlation from causal relationships in this case. Attributing improvements to arts participation without more thorough research raises doubts about the efficacy of the policy intervention and may damage overall efforts to gain policy support. Children, may, in fact, benefit from the arts in the ways claimed. It is best, however (and ethically appropriate), to rely only on credible studies that clearly show this connection.

- *Beneficiaries.* Evaluation can test whether individuals, organizations, and groups benefited directly or indirectly from the policy, even if they are not specifically targeted. For example, the target of a policy that provides subsidies to arts organizations are the arts organizations eligible for funding. Those receiving a subsidy are the direct beneficiaries. Indirect beneficiaries are the artists the organizations exhibit or pay for their work, as well as the patrons who attend exhibits and performances. A plausible claim can be made that local businesses are also indirect beneficiaries to the extent that they are frequented by artists, employees of local arts organizations, and arts patrons.
- *Effect.* Policies are intended to bring about a change in conditions (to solve the policy problem). The effect is the intended or unintended change that comes about due directly, or indirectly, to the policy intervention. A persistent challenge in cultural policy is demonstrating an observable change as a result of exposure to or participation in the arts. For that reason, effects are often framed quantitatively (for example, an increase in the number of people who attended an event or an increase in local sales taxes due to the presence of arts organizations and companies). If the effect of the policy cannot be observed in some way, the success of the policy remains undetermined.
- *Goal.* What the policy is supposed to achieve or accomplish is the policy goal. To differentiate between effect and goal, consider the example of live/workspace for artists addressing the problem of lack of affordable housing and studio/workspace. The goal is to provide affordable housing and studios. The changed condition (effect) is that affordable housing and studio/workspace are available. The difference may seem subtle, but consider that the goal is the overarching, concrete objective you want to accomplish. The effect is what results from accomplishing the objective.
- *Monitoring.* This type of ongoing evaluation uses data, collected over time to make sure the policy is operating well, and that progress and achievement of objectives have taken place.
- *Outcome.* The short- and medium-term effects of the policy are documented as the outcome.
- *Results.* A description of what has been achieved from implementing the policy will often be part of a written evaluation report documenting the impact, the outcome, and the achievement of goals. The description of results will answer the question, “What changed?” or “What happened as a result of putting this policy in place?”

CULTURAL POLICY RESEARCH AND WHERE TO FIND IT

As should be clear from the questions posed in the previous section, research is important at all stages of the policy process. The type of research performed—the research methods used—depends on the questions asked (what the researcher wants to know), the intended uses of the data, and the type of data anticipated. Data can be either qualitative or quantitative. These two categories relate to the type of data generated rather than to the method used. Quantitative data are in numerical form. The data collected will show such things as the number of people affected by a policy intervention, how much money was spent, quantity of resources used, or the duration, in time, of the intervention, and other numerically rendered or measured data.

Qualitative data are in prose form or text. The data collected might explain the multiple ways that people gained benefit from a policy intervention, how it changed their lives, or made a situation better, what conflicts may have arisen, for example, between formulation and implementation, or among different parties affected by the policy.

Policy research provides insight to policymakers, interest groups, and the public. Research at the problem identification or agenda-setting stage provides data that policy actors and policymakers can use in formulating policy responses. Once a policy is formulated and implemented, research can provide evidence that the policy intervention met its goals and resolved or mitigated the policy problem. Such evidence means that we can repeat the policy success by continuing its implementation for the same problem, as well as consider its use for similar problems (success of which will then be further established with research). Research findings showing policy failure, on the other hand, provide evidence for changing course and for formulating alternate policy solutions.

Policy advocates can use research to establish that a set of solutions exists and can be formulated into a successful policy instrument. However, it is important to differentiate between policy research and advocacy research. Objectivity is an important principle no matter the reasons for conducting research, but in the case of advocacy, the researcher is not neutral. The advocacy researcher's aim is to find evidence to justify support of a particular policy or policy direction. A central aim of policy advocacy is to communicate policy preferences to policymakers—that is, to persuade policymakers to adopt a particular set of policy choices that align with the advocate's (and their constituents') values. Policy research, in contrast, is undertaken to increase available knowledge about policy issues, methods, effects, and outcomes without the central aim of persuading policymakers or influencing policy. Policy advocates, however, often make use of policy research. Reliable, objective research can affect policy at any stage since it makes knowledge gained available to policymakers and advocates.

The characteristics of a successful policy advocate are not very different from some of the skills needed to be an effective cultural manager—analysis, persuasion, use of sound judgment, and ethical awareness. A cultural policy advocate should be able to provide:

- Analysis and insight about a policy issue and potential solutions;
- Well-articulated explanations of a policy, and justifications for a selected policy solution;

- Knowledge and information about important cultural policy issues and positions;
- Diplomacy in dealing with people of differing perspectives and values;
- Synthesis of policy research and its relevance to particular policy issues;
- Consensus building among cultural policy actors who have varying interests;
- Sound judgment not easily swayed by popular rhetoric;
- Ability to write and speak well on cultural policy issues;
- An ethically driven approach to policy problems and their solutions.

These are skills that can help Trey to better communicate with local policy actors and in his interactions with cultural policymakers. Communication, in fact, is a key and essential component in cultural policy advocacy.

COMMUNICATING WITH POLICYMAKERS

Policy Advocacy

Arts managers can have significant input into arts and cultural policy at any stage of the process whether they do so, individually, or as part of a group of like-minded individuals. There are both formal and informal processes for doing so. Policy advocacy is the support of a cause, position, or person, which takes some overt or public form of communication directed to policymakers. Policy advocacy in the arts and culture sector will typically be called *arts advocacy* or *cultural policy advocacy* (rather than cultural advocacy). The most informal type of advocacy is simply to engage in policy discussions with others in order to learn more about issues and share views. In fact, Trey has decided to take this step. In response to his CEO's current refrain about policy, Trey has decided to learn more. He recently joined a group of community leaders who meet, online, to discuss issues relating to cultural policy. As a result, Trey has become more aware (and more knowledgeable) about local cultural policy. Although discussions sometimes get heated (after all, these are issues people really care about), productive discussions are opportunities to explore the values and priorities of people in Trey's community and the ways that locally generated policies might support them.

Trey has even participated in some simple advocacy actions—calling his local and national representatives, sending them emails, and posting letters that provide information on cultural policy positions he would like to see upheld. He is also learning about ways to increase his advocacy impact through in-person visits to policymakers, organizing presentations to which policymakers are invited, and delivering researched reports and briefs to policymakers (as part of in-person visits). He is surprised to learn that policymakers are often willing to meet directly with constituents—if arranged through official channels. For example, Trey can call his local and national policymakers to set an appointment, and if approved, visit with them and their staff. Of course, since policymakers are often busy (with the business of governing), he may, instead, meet with an assistant, or policy aide. These individuals are hired for their knowledge of particular policy issues and may spend time researching them in order to provide policymakers with advice for developing their policy positions. Trey should assume, when he shows up

for a visit, that he will have a limited time (perhaps no more than 15 minutes) to discuss his issue and positions with a policy aide. All the more reason to be well prepared and craft his message persuasively and succinctly.

Creating an *advocacy brief* in advance of the meeting is one of the best ways to be prepared. An advocacy brief is a targeted, concise, and persuasive document intended to inform policymakers about a policy solution and why it is the best, possible solution for a particular policy problem. Despite the name, advocacy briefs are not necessarily short in length. The verb, to brief, means to inform, with the intent to instruct someone in accomplishing a task.

Advocacy briefs can be as lengthy as a book or as short as a one-page document. An ideal length, for Trey's purposes, is no more than two pages (limiting it to just one page is even better). The document's concise and targeted construction is part of what makes it persuasive. A lengthier summary of a policy position, though potentially informative, risks not being read by busy policymakers or their aides. If no one reads the advocacy brief, then it won't influence policy actions. The aim is to create a short, readable, and compelling document that includes the following.

A title. Identifies the issue and potential solution and draws the attention of the reader. The title doesn't simply name the document. It informs the reader what the advocacy brief is about and can be framed in a way that contributes to its persuasiveness.

Action to be taken. State in clear language what you want the policymaker(s) to do. The action should be specific enough that a person can actually accomplish it. Compare the two following statements:

- a. We ask that you vote for the *Support the Arts Policy* to increase funding for artists.
- b. We ask that you encourage interest and participation in the arts by all citizens.

Statement *a* names a specific action. It is also concrete enough that it is something that can be accomplished. It would be easy to establish whether the person did it or not. Statement *b* does not ask for a specific action. Even if the policymaker wishes to do it, it's not clear what "encouraging interest" means or how it can be done. The more concrete the action you ask for, the more likely it is that the policymaker will do it.

Importance and context of the problem. Explain in a concise way what the problem is and why it needs to be solved. You may also want to explain the consequences of doing nothing.

Policy recommendation. Provide clear articulation of the solution you recommend and why it is the best one.

Analysis of other options. Provide brief information on alternative solutions and why they are not recommended. You do not need to cover every possible alternative. A very brief overview of the top contenders is sufficient.

Sources and citations. Provide sources for the information in the advocacy brief. Doing so lends credibility to your information and recommendations. You do not need to be exhaustive in your sources. A few key, influential citations will suffice. If you are drawing on a study, it is better to name it than to state, "according to studies..." without attribution.

Background and additional information. Background information should be provided at the end of the advocacy brief. That's because the primary goal is to persuade the policymaker rather than to only supply information. Background information on its own is not persuasive. If you have written the brief well, background information will add context—if the reader decides to read it. Most important is the policy solution you recommend and why it is the best solution. The author of the advocacy brief should keep in mind, therefore, that is not a report. It is a logically and persuasively structured argument making the case for a specific solution to a policy problem. Argument, in this context, is not the same as a dispute. *Policy argument* refers to a claim that is backed by credible evidence. It should follow the general pattern shown below:

Claim: You (the policymaker) should adopt the policy solution recommended in this policy brief.

Reason: It is the best possible solution as shown by the evidence presented in this document.

Justification: The reason you should adopt the solution is that it will have the positive results detailed in this document.

With this very general outline in mind, you can craft your advocacy brief with content specific to your cultural policy issue and tailored to the policymaker you are addressing. Some added advice in crafting an advocacy brief is to:

Keep it focused and limited in scope. Address just one policy issue instead of several. If you have more issues to present, create a separate advocacy brief for each one.

Be concise. Say only what you need and no more. Added information can detract from your core message.

Do your research. Successful advocacy of this type depends a great deal on the quality and amount of research you do. It should be evident to the policymaker reading your brief that you are well-informed. If it appears that you are representing a limited, individual, and unresearched point of view, your brief will be ineffective. Use credible research that you have read on your own and understand. There are many studies that make unwarranted claims about policy issues and their potential solutions. It pays to know the difference between reliable and unreliable research.

Be clear in what you are suggesting. Make sure the actions you ask for can be carried out by the policymaker.

Make it professional in format and content. It is better to be a bit more formal than too casual. The brief should be typed with appropriate margins, free from spelling, grammar, and other writing errors. Avoid the use of italics, bold, special fonts, and colors. Simple is best and more inviting to read.

Be persuasive but not heavy-handed. Emotionally charged language and hyperbolic claims are generally not persuasive. Allow well-researched evidence to provide the persuasive power of your advocacy brief.

Provide sound estimates of outcomes. Let the policymaker know what benefits will come from adopting the policy solution you recommend, as well as any costs. Make sure

that numerical estimates (time, cost, number of people affected, as examples) are accurate.

The Payoff for Advocacy Efforts

Why would a policymaker do what you ask? Just because you provide a written demand in the form of an advocacy brief does not mean any policymaker will act on it. However, she is more likely to do so if you make the ask than if you don't communicate with her at all. Further, a policymaker may want to do something to solve a social issue but may lack knowledge, imagination, or support. The advocacy brief you write may be just the thing needed to prompt action. Coupled with communication using other formal and informal means, and the efforts of other advocates, an advocacy brief has the potential to exert influence. Participating in advocacy can also give arts managers, like Trey, a doorway into other aspects of the policy process. If he is known, among policymakers, as a reliable, knowledgeable, and credible source for policy information, he may find himself invited to take part in formulating policies, providing longer reports, or evaluating policies. In other words, policy advocacy can be a pathway to greater community involvement and a reputation as a credible, reliable public leader.

Caveats, Disclaimers, and Ethical Considerations

As noted previously, policies (at least in Western liberal democracies) are created with the intent to benefit the public by maintaining or increasing their welfare. In practice, however, a policy may not benefit everyone (or anyone), and there may be unforeseen and unintended negative consequences once a policy is put in place. It's also important to note that it can be a difficult and complex endeavor to decide what will benefit citizens in general, or in particular—in other words, what their welfare amounts to. The complexity of contemporary society—that is, governing large groups of people with widely varying needs, interests, and values makes it difficult, if not impossible, to serve them all. Yet, democratic, liberal systems of government should make every effort to do so in a way that is equitable and fair. However, even if we assume that all policymakers are, indeed, making their best efforts, it would still be difficult to always get things right or to only create policies that succeed in their aims. As noted at the beginning of this chapter, the fact that policies do not always produce a beneficial outcome, and do not always solve societal problems, is reason enough for arts managers (and other individuals) to get involved. Openness, transparency, and access to a wide variety of people is the best way to ensure fairness and equity.

The cultural policy arena poses some specific challenges. In many nations (including some of the most democratic), there is no widespread agreement among citizens that the arts constitute a need, or a right, in the same sense as education, health care, defense, roads, public safety, or access to food. Many people also believe that artistic expression is entirely a private, individual matter and that governments have no business being involved with the arts in any way, much less providing subsidies from taxpayer-generated funds. Some believe that support of the arts should be entirely market-driven in

the belief that only the best artists, musicians, organizations, and art forms will survive. Further, they believe in their views as fervently as Trey believes that the arts are a vital component of society that are more than deserving of public funds.

From an ethical standpoint, it is not up to Trey to change anyone's beliefs. Participation in the policy arena means bringing forward your views and allowing others to bring forward and champion there's. Trey can't assume that his views are the only, or best, in any policy situation. Ideally, the spirit of open debate in a democratic society allows for multiple voices to be heard, considered, and challenged with credible evidence. Difficult as it may be in practice, the consideration of multiple views is the best opportunity for good governance of nations and arts organizations.

THE FUTURE OF CULTURAL POLICY

Increasingly, cultural policy is taking into account the interconnectedness of cultures around the world and the need for members of society to be proactive in protecting culture as an essential component of human rights. Democratic governance has been threatened, globally, by a variety of forces, from the rise of illiberal regimes to increased nationalism and threats from both natural and human-made crises (climate change, Covid-19, environmental disasters). In addition, a persistent shift from arts and culture as common goods to seeing them as commercial commodities has challenged people's notions about the role and purposes of arts and culture and what accessibility means in a world where societal advantages are still only available to the few. The breaking down of persistent colonial traditions has steadily risen in importance on the public agenda, demanding that systemic biases and inequalities be addressed at their core. The realization that compromises to free exercise of culture and participation in the arts have contributed to entrenched inequalities demonstrates ongoing need for cultural policy solutions. What remains to be seen is whether arts and culture, aided by formally adopted policies, are up to the challenge. Finland's Strategy for Cultural Policy of the Ministry of Education and Culture 2025 summarizes current and future realities confronting all nations:

social development will be uncertain, the state of public finances will continue to be difficult, demographic changes will diversify consumption habits, service expectations and service needs in arts and culture, digitalisation will create new development opportunities in the creative sectors, developments in media and culture will be interconnected, and globalisation will increase competition in the markets for arts and cultural products.

(Publications of the Ministry of Culture, Finland 2017, 7)

Cultural policy processes hold promise for confronting these challenges and many others as long as there is a place for open and free debate about the place of arts and culture in human society. This chapter has addressed the need for arts and cultural managers to be more fluent in cultural policy and its processes in order to take an active role in this future.

SCENARIO DENOUEMENT

Joining the online group of community leaders interested in policy solutions and actions was advantageous for Trey; he developed an appreciation for staying informed about local and national policy issues. The group he belongs to is part of a wider network of individuals and groups focusing on a wide variety of cultural policy actions from advocacy, policy research, promoting pro-arts policies, working with media outlets (including social media) to put arts issues on the public agenda, and writing advocacy briefs and reports for public dissemination, as well as communicating directly to policymakers. Although he still doesn't have time for deeper involvement, he is now better informed, and a participant in helping to shape the policy landscape where he lives. He's still convinced that the lack of an arts council is a significant problem in Art Town and that arts and cultural organizations have a place in helping to solve downtown Art Town's urban blight. He has gathered a group of like-minded individuals to draft a proposal to present to the Town Council. He's even secured an appointment, at the end of the month, with the Council President to present the group's ideas. Trey was particularly gratified when sharing news of his activities with Aisha and Elton to receive their genuine and enthusiastic wishes of "Good luck with that!"

SUMMARY

This chapter has provided an overview of public policy in the areas of arts and culture. Although public policies differ from country to country, and city to city, there are many common features in policy processes and underlying principles regarding the values attributed to arts and culture. Arts organizations of all types, arts and cultural managers, artists, and the general public seeking access to the arts, are all affected by the cultural policies where they live. For that reason, anyone working in the arts and culture sectors will benefit from cultural policy knowledge. For the more specific case of cultural policy advocacy, this chapter provides an overview of how arts managers can engage in the policy process both informally and formally, such as preparing and delivering an advocacy brief to policymakers. Knowledge and participation in the cultural policy arena are also likened to being fully engaged in democratic processes. The qualities of effective cultural management lend themselves well to the qualities of effective cultural policy advocacy and can elevate cultural managers as public leaders.

KEY TERMS

Arts advocacy
Advocacy brief
Cultural policy advocacy
Liberal
Liberalism
Policy actors

Policy arena
Policy cycle
Policy instruments
Policy landscape
Polymakers
Policy objectives
Public agenda
Policy window

STUDY QUESTIONS

1. In what way is the policy arena like a marketplace of ideas?
2. How does agenda setting contribute to the policy process?
3. What are some examples of cultural policy issues that might affect an arts organization?
4. What are the characteristics of a policy arena?
5. How does policy research differ from advocacy research?
6. What is a policy landscape?
7. What are the differences between distributive and redistributive policies?

GAIN EXPERIENCE

1. Read examples of written cultural policy documents and discuss, in a group, their similarities and differences in terms of their substantive and procedural contents. Which category does each fall into: constituent, distributive, redistributive, or regulatory?
2. Do research to find a particular cultural policy that is currently implemented (at the local, national, or international level). Develop a list of questions you might pose in order to determine whether the policy is achieving its aims.
3. Plan a visit to a policymaker to present a cultural policy issue important to you. Decide who you will visit, what issue you will present, and what you will say. Bonus activity: write an advocacy brief that lays out a policy recommendation for a particular policy problem. You can do this activity in partnership with another person or group.

ADDITIONAL RESOURCES

Publications

- *Cultural Trends*
- *International Journal of Cultural Policy*
- *Journal of Cultural Management and Cultural Policy*

Websites

- A Database of Cultural Policy: International Federation of Arts Councils and Culture Agencies: www.ifacca.org/credits/archives/worldcp-database-cultural-policy/
- Advocate: Americans for the Arts: www.americanforthearts.org/advocate
- Policy Resources: European Network on Cultural Management and Policy: www.encatc.org/en/resources/policy-papers/
- The Compendium of Cultural Policies and Trends: www.culturalpolicies.net
- UNESCO Cultural Policy Highlights: <https://en.unesco.org/news/cultural-policy-highlights-1>

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Art Activism and Community Engagement

Simone Wesner

SCENARIO

Terumi is a successful visual artist and arts manager living in the leafy suburbs of a major city. She has been running an arts collective for many years, organizing her artistic practice alongside her managerial responsibilities, switching happily between the two, day in, day out. Although her work is satisfying, she has recently become interested in doing more in her community. The city she lives in, like any urban area, has its share of problems—disparities between rich and poor, too much crime, noise, traffic, homelessness, and many others. That doesn't mean that her city isn't a great place to live. She would never consider leaving her favorite café, the numerous parks, boutique shops, and her many friends and clients. But, if only some of its intractable problems could be solved, it would be an even better place to live.

Recently, Terumi attended a lecture by the founding members of *ART ACT COLLECTIVE*, an art activist group. The panelists talked about their early days when a group of eight, like-minded female artists gathered around a kitchen table to talk about the lack of progress in women's rights and the underrepresentation of female artists in the male-dominated art world of the 20th century. Terumi knew that there had been little additional progress in the 21st century either. So, she listened with great interest about the demonstrations, performances, fairs, and happenings that these women had engaged in. She realized that many issues would never be completely solved. But all the more reason that people like her needed to take action. By the end of the evening, Terumi was determined to discover how she could use her artistic and arts management skills to make her community a better place. But, where to begin? Terumi realized that although she had completed a degree in arts management, little time had been spent on

how to go about organizing community activist efforts. Her first efforts went badly. She originally thought she could simply choose a problem she was interested in solving and run with it.

In no time, and on a shoestring budget, Terumi organized a flash mob, protest, and painting event, inviting EcArt FX, a well-known eco-artist protest group, who she asked to spray-paint pavements to highlight the air pollution created by the heavy traffic on the highway nearby. She picked air pollution as a climate-focused theme that she thought people would appreciate and care about. Inviting the artists had not been so difficult since she had worked with most of them before and knew that all group members cared deeply about the environment, as they had often demonstrated through their own climate protest performances over the last few years.

On the day of the event, Terumi and the invited artists started work enthusiastically, but it did not take long before residents started to question and criticize the action. Paint on pavements will not stop air pollution, but it was even more discouraging that most people walked on the artwork, complaining about the paint on their shoes. Soon, a local warden turned up, threatening instant fines if the action was not stopped. Terumi had neglected to obtain a permit from the local council beforehand.

In the end, the artists packed up, went their own way, and Terumi headed to her favorite cafe for a moment of reflection. She realized that community art activism was not something that could be pulled off alone, using her artist friends and clients. What she really needed was a set of guidelines that could get her started and help her achieve success.

Driven by her enthusiasm and confidence from her experience as an arts manager, Terumi believed she could navigate the new challenge. On reflection, drawing on existing artistic contacts cannot offset the lack of community and stakeholder input required to turn her action into the successful environment-focused art happening she had envisaged at the start. She realized she was caught up in assumptions about actions, activism, and community life and that she would need to face these problems before she could engage in effective art actions.

ISSUES

- Belief that art activism can be a one-person job, without community and stakeholder input and buy-in;
- Failure to gain the trust of the community;
- Inadequate understanding of security and safeguarding issues for members of the community and passers-by;
- Inadequate financial resources and limited availability of time to commit to, plan, implement and evaluate actions;
- Naïve understanding of how public policy works;
- Over-optimistic assumption about community interest and participation;
- Inaccurate appraisal of community priorities.

INTRODUCTION

Terumi's challenges in navigating, influencing, and changing the relationship between art, politics, and policy is a shared, common concern among many arts managers who encounter similar issues in their roles as initiators, participants, or beneficiaries of advocacy organizations aiming to influence policy through action. Arts managers are at the forefront of action in the public sphere. Day in and day out, they take positions and negotiate with activists or are activists themselves. One of the first things Terumi discovered was that a passion to do good work in the community, along with a great idea, is not enough on its own. There are practical and ethical concerns that anyone engaging in arts activism should be aware of. Art has long been a vehicle for social change, and art activism has become a synonym for change, founded in action, that is often intentionally provocative.

Activist art, or art activism, also known as artistic activism, or activism, is recognized as a process-led practice—in much the same way that art creation is a process—that cuts across all artistic and cultural fields. Underlying art activism is the desire to bring about change. That means that at its core, art activism is a disruptive process. Arts activists seek to disrupt the status quo to precipitate needed changes in society. For that reason, anyone engaging in art activism should have a clear idea of:

- What the problem is that needs to be solved;
- What change is desired; and
- How the change can be brought about.

As with many elusive and interchangeable concepts, art activism comes in many shapes and sizes, and has many meanings, but should not be confused with political or critical art. The main difference here is that art activism is focused on affecting change (Groys, 2014) in the public sphere, and this can be done in multiple ways using a variety of approaches. In the eyes of art activists, simply critiquing society or specific situations and circumstances is not sufficient. Change should be invoked through actions.

Art as activism/activism as art might be the most obvious approach that attempts to combine art with social action. Using art as the medium of change, artists are at its core. The feminist activist artists' group, Guerilla Girls, use their works of art to mobilize change in order to expose gender and racial inequalities, for example, in the greater arts community. They play with public knowledge, humor, and outrageous visuals. On a poster, a Guerrilla Girls pop quiz asks: "If February is black history month and March is women's history month, what happens the rest of the year?" The answer: "Discrimination." They conceal their identity by wearing gorilla masks and use the pseudonyms of dead female artists such as Frida Kahlo because issues matter more to them than their identity.

The global environmental movement Extinction Rebellion (abbreviated as XR) deploys artistic tactics or tools; art features in many of their actions. Their posters stand out by their colorful designs, simple slogans, and eye-catching fonts. Banksy, a British street artist, provokes with stencil paintings that appear overnight—usually on the walls

of buildings. His image of an athlete, pole-vaulting over a barbed-wire fence to land on a discarded mattress highlighted issues of migration, homelessness, and human trafficking at the time London was celebrating the Olympics in 2012.

As these examples show, art activists want to be useful beyond the arts world, like Terumi's desire to engage with communities in need. American philosopher, critical theorist, and feminist Nancy Fraser (1990) argued that art activism operates with subaltern publics often created by disenfranchised groups, offering opportunities for alternative identities and generating solidarity using a language of resistance and agency. Contemporary philosopher, Jacques Rancière (2010) demonstrated that acts of dissensus give otherwise excluded individuals a chance to stand up for themselves. In this way, art activism can provide the unrepresented a means to speak and achieve a shared sense of ownership in the outcomes.

Art activism does not have to be loud, and not all activities aim for disruption, but it can be rebellious. The purposes of art activism cover a broad spectrum of goals ranging from posing challenges to existing policy structures to advocacy, campaigning, lobbying for workers' rights, creating new opportunities for the marginalized and disenfranchised, developing alternative organizational settings, and creating models of self-organization.

A BRIEF HISTORY OF ARTS ACTIVISM THROUGH EXAMPLES

Seen through a historical lens, art activism is a relatively new field. Artists may have been engaged in some forms of protest as long as art has been produced, but the 20th century saw a definite change toward increased activism. Pockets of interventions of socially engaged and protest art that developed in different parts of the world in the early 1920s flourished, and art activism has grown into a global phenomenon, particularly in the 21st century. Along the way, artists have formed movements (dadaism, the Black Arts Movement) and groups (the Paris-based Situationist International, the Korean art collective Minjung, and Kasibulan, one of the first female art collectives in the Philippines), expressing their ideas in manifestos using multiple art forms and creative techniques to bring about change.

Notable examples from the past that have inspired art activists of the 21st century include the protest art of Diego Rivera's large-scale murals on public walls in 1920s Mexico, intended as visual attacks on the ruling class and capitalism. Together with artists Andre Breton and Leon Trotsky, Rivera advocated for free revolutionary art in the 1930s. A similar sense of political dissent permeated the 1960s and early 1970s. German artist Joseph Beuys conceptualized art as social sculpture, aiming for transformation in the social sphere. The theater of the oppressed (Boal, 1974) that settled artists into everyday communities was perceived as a rehearsal for revolution in Brazil, influencing many South American and European performing art activists. The civil rights movement and more specifically the Black Arts Movement, founded in 1965, in the United States included African American artists using art to celebrate black history and culture against white hegemony often evident in American art. In Asia, artistic collectives such as the performance group Zero Jigen in Japan and Kasibulan (Woman in Art and Emerging Consciousness) in the Philippines used art as a means of socio-cultural communication, focusing on local approaches to unifying social interests. The Minjung art

collective emerged in the wake of the Gwangju Massacre in 1980s South Korea, promoting democracy and human rights on murals and banners.

Today, activists employ traditional and new forms of protest such as *culture jamming*, interrupting (jamming) the flow of dominant injustices, on and offline, while building on the experiences of past actions. Issues such as climate change, migration, and #MeToo movements are now addressed, internationally as well as locally, providing art activists opportunities to magnify communication, thereby providing ways to connect, participate, and learn among other artists wanting to get involved. But how does one become an arts activist? The next section provides some practical advice.

BECOMING AN ART ACTIVIST

Terumi quickly found out, following her first efforts at arts activism, that success requires as much thought as action. Even so, most art activists do not plan or set out to become activists. Instead, they grow into it by participating in a community and are often driven by dissatisfaction with political circumstances and environments. Terumi realized that one of her mistakes had been choosing an issue that, while important, did not truly resonate with her. With a bit of soul-searching and reflection, she remembered that she had long been angered by the general lack of action by governments to tackle climate change, but this had remained an abstract idea for her. Over the years, her interest and passion had faded.

Choosing an issue that resonates with your own values and beliefs helps ensure that you have the drive needed to carry a project through. For example, a person who believes that homelessness is intolerable may choose activism centered on ending this condition. Another who abhors racism or gender discrimination may focus on these issues. Others combine a range of beliefs. Commitment to make changes in society define their activism. But no matter how passionate you feel about a societal issue, it is important to do research to identify and define the problem you want to address.

In Terumi's case, air pollution was a longstanding issue on the global stage but she wasn't sure if the general problems persisted (and resonated) in her neighborhood. She admitted that she was out of touch with the topic and she had halfheartedly assumed that climate change must matter to everyone, including her. It's not enough, therefore, to believe that a problem is recognized and shared. Becoming an arts activist means doing the research needed to understand a problem as thoroughly as possible. Relying on what we think we know is not enough. Research provides us with current knowledge and allows us to make informed decisions.

Terumi's first step in research was to talk with local stakeholders and the City Council. Second, she sought out local activist groups. She read both scholarly and popular accounts of the issue she was interested in. She discovered that there were many problems in her neighborhood that weren't actively on the public mind or talked about among activists.

Part of activism is to bring awareness of a problem and elevate it onto the public agenda while making the relevant issues accessible and tangible for everyone affected. Once again, research is an important step in the process.

Terumi also noted that most arts managers tend toward political engagement because of their role, position, the organization they work for, and/or their personal circumstances (McAndrew, O'Brien, and Taylor, 2020). It comes with the job, as they say. Managers may be art activists themselves, similar to Terumi, working in art activist forums and groups, or else their practice can involve presenting or implementing art activists' ideas and actions into exhibitions or performances, offered through their organizations. In ideological terms, people in arts organizations often share ideas with activists but may not agree with the activists' actions and activities (which could also interfere with their work). As part of becoming an art activist, Terumi has to be aware of the divisions between her work as an arts manager for a particular organization and her independent work as an activist, in the same way that she keeps her individual artistic practice separate from her arts management job. There are a number of reasons for this. One is the responsibility she has to her arts management employer to carry out her job diligently and with care. Conflicts of interest are common when the aims and mission of an organization collide with activist intentions. What would you do as a climate activist if you found out that your salary was funded, in part, by the fossil fuel industry through donations to your organization? If Terumi wants to keep her job, she may have to separate her personal convictions from her work obligations. Otherwise, if it matters enough to her, she may have to find work elsewhere, in an organization that better aligns with her values.

Terumi might also consider incorporating arts activism into her organization. For example, she could approach her colleagues and members of the Board of Directors to suggest more active community involvement that centers around sustainability. This could trigger new initiatives, for example, introducing a recycling program at the organization's office and events. These days, institution-based activism has become one way to trigger change from the inside, but the radicalism often associated with art activism can also act as a barrier, creating a division between the organization and activists. For this reason, some activists have called for radical interventions that address change holistically, reaching all parts of an institution. They see traditional institutions as perpetuating many systemic problems—elitism, for example, or discrimination in the case of racial minorities and women.

ARTS ACTIVISM 101: ACTION PLANNING

Enthusiasm for a cause is often taken for granted in activism and yet, as noted earlier, it is not sufficient on its own. However, pairing enthusiasm with knowledge, and the ability to critically reflect on important issues, will pay off over time. There are many different ways to get involved in activism and some steps are listed below. You can start at any point as long as you cover all four:

1. Clarify your interests, beliefs, and values in order to work out imbalances, clashes, and conflicts that you don't agree with. (What are you interested in? What are the issues you care about? How do they align with other people interested in the same issues?)
2. Research your areas of interest and find out about the history of social problems in that area, relevant issues, and conflicts. Study the contexts, structures, and ethics of

movements that have taken place on the issue as well as those that are ongoing. Don't assume that you are the first person to address a particular social or political issue. It is to your advantage to point to past activism on the issue that has brought about change. Also, find out what has worked in the past and what hasn't. You don't want to repeat others' past mistakes.

3. Identify engagement opportunities through the work that is done in your communities of interest (online, local, both). Locate people, groups, and organizations that are already involved. Approach them with your ideas and explain what you can bring to the table. Partnerships and collaborations can help strengthen the impact of your activist efforts.
4. Consider practical and legal arrangements that can affect your participation and the types of actions you take. From a practical standpoint, there may be conflicts of interest with your employer, as noted before, or with other organizations you work with. In addition, you should be aware of the potential for legal action against you if you break the law. Damage to property, trespass, and even kidnapping and assault have been used by some arts activists to bring attention to an issue. The consequences of such choices are severe, however. Larger activist groups engage lawyers and legal teams in the planning of actions, and they can be a starting point for seeking legal advice before you carry out any actions. This can include concrete tips on how best to approach law enforcement agencies during a protest to applying for permits and licenses for holding public events, as Terumi should have done in advance of her flash mob.

Meanwhile, Terumi has learned from previous mistakes. With research, she has found that there is still ample need for art activism that tackles climate change and sustainable living in her neighborhood. Researching the topic has re-kindled her interest. She has also identified several artists' groups that are actively working on the issue. Although she is impressed with the impact they are making, Terumi would like to develop her own project that speaks to the local community. After discussing it with her Board of Directors, to assure them that the project will not conflict with her work time or the organization's mission and interests, she begins the process of envisioning the project she wants to carry out. She will most certainly collaborate with existing groups. But she also wants to work with non-artist community members, who might be harder to reach in the first instance. Having gathered some initial ideas, Terumi can consult the following step-by-step instructions to get her project off the ground, focusing on getting to know her local community and working toward planning the next action.

Step-by-Step Guide

1. Draw up a list of people, their roles, and organizations that you know are already part of the community.
2. Extend your list by searching the internet/social media for locally based art and climate groups, and stakeholders (any, not just art activists).
3. Check out local noticeboards of public organizations (community art center, local health center, cafes, clubs, gyms) for names to add to your list.

4. Check out which individuals and groups appear several times on your list (people are often active in several groups at the same time).

In the next steps, you are going to establish the dynamics of the community and how its members interact using a simple people-mapping technique.

5. Get a copy of a street map of your local area.
6. Use the list from steps 1–4 and arrange the people/organizations in the form of dots on a map of your local area. People who appear several times are highlighted with a larger dot than those who are named only once. You may not be able to locate all individuals. If that is the case, work with meeting places of groups and organizations (Figure 12.1 is an example).
7. Use the internet and other materials you came across earlier (leaflets, cards) on your tour of the neighborhood and identify links between people and organizations.
8. Draw lines between them, showing the connections they have (Figure 12.2).

Now you know the activity levels of people (smaller and larger dots) and connections they have with each other. This will indicate the key players in the community. These are the people you should approach next. But before you do, undertake a brainstorming exercise about your own expectations, which will help clarify common interests.

- Make a list of your own interests.
- List the interests you assume people might have (imagined interests).
- Now, list the interests you came across while carrying out the mapping.
- Organize your lists in three columns.



FIGURE 12.1 Community Dynamics Map

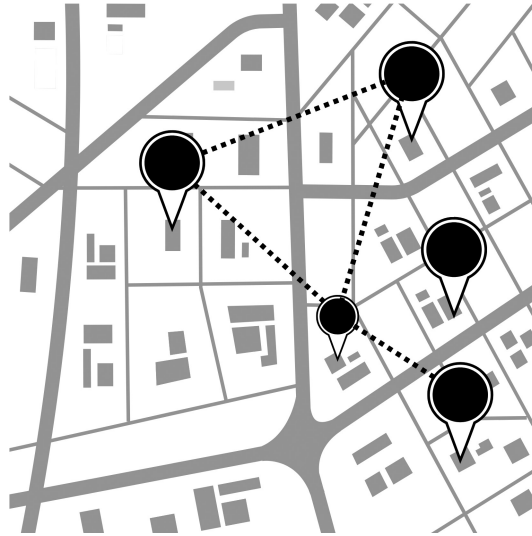


FIGURE 12.2 Community Dynamics Connections

TABLE 12.1 Comparing Interests		
<i>Your interest</i>	<i>Imagined interest of the community</i>	<i>Community interests</i>
Fighting climate change	Reducing air pollution in the neighborhood	Reducing noise pollution from the local youth club
Women’s rights	Feminist action group	Women’s leadership ambitions to run for office in the next local elections
Hands-on approaches, developing actions that result in change	Participation in actions (performances, demonstrations, protests, flash mobs)	A better quality of life

- Compare your interests (column 1) with the community interests (column 3) and highlight similar interests. Cross out disparities.
- Compare your imagined interests (column 2) with the community interests (column 3) and reflect on your assumptions, highlighting the tensions between the two.

Table 12.1 shows Terumi’s example.

From this part of the exercise, you will take away the shared interests between you and the community that you can take forward in developing your project. It also allows you to eliminate assumptions that are not shared and that could sidetrack your project unnecessarily. Now that you have done your homework, the next steps focus on engaging with the community to develop concrete topics and themes that are built on shared interests.

The next steps are:

9. Contact the key people/groups and organizations you identified earlier and ask for a 30-minute interview/chat about their work in the community.
10. Prepare a list of open questions in advance that you want to ask such as: How did they get involved in the community? What were the reasons for their engagement? How long have they been active? What needs to change in the community? What issues do they suggest that a novice activist might engage in?
11. During the interview/chat discuss with your interviewee(s) the topics/themes that you identified before. Crosscheck against those themes and ask for interviewee(s)' views and level of interest in exploring actions together with you, or if they know other people who might be interested.
12. Make notes while you listen to their answers.
13. Compile three themes from your notes and gather as much information as possible about these themes (such as noise pollution, street harassment, or crime reduction).

So far you have established links with people/groups/organizations, and you have clarified common interests. Now you can start working together on co-producing actions by taking the following steps:

14. Arrange a workshop inviting everyone who indicated further interest.
15. In the first half: set aside time to discuss and develop a common understanding of key terms. For example, you want to do an art-based action in the community. But that can mean everything from community art, socially engaged art, to social practice, all of which have different meanings. Shared understandings of key terms are important to the success of your action.
16. Explore the topics in depth. What do you and your participants know, for example, about noise pollution? Don't make assumptions about what you and others know. Ideally, everybody should contribute their ideas. Knowledge should be backed by evidence.
17. You should aim to combine the themes/topics with methods (flash mob, happenings, protest march, sit-in) that suit the themes in the first half of the workshop.
18. In the second half: split the workshop participants into small groups. Three is a good number, but if you have a large group, each group might have more. The number of groups will ideally match the number of topics you have listed. Ask each group to envision a plan of action for one combination of topic and method using the list of questions shown in Table 12.2.

You are now well on your way to planning an action and becoming a community activist. This step-by-step guide enables you to make a start and get to know people who are active in the community, define the issues and problems that require change, and find your place in the community as an art activist.

Having gone back to the basics of exploring her own community with the step-by-step guide, Terumi has learned a lot about her community and herself. She feels connected

TABLE 12.2 Plan of Action Chart

<i>Questions</i>	<i>Example</i>
Objectives: What do you want to achieve with the action?	Raise awareness of noise pollution
Strategy/Act: What would be the best way to achieve this?	Silent street performance on the high street
People: Who is participating, who is doing what?	Activist artist dance group from the neighborhood
Collaborations: Who are you working with?	Arts organizations nearby, theater groups, street vendors, local council or municipality, clubs and societies
Art Tools: How can you best express your objective?	Posters to be held up by dancers, inviting people to participate, dance performance
Schedule and timings: Who is doing what when and for how long?	20-minute performance
Documentation: How can you ensure event legacy?	Filming and video production

and comfortable working with community members on grassroots projects in her neighborhood and is ready to explore further policy and philosophical dimensions that influence her art activism agenda. The next part of this chapter focuses on conceptual frames and theories addressing aesthetic, social, political, and power relations that relate to the practice of activist communities. Having a conceptual framework for the work you do is an important aspect of arts activism. It means that you understand the deeper connections between art, community, and socially engaged work. Rather than arbitrary actions unconnected to the deeper values, beliefs, and commitments that any community possesses, it allows for an open exploration of these connections.

FUNDAMENTALS OF ART ACTIVISM

Terumi is an experienced arts manager, but her day-to-day responsibilities leave insufficient time to address the shortfalls in her understanding relating to the following three challenges:

1. Negotiating the relationship between art, policy, and the social. Disruption is often seen in activism as the main driver of change. This requires arts manager to assess the mood and emotions expressed as part of aesthetic experiences. It serves for a better understanding of how art conceptions fuel artistic practice and the deepening role the arts play in society. Such reflection asks more of arts managers than just taking positions.

It demands an understanding of the underlying responsibilities, ideologies, and potential inflection points that contribute to day-to-day decision-making.

2. Bridging the knowledge gap between policy adversity (being against) and policy implementation (putting change in motion). Activism is political, but knowledge about the fundamentals of policy is disproportionately absent from many arts management training programs. Activists can, therefore, be blinded by highly opinionated approaches that distract from responsible choices and fail to bring about needed change.
3. Validating power as action. Activism operates within ever-changing power structures. Activists apply a process-driven understanding of power that arts managers need to consider as essential frames for activist practice. That is, they emphasize process over pre-determined outcomes.

The next sections address these three challenges, highlighting the fundamentals of art activism that are interwoven into day-to-day practice. Political and aesthetic experience takes up the first section, followed by the policy process in the second section. Power constructions are addressed in the final section. The information provided is aimed at supporting art activists, like Terumi, in the quest to close knowledge gaps and provide inspiration for considering these concepts and frames in day-to-day management. This part of the chapter is not meant for instant application or as a step-by-step guide. Instead, it gives an overview of conceptual frames and a summary of discourses and challenges that have historically developed.

As an arts manager you will develop your own individual applications and this part of the chapter is meant to aid your understanding and provide background information. It covers challenging concepts, such as emotional resilience, that inform personal behavior. Remember that art activism does not have to be loud. Friendly exchange can turn into heated debates and having a set of arguments and tools ready will give you the confidence to see this through. Therefore, at the end of each section are practical tips to help you to explore art activism practice further.

Aesthetics and Activism

Having established communities as requisites and places of activism earlier in this chapter, let us shift attention toward foregrounding the relationship between aesthetics, art, and activism.

The French philosopher Jacques Rancière (2010) introduces the political act as a moment where the excluded stand up for themselves. He compares it with the aesthetic act that, equal to the political act, aims for an emotional reaction. It should come as no surprise that tensions often run high in art activism. As arts managers, we may find ourselves in the crossfire at events, and we can expect heated exchanges and reactions among participants that may affect us personally. In Terumi's case, her calm and measured reactions, drawn from her experience as an arts manager, de-escalated the heated exchange between the artists' activist group, herself, the council warden, and passers-by during the flash mob action. She read the situation correctly, showing courage, and accepting that it had been an ill-perceived undertaking in the first place.

Emotional resilience is often cited as a desirable quality in arts management. In art activism, it is an essential attribute. In the context of actions, dealing with emotions such as happiness, disappointment, and anger begins with the recognition that people deeply care about the causes they support, and that undergirds the arts action. Therefore, any form of emotional response, whether shouting, crying, or dancing for joy signals to the arts manager that feelings are running high. In this situation, monitoring through listening and observation is a first step, with the understanding that direct interventions might have to follow if a situation escalates. If that happens, arts managers are advised to seek help and support from colleagues, community members, and, in the most severe cases, security personnel, to manage crowds. Joining in and sharing expressions of emotions is a natural reaction, but as arts managers, we are required to keep calm, maintain perspective, and choose our responses carefully.

Rancière (2010) provides an explanation of why emotions play an important part in art activism, specifying the unifying part of emotional responses. He argues that both “art and politics define a form of dissensus, a dissensual re-configuration of the common form of the experience of the sensible” (Ibid, 140). In this way, art and activism are united in the act of disrupting consensus and provoking what is known, in the West, as consensus democracy. Terumi experienced the aesthetic and the political social act as similar forms of dissent, as expressions of disruption that are achieved through their performative practice.

In contrast, the critic Claire Bishof (2012) warns us that art, as expressed in the aesthetic act, should not be compared with the political act. She argues that the autonomy of art as the guardian of artistic freedom is endangered. The understanding that art has its own transforming subjectivities, and is unique as an experience, is often expressed in the notion of *art for art's sake*. Holding art accountable to external demands, for example, of political movements, is not what the arts are for. Some argue that art activism sacrificed aesthetics for the sake of the political or the social. Art becomes instrumentalized, focusing on social and political needs and redistributing creativity in favor of participation. Karen van der Berg, Cara M. Jordan, and Philip Kleinmichel argue in their book *The Art of Direct Action* (2019) that in recent years a shift has occurred from artistic value, determined by the aesthetic decisions of artists, toward art as identified by its social value. As a result, we increasingly see art that is determined by political and ideological decisions. The American art historian Grant H. Kester (2011) suggested a compromise, arguing for a practice that respects and is built on aesthetic experience at the same time that it is committed to social and political change. Convinced that new forms of expressions are to be fought out in the tension between these two positions, the British academic Kim Charnley discusses politicized collaborative art, “where aesthetic autonomy and socio-political claims are superimposed” (2011, 50) as starting points for understanding the politics of art activism.

How to Build Emotional Resilience

Emotional resilience develops best through experience. Some traits are emotional awareness, perseverance, and control, but also a sense of humor and a sensible outlook

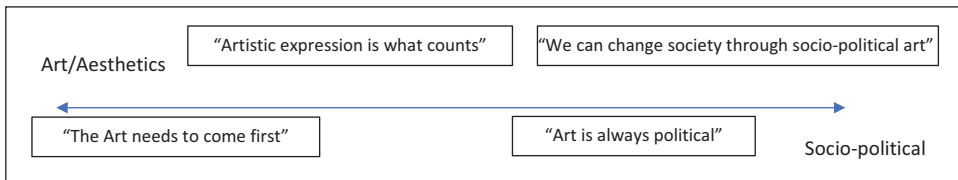


FIGURE 12.3 Spectrum Graph

may help in dealing with stressful situations. There is no recipe, but some simple tips are provided here:

- Manage your thoughts without losing focus on your personal and professional goals. Managing your thoughts includes accepting that mistakes are a part of gaining experience.
- Continue to build relationships and links with the communities you want to engage with. Be active and take part in events and in art actions organized by others. Ask, for example, to become a volunteer.
- Nurture yourself. Keeping active physically and paying attention to your health provides you with both the mental and physical strength to meet challenging situations.

Dynamics of Art Activism

Set up an informal discussion group on social media called, for example, *Calling Art Activists*, and ask the following questions:

- What do you think is the most important aspect of your work as an art activist?
- How did you get into art activism?
- Could you name three things that challenged you the most in your work?
- What would you instantly change if given the opportunity?

The answers are likely to be diverse. But doing this exercise is a great help to your own development as an art activist. Arrange the answers on the spectrum graph with aesthetic/art on one side and socio-political on the other. The spectrum of opinions encompasses aesthetic and socio-political assertions that are made in art activism in your community. Figure 12.3 shows four examples as an illustration.

ART ACTIVISM AND THE POLICY PROCESS

Art activism can be located as part of the policy process. This section explains the advantages and concerns resulting from such a positioning. As an able arts manager, Terumi has advocated for changes in policies. Her art organization was the proud beneficiary of a government grant two years ago that resulted from changes in policies relating to arts funding. Part of Terumi's job was to implement the project and then evaluate the

outcomes for her arts organization. Through this work, she knows that policy creation, like art practice and art activism, is a process. However, she was taken aback when, during the spray-painting event, a passer-by called her action obstructive. She had always seen herself as an enabler, not as an obstructor. Using the policy cycle, this section will explain that the difference between policy influencer and obstructor is largely a matter of perspective.

Let us start with an example. The art historian and activist Alex Proctor organizes uncomfortable art tours through six museums in London, telling stories of colonialization while uncovering the provenance of objects or hidden facts about the origin of the objects. With her slogan “display it like you stole it” she calls on museums to rethink the policies of display in their collections. As an art activist, she demands that museums change their display and acquisition policies. But Proctor is not employed by the museums and is not involved in the consideration or implementation of policies. Policy adversity, as Proctor demonstrates, creates challenges when applied to the art policy process, shown in Figure 12.4. In the first instance, art activism slots neatly into the implementation phase. After the issue or problem has been identified and the policy addressed, the relevant issue (Stage 1) and a process of strategies and actions are designed (Stage 2) and implemented to bring about the intended result of the policy goals (Stage 3). An evaluation will determine the success of the actions (Stage 4).

Art activism is all about implementation. Activist initiatives navigate the problems of this phase with ease. They demonstrate clear goals and have defined how to achieve them, often using quite transparent activities. However, activism poses the danger of remaining stuck in the implementation phase, which can turn into a self-imposed custodial sentence if not carefully managed. The issues are twofold. First, without considering the constant flow of policy design that is set up and developed in the previous (formulation) stage, it will be difficult to act appropriately within fast-moving policy agendas. Taking an oppositional position fosters a fixed approach to policy development and an understanding that there is little space for maneuver unless the opposing party decides to do so. Instead, change is fought for with (re)action, which in turn works toward the final goal of radically changing society.

Thinking strategically, this is a clear and simple approach, but it remains limited in policy terms. In this respect, *being against* translates into *being inflexible* and having to

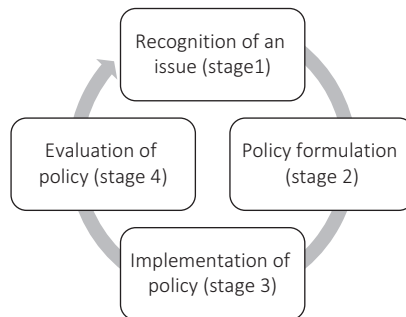


FIGURE 12.4 The Policy Cycle/Process.

(re)act. The second issue that arises from remaining stuck in the implementation phase relates to the success of actions, which would imply moving into the evaluation phase. With many events, activism has to take the long view and consistently push, repeat actions, and adjust strategies until results are reached. A lot of time and energy is spent in maintaining this state, which leaves little room for looking beyond the aims achieved and planning for the future. The clarity of the aims, bound to the notion of opposition, does not automatically translate into the creation of a new model of societal living once the desired change has happened. The toppling of statues, literally and figuratively, is liberating, but what comes after this success remains as important as the action itself.

From a managerial point of view, failing to plan for what comes after successful implementation is problematic and can undo what has been achieved. Terumi did not appreciate the usefulness of the policy framework as a planning and evaluation tool when setting up the flash mob. Arts managers should anticipate and evaluate what happens after the action and include future scenario planning as part of the overall project design.

Engage in Planning

Terumi shared her newly gained knowledge about policy adversity and her experience of art activism at the next meeting of the art collective. As a result, she was asked to develop a scenario planning exercise for her colleagues, addressing the importance of planning as part of an activist initiative.

Table 12.3 shows the example Terumi developed to demonstrate how an arts manager can help art activists plan ahead and avoid getting stuck in the implementation phase. Try it out! The policy design and art activist actions relate to the recognition of elements of the slave trade in the 21st century in the United Kingdom. As a solution, two different scenarios, corresponding to the policy process, are suggested below. Scenario A asks you to delegate responsibility, while Scenario B requires you to work with all the stakeholders involved in policymaking.

The activity illustrates that understanding the policy cycle helps with identifying gaps when preparing actions. The scenario planning ensures that forward planning becomes part of the organizational process, which then brings about change.

POWER, AGENCY, AND ACTIVISM

Working with, and through, the policy process in the previous section highlighted gaps in art activist practice and suggested how this can be addressed. However, understanding policy is only half the story. Policies are expressed mostly in written documents, but what about decision-making and the power relationship between people? What about politics? This section looks deeper into this side of the story and explores politics through the lens of power relations as equally important drivers in advancing societal change.

TABLE 12.3 Scenario Planning Table

<i>Policy process</i>	<i>Action</i>	
Stage 1 A.) Issue and problem identification	Slavery was abolished in 1832 but reminders of slavery remain unchallenged in buildings, in the forms of building materials (ivory and wood from the slave trade) and artifacts in museums and in public places	
B.) Design of policy	Acquisition policies for the future acquisition of public art to include the provenance of materials and content	Policy is judged to be insufficient because it only includes future acquisitions but does not deal with art already in place
Stage 2 Policy implementation	All new public art projects have to have proof of provenance to check for links to the slave trade in the first place and provenance certificates are developed and applied	Performance action to alert the public of shortcomings of policy; demand for policy change to be applied retrospectively
Stage 3 Evaluation	Art activists often stop here but arts managers should continue with scenario planning	
Scenario A	<ul style="list-style-type: none"> • Keep organizing actions that alert the public to the issue (continue with performance actions) • Alert the regional or federal government and suggest that it is their responsibility to address the issue and that you will continue your performance actions until they act 	
Scenario B	<p>Suggestion to apply policy retrospectively and provision of a plan:</p> <ul style="list-style-type: none"> • Identify all public art (map the territory and examine archive materials to identify where objects and materials came from) • Lobby councilors or local representatives to provide funds to set up a central investigation committee • Go back to communities that attended performance actions and invite participants to a workshop or a walking tour to identify public art that could potentially be questionable (to be aligned with existing disposal policies) 	

The French philosopher, Michel Foucault, locates power alongside or through action. He argued that “power exists only when it is put into action” (1982, 788). It is a way in which certain actions modify others. For art activists, this explains why their actions are able to change society. It justifies activist actions as power struggles. Foucault argues that power is exercised in relationships and does not exist on its own. Arts managers must note that the actors exercising power are set in relation to the existing power structures of art organizations, activist networks, platforms, and other representative organizational forms.

While existing power structures can be identified as hierarchies, dependencies, and mechanisms of control (who has control over whom?), many activist groups work without formal structures and deliberately deny being organized in hierarchies or other power structures.

Again, Foucault provides an explanation arguing that power is exercised and appropriated by everyone but is not regarded as a privilege (Ibid). He compares it to strategic thinking and frames it as operational and relational (Foucault, 1980), unintentionally exploiting familiar terminology for arts managers. Power is understood as a matter of guidance and perhaps leadership, but it remains in the control of all actors. Arts managers need to take note of both the *non-privileged* and *controlled by all* arguments because regardless of the position they are prepared to take within the activist agenda, they will be seen as part of the power engagement hierarchy.

From a pragmatic perspective, activism produces, challenges, and develops relationships of power by demonstrating resistance and (literally) acting out testing and experimenting. Some would call this *agency*, the ability to choose or act independently. The emphasis is again on the individual or group that has the ability—the agency—to make a decision and express it as an action. Art activists, as individual agents, and as collective agencies, play an important role in driving and disentangling the interwoven power relationships as a form of production that “induces pleasure, forms knowledge and produces discourse” (Foucault, 1980, 120) alongside social change. At the same time, Foucault reminds us that relations of power co-exist with other social relations and are diffused and multiple.

As Terumi’s experience shows, she finds it difficult to disentangle power relations. As a result, she underestimated the enacted power of stakeholders based in the community, including the passers-by at the flash mob event she organized. Instead, she relied on the reputation of the artists’ activist group, assuming their privilege and agency would support her actions. She quickly found out that her assumptions were not shared by the other actors in the community.

In this sense, analyzing power relations provides (new) insights, informing understanding and behavior as a fundamental layer of every action. In short, power relations are complex and require careful consideration and investigation. They may not be ambiguous, often lack transparency, and may even distract from the social and artistic/aesthetic experience that dominates art activism. Understanding how power is perceived, understood, and produced remains an essential part of arts management practice. To better explain, the following is a way to help you identify power relations that might be present in an arts action.

TABLE 12.4 Roles and Positions for Flash Mob Event Exercise

<i>People</i>	<i>Role</i>	<i>Position</i>
	Maintaining control and security in the community	Council employee and representative
Artists' activist group		City art activists (outside)
	Action organizer	
Pedestrians (passers-by)		Private citizen, neighborhood folk

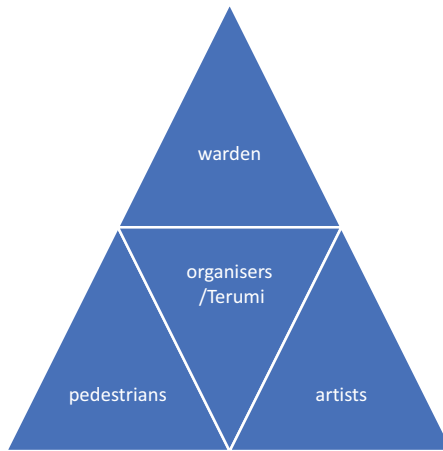


FIGURE 12.5 Power Relations Pyramid

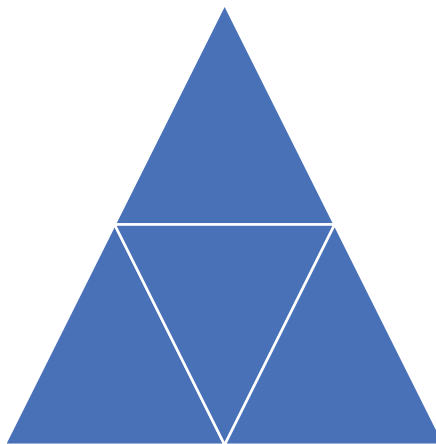


FIGURE 12.6 Power Relations Pyramid Template

TABLE 12.5 Roles and Positions for Flash Mob Event Completed Exercise

<i>People</i>	<i>Role</i>	<i>Position</i>
Warden	Maintaining control and security in the community	Council employee and representative
Artists' activist group	Carrying out action	City art activists (outside)
Terumi	Action organizer	Individual art activist from the neighborhood
Pedestrians (passers-by)	Audience/participant (by accident)	Private citizen, neighborhood folk

Imagine yourself in Terumi's place and identify power relations as exercised during her flash mob event. The steps to complete the exercise are provided below. Table 12.4 and Figures 12.5 and 12.6 can be used to complete the exercise.

1. Complete Table 12.4 by filling in the gaps, adding the people who were involved in the flash mob event, defining who they were, and their position, or role, in the community. A completed table is provided, at the end of this section, to check your responses.
2. Identify the power relations between the listed people by drawing a pyramid showing who reports to whom and work out the level of control and command that is built into this setup; people who exercise control go on top of the list, and the ones who are least in control are at the bottom. See if you agree with the arrangements shown in Figure 12.5.
3. Rearrange the people in the pyramid. As you know, Terumi's event did not work out as she had hoped. Without a license, she had no choice but to comply with the request to stop the action and leave. With a valid license, she might have stayed in control. Assume that Terumi did this and rearrange the participants to reflect the changed power relations that might occur. You can try several different arrangements to see what might emerge. Figure 12.6 gives you a start, but you can try any arrangement you like.
4. As an extra step (bonus), talk to the same group of individuals you discussed art activism with before about their networks. Who is in charge? Who makes decisions? Who has the ideas for the actions and who implements them? After the discussion, map out their answers and identify their approaches of how to create and handle power, and then compare it with your own answers to the same questions. Can you identify agency?

Table 12.5 shows the answers for the Roles and Positions Flash Mob Event Exercise from Table 12.4.

ETHICAL CONSIDERATIONS

Art activism involves and implies issues of justice, human rights, fairness, and equality. In that way it attempts to address many of the ills of society. Activists often fight for

those who are impoverished and marginalized, wanting to ensure that the disenfranchised gain equality and agency. They side with the have-nots and make sure that those who are marginalized gain attention. The agenda of activism is right at the center of moral and ethical conflict, although the assumption that activists know right from wrong can come across as arrogant, disrespectful, and polarizing. Provocation, breaking out of defined moral frameworks, and proclaiming revolution are all elements in the activist's toolbox. Unlike policy advocacy, activism takes openly moral positions on issues that need addressing. In other words, there is no pretense toward objectivity. While trying to distinguish right from wrong, activists rely on values, beliefs, and attitudes that inform their decision-making. They may hold conflicting and contradictory views without being aware of prejudices and biases that are hidden, even from themselves. This can pose multiple moral and ethical dilemmas that an arts manager will do well to engage with. Four are considered in the following sections.

Danger and Violence

Activism can engender strong emotions and activists are passionate about their causes and in defending their values and beliefs. When this emotionally driven agenda is paired with intellectual reasoning, it becomes a powerful mix and could result in dangerous situations—including violence—for everyone involved. Drastic actions have included activists glued to an exhibition entrance to prevent entry and the pouring of oil on a naked protestor in the middle of a gallery. Consequently, this may provoke legal action ranging from the activist's personal liability for any damage caused, to prosecution and imprisonment. It may also lead to actual or potential damage to their own or others' health. Whether or not violence and harm are the intention of the activists, an arts manager and activist should plan for this type of situation and should be prepared to step in. Preventing further escalation requires negotiation skills on both sides. The representative of the organization and the activist should be well-versed in ethical (and legal) knowledge about the causes for the actions, although logical reasoning could lose out to collective emotional fury. At a minimum, emotional intelligence is required.

Interwoven Rights

From her day job, Terumi knows that dealing with fundamental wrongs creates ethical responsibilities that center around notions of care, victimhood, and social injustice that can inform behavior, which can be problematic for arts managers no matter how experienced they are. Human rights issues are often directly part of activist work and are often interwoven with other rights related to migration, rights to territory, and cultural identity. Distinguishing between these may not be possible for a layperson. In case of doubt, arts managers should seek professional representation and advice.

Intellectual Property Rights

Compared with the social responsibilities discussed previously, questions about authorship, copyright, and ownership seem mild; but these are equally important ethical

considerations. Clear contractual arrangements for art activist performances that detail what shared ownership means, and how authorship and copyright are regulated between the different participants, will avoid potential disputes at a later stage. Much has been written about precarity in the arts and cultural sector, but this is not an issue to be complacent about. For example, the payment of artists for their work is something campaigners have been demanding for some time; they have been only partially successful. The same ethical considerations apply to co-owners/producers that are part of performance actions. Taking a stand for equal pay means adopting an ethical and political position or principle. Arts managers can't really stand on the sidelines. Taking a position on this issue could even be regarded as activism on a personal scale. Activism demands actions from all sides that are involved.

Personal and Public

Every arts manager needs to be aware that art activism incorporates the personal with the public and there is hardly any separation between the two. Some arts management programs continue to advise managers to separate personal opinions from the work environment. This may not be possible, or even appropriate in arts activism. Instead, moral and ethical principles are applied to any environment and situation (work/leisure, private/public) and come with an emotional investment that cannot, and perhaps should not, be set aside or ignored. Many arts managers combine multiple identities as artists and activists while managing projects and organizations, which can cause conflict that is often individualized. Self-reflection is helpful, not for changing behavior as such, but to inform and learn more about why we care about equality. For Terumi, reflecting on her work as an arts manager and activist is something she would like to foreground more in the future. She understands that questioning her actions is a way to guide her. Being able to sit back and think is not a luxury in management terms, but a necessity. Maybe this is Terumi's secret, to be able to combine the social with art and public with private, while fighting for sustainability. Perhaps that is what makes her a good manager too. Change is a key part of management; it defines actions and unifies Terumi's different identities as artist, manager, and activist.

THE FUTURE OF ART ACTIVISM AS COMMUNITY ENGAGEMENT

Trends that are likely to develop further over the next decade include societal trends that will impact the environment of art activism. The list below identifies some of these and spells out some of the key issues for activism, the arts, and for society as a whole in the years to come.

- *Welfare.* Concerns about the welfare of the general workforce are ongoing but cases of professional burnout and overwork in the cultural sector are increasing. Among activists, this is a growing trend. The nature of project work creates intense periods of action. Often, one project follows another with little time to recuperate. Employed arts workers can benefit from an institutionalized approach to welfare,

but because most activists are freelancers, time to recuperate does not serve the cause. Not having the means and the time to take time out has become a common feature in activist circles, among arts managers and artists alike. Adequate welfare provision for all, including freelance workers, would be a step forward, but ironically, art activists themselves will have to pursue this agenda.

- *Polarization.* Increased risks from global pandemics, such as the Covid-19 virus and other infectious diseases, the fallout of the ecological crisis, and subsequent insecurities in economic, social, and cultural circumstances may polarize societies further, accelerating existing inequalities in wealth, opportunity, political power, and the like. Conflicts focusing on the privilege of elites will increase the source material for activist communities to perform with and act on. As a consequence, arts activism as a means to push for change may become much more mainstream, becoming part of organizations and absorbed into arts management as a professional field of action. For example, *MOMA Divest* and *Decolonize This Place* activist groups in the United States successfully demanded, together with over 150 artists, the removal of Leon Black as Board Chairman of MOMA, in 2021, over his financial ties with the convicted sex offender, Jeffrey Epstein. Serving as a financial donor on boards of arts organizations will require much more ethical scrutiny in the future. Providing financial aid for the arts will remain welcome only when the funder complies with the moral obligations of societies, whether for social, environmental, cultural, or political causes.
- *Digital innovation.* The advance of digital developments and the considerations of ethics, values, accessibility, diversity, and inclusivity that come with it have to be urgently considered. Many protests are already organized via, or directed by, social media platforms. Internet hacktivism (tying hacking and activism together) is well established. Website defacements, virtual sit-ins, and docking are not new, but more and more people create their own art memes and art activist campaigns using code and open-source software. The use of artificial intelligence, for example, in speech recognition, and data management practices provide knowledge that could support activists' work and enhance their organizations via the internet. Building engagement capacity, as well as fostering new forms of online participation, for example, by using blockchain databases that don't require a centralized authority, might spread democratic emancipation. But computers are resource intensive, and the energy to run them will have to be produced sustainably. Other changes that we have not yet considered will certainly emerge but training machines in social disobedience would be revolutionary (and raise many ethical issues). At the same time, technology, itself, is not a neutral tool. It carries with it hidden sources of institutional power and ideologies that are not often apparent on the surface, and that may work against the democratic empowerment that technology seems to promise.
- *The local.* In combination with the global reach of information technologies, the importance of the local cultural community and its interaction with the global will increase. The change in communities as the result of migration and shifting demographics demand social, cultural, and political representation locally. Activism attracts and can mobilize all ages, and the spectrum of activism will increase. We see a growing older population in the West who are seasoned activists. Artists hardly

ever retire. The same goes for arts activists. They have no intention of letting go of unfinished business, for example, when it comes to fighting for causes they believe in. At the same time, younger generations are developing their own activist communities, challenging agendas, and calling out the shortcomings of previous activist generations. Solidarity between groups will help create a fairer and stronger society of activists. The exchange between multiple activist communities and, eventually, their combined force, is more likely to bring about societal change.

SCENARIO DENOUEMENT

Terumi remained convinced that community art activism is right for her. She has learned that there is much more to activism than she initially thought. She understood that hunting for instant and quick actions may not always be the right approach. Terumi did well to unpack the relationships between all the stakeholders, including participants and members of activist groups in her community. Fostering good relationships over time will remain challenging, but Terumi could use some of her newly gained knowledge and thinking strategies to develop her ideas further.

Currently, Terumi is planning to set up a community environment forum that discusses and plans actions while maintaining links with all stakeholders, including the City Council and local businesses. She has established links with a group of activist lawyers to organize online drop-in sessions for fellow art activists and arts managers, including herself. Importantly, she is convinced that calculating risks and their consequences is a smart planning tool for art activists. Terumi learned that the drawbacks of arts activism, as discussed within the policy framework, may be resolvable. Instead of remaining stuck in implementation, she plans to look beyond actions, addressing what comes after the activists' aims are achieved.

Communicating outside her comfort zone, not only with like-minded people, demands diplomatic skills, but equipped with her knowledge of power relations, Terumi is not afraid of working out how power is generated and what role power plays in community actions. She understands that it is the local community, the places and locations where we all live, work, and study, that carry the most potential for change because it is there that we address the immediate environment in which we live.

SUMMARY

This chapter introduced art activism as a field of study embedded in the community. It outlined conceptual frameworks and offered practical advice for further study to activist apprentices. The divide and tensions between the social and art are at the heart of art communities and their activist behaviors. Artists have always cared about social developments, but in recent years, and perhaps in the years to come, their involvement in civic society has to be a priority. Activists can be found everywhere, in government, in large arts organizations, and in political parties. Over the years, they have gathered the

strength to speak their minds within, and outside of, organizational frameworks. As a result, activism has become trendy, which means that it often veers into hype instead of authentic action. It is therefore in danger of losing its edge and its meaning, or of being coopted for other purposes, for example, selling products, promoting celebrities, and the like. What can keep it on track is good research, good planning, good listening, and keeping one's biases and assumptions in check. Paying mind to the ethical implications of activism and working as part of the community (instead of imposing from above) are important, minimum requirements.

KEY TERMS

Action
Aesthetics and art
Agency
Art activism
Civic rights
Co-production
Community engagement
Community
Disobedience
Emotional intelligence
Emotional resilience
Implementation stage of the policy process
Participation
Policy obstruction
Power
Power relation
Self-reflection
Social practice
Socially engaged art

STUDY QUESTIONS

1. Is art activism a disruptive process? Why or why not?
2. In your opinion, should art activism be radical, and should violence be tolerated?
3. What are the different forms of art activism and how is the relationship between art and activism negotiated among them?
4. What do arts management and art activism have in common? Where are the overlaps in terms of management?

5. What are the possible tensions between art and the social as negotiated in art activism?
6. How does art activism inform policy?
7. What are the ethical dilemmas that prevail in art activism and how could these be resolved?
8. Do you think that art activism has become overly trendy? If yes, how so? Is there a way to counter that trend?

GAIN EXPERIENCE

Choose three similar-sized art activist organizations or three art activists from different regions/continents of the world.

- Investigate the approach each organization or person takes to art activism using information you gain from their public social media profiles/websites, focusing on answering the following questions in the form of a simple table:
 What are they doing (concrete actions)? What does their activist practice look like?
 What is the overall aim of their activist actions?
 What is their artistic/aesthetic focus or aesthetic means of pushing for change?
 What is their reference to power, and what power relations are visible from the materials displayed on their public websites/social media profiles?
 How do they relate to community practice?
- Compare the three different organizations/individuals with each other by defining similarities and differences.
- Discuss your findings among your peers, focusing on the spectrum of art activism that presents itself in different parts of the world, and try to find reasons for commonalities and differences.
- You could repeat this exercise for as many organizations as you like, varying the size of organizations and their art subject fields, or you could focus on one activist topic (women's rights or Black Lives Matter) to work out differences and commonalities.

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Law and the Arts

Constance DeVereaux

SCENARIO

Donovan has just celebrated his six-month mark as Assistant Director of Village Community Arts Center, a multi-use facility for performance, exhibition, art classes, and lectures serving the residents of a mid-sized town. He was lucky to get the job right out of graduate school. But he knew that the organization was under pressure to hire someone quickly, following the unanticipated departure of the previous assistant director who moved, unexpectedly, to be closer to his family.

Although Donovan is still learning on the job, his boss, Rihanna, has increased his workload and areas of responsibility to include programming, contracts, and human resources issues. His daily work includes coordinating with visual artists for upcoming exhibitions and making sure that appropriate agreements have been drafted and signed. Perpetually busy with donors and the Board, Rihanna's curt instructions to him were, "Just make sure no one sues us," followed by the comment that she was only kidding. If he had any questions, she said, he should be sure to ask her. Donovan was left unsure just how much he could rely on her guidance.

Donovan's arts management degree hadn't given much attention to teaching about legal matters, but he wasn't worried. A good listener, he believed that simply being attentive to the needs of staff, patrons, and artists was enough to sort through any problems that might arise. But within a short time, Donovan found himself overwhelmed, much like Rihanna, with numerous daily tasks all requiring immediate attention. He spent his days reading contracts and signing written agreements, not to mention verbal agreements made by phone and acknowledgments by email. Recently, a Board member had been pressuring him to make contact with a long-time volunteer of the Arts Center in order to receive a donation of several paintings by an artist of minor renown. It also came to his attention that another Board member had borrowed the Center's van, without authorization, to move furniture to his new house. Further, two

staff members were complaining about a safety hazard in their workspace. Donovan was beginning to wonder if his workdays were just a matter of dealing with problems. As an example, he had been excited to sign a contract with Tyra, a local artist, for a week-long exhibit of her work. The agreement was to include two lectures to accompany the exhibit, specifically one at the opening reception and another later in the week. Tyra and Donovan settled on a very handsome fee. During their conversation, Donovan mentioned his over-busy schedule, so Tyra suggested she would draft the contract and email it to him for his signature. Trusting they were in agreement regarding all the terms, Donovan signed the contract without reading it closely and proceeded to plan the event. The way he had envisioned it, Tyra would give her first talk at the afternoon opening, followed by a local musical group later in the evening. What he hadn't realized was that Tyra had written the contract to include both lectures on the same day, one in the afternoon and one in the evening. She wasn't available to give a lecture later in the week because of other commitments. She hadn't mentioned it to Donovan because she figured he would see it in the contract and let her know if he had any objections. Donovan missed the mistake, however, until after he had publicized the exhibition and the opening event.

He also discovered a problem with the contract he signed with the musical group. To save time he had downloaded a previous contract for a past performance by the same group with some updates added in. Unfortunately, he failed to delete some of the language. In the end, the contract confusingly stated that it was for one performance only, but also that it was for a series of three performances.

Before he could sort it out, Donovan received an angry email from Vittorio, another local artist, about the unauthorized use of images that Donovan had selected for the cover of the Center's annual report. Donovan thought Vittorio would be pleased to see the image featured this way. Instead, he maintained that Donovan, and the Center, should have sought formal permission, including payment of a fee, to license the image. Vittorio was threatening to contact a lawyer and pursue civil legal action.

Back to the artwork donation that the Board member had been pressuring him about. He met with Helena, the volunteer, who had several paintings that had belonged to her recently deceased grandmother. In a desire to both help the Arts Center and get rid of clutter in her attic, Helena donated the paintings and requested written, donor acknowledgment. After signing the appropriate documents however, Donovan received a call from Helena's nephew claiming that he was the rightful owner of the works. When Donovan informed Helena she lodged a formal complaint to the Board. In the meantime, a member of the janitorial staff mistakenly removed props from the Center's storage. The props, created specifically for an upcoming theater performance, resembled bags of trash but were in fact meticulously hand-sewn replicas of kitchen trash bags. The artist and the theater company were furious over the negligence and were holding the Center liable for replacement costs. Donovan was sure that the Center shouldn't be held responsible for the actions of a single staff member, but he wasn't sure. He was beginning to think that it was time to get Rihanna involved.

ISSUES

- Failure to read contracts;
- Little knowledge regarding the use of copyrighted creative work;
- Inattention to details that might have legal import;
- Little effort to perform due diligence in legal matters;
- Misinformation about liability and negligence;
- Poor understanding of nonprofit law;
- Lack of experience in negotiating resolutions;
- Lack of awareness of the range of legal issues confronting arts organizations.

INTRODUCTION

We are all familiar with the fact that there are laws that tell us what we can and cannot do in life. Phrases such as “It’s the law!” or “The law tells us...,” or “According to the law...” are common enough. But what does that really mean? What is “the law?” or alternately written—The Law! Does it mean a particular set of rules written down somewhere? Or is it the set of principles on which all laws are founded? Are we, instead, referring to the people who enforce laws (police and the courts, for example)? Or are laws some nebulous (and potentially subjective) notion indicating which actions are morally right and which are morally wrong?

In fact, laws are sometimes regarded as if they are absolute, self-evident principles and guides, and at other times, as mere human conventions based on the preferences of a society or—cynically stated—on the interests and desires of the elite and powerful. Such topics are not just fodder for the debates of legal scholars. What you, and the people around you, think about, and believe about the law can have an impact on daily life. We find the effects of laws, in fact, in “the minute, mundane and often obscure practices of the everyday” (Cowan 2004, 932).

The most basic definition of law is that it is a system of rules created by *legislators*, so in that sense, they are, in fact, rules devised by human beings. A legislator is a member of a group—called a *legislature*—empowered to make laws. Groups such as the US Congress, the Japanese Diet, and the Finnish Parliament are a few examples. These bodies make laws at the national level for their respective countries. Legislators also exist at the local level—a city council, for example. Or at the state and provincial level—such as the provincial governments of Canada, the legislatures of the individual states in the United States, or of the individual Länder in Germany. They also exist at the international level. The European Parliament, for example, makes laws that pertain to the entire European Union, although only as a co-decision-maker with the Council of the European Union, another international body.

The words legislator and legislature come from the Latin words *lex*, meaning law, and *lator* meaning proposer or mover. That is precisely what they do. Legislators propose

laws (legislative acts) and then move them through a process of review and adoption that then guide the actions and behaviors of members of society. These legislative acts are called *statutes*. Stated very generally, laws are intended to make it possible for people to live together in a way that produces no undue harm, at the same time that they promote well-being. Of course, no set of rules can guarantee either outcome. Nonetheless, agreed-upon rules can make life easier, safer, and more pleasant. A simple thing like having rules telling you which side of the road you can drive on, or what you must do when you see a red light at a crossroads, reduces the likelihood of accidents and makes driving your car less chaotic—maybe even more enjoyable—than otherwise.

But laws have roots in the beliefs, traditions, customs, and history of a people. A full discussion of how laws gain legitimacy in human society would be too lengthy for this chapter. It will suffice to point out that groups of people in towns, cities, states, provinces, and nations have sets of laws they accept because they are put in place by people who have the authority to make and enforce them. We obey laws in part because we believe they are founded on core societal values, and also because they are created by individuals authorized to do so. Legal systems are supported by a justice system, that is, the judiciary, or system of courts that interpret, apply, and adjudicate on legal matters. When we say that a system of laws is just, we mean that laws are applied in a fair manner and that courts and the legal system follow the *rule of law* rather than making decisions based on the self-interest of rulers.

We also tend to obey laws because they make sense for organizing society, making sure that individuals are protected from harm and are not taken advantage of by others—in other words, because we believe it's the right thing to do (as long as the laws are reasonable and just) and because it makes it possible to live a good life among other people.

We may also feel inclined to obey laws for the added incentive that if we don't (and get caught), there will be some kind of punishment or penalty, such as a fine or imprisonment. The negative consequences of failure to obey laws and regulations are collectively called *sanctions*.

Legal systems are reputedly complex. Commenting on this, the American legal scholar Edward H. Levi remarks on the “pretense” (1948, 1) of legal systems. There is a mistaken notion, he points out, that laws are “a system of known rules” that are applied by judges and other people in legal authority (Ibid).

While it would be nice if laws were easily understood and easy to follow, they are, “in an important sense never clear, and if a rule had to be clear before it could be imposed, society would be impossible” (Levi). Some people might find this view surprising, especially since it seems to suggest that if laws are never clear, it might never be clear if you violated one. Instead, what Levi means is that the complexity of human society makes it impossible for us to have simple to apply rules that account for all the nuances, contingencies, shifts in context, and mitigations that are ever-present when humans live together. As the saying goes, the world is not easily divided into black and white. There is, instead, a lot of gray, and that is precisely what the legal system must deal with in its decision-making processes.

Consider the simple example of a No Parking sign. It seems clear no one should park in the area so marked. But imagine you stopped your car in the spot to provide room for

the passage of emergency vehicles. Or that someone in your car is seriously ill and you need to pull over to tend to her condition. In both cases, if you receive a citation and go to court, the judge might decide not to enforce the No Parking rule given the special circumstances. Although that is a quite simple, perhaps even simplistic, example, consider the many factors that might affect the way we look at any particular legal situation. Changes over time in beliefs, customs, habits, technology, science, and the environment, as well as changes in political attitudes and social norms are all reasons for laws to be flexible enough to accommodate change. Present-day traffic laws must account for the existence of high-speed freeways. Laws on copyright have to account for the digital production of art. Laws and regulations for art imports must pay mind to social, political, and economic shifts over time, both nationally and internationally, that affect art ownership, and even, definitions of art. For these reasons, a basic understanding of how laws come about, how governmental systems create laws, and how they apply to everyday situations can go a long way toward dispelling confusion so that laws and legal issues are more accessible to practicing arts managers.

There are many more rules in the world than laws, however. Generally speaking, to count as a law, a rule must be created by a legislature. There are rules, however, that have equal force of laws (failure to abide by them can result in a fine or other punishment) but that are not part of legislative action. Rules outside of the category of law are created by governmental agencies instead of legislatures. Examples are the formal rules of a government's labor department, rules of a local city arts council, or a national health agency. Such rules operate similar to laws and are called *regulations* because they regulate behavior and actions. Whereas laws, in general, affect everyone equally, regulations typically focus on individuals who deal directly with the agency that enforces them. For example, tax regulations pertain to people who pay taxes. Food safety rules pertain to restaurants and other businesses that handle food.

Despite the title, "Law and the Arts," this chapter covers both laws and other rules governing the various operations of arts organizations, or that have particular relevance for any organization involved in the arts. They include laws pertaining to artists' rights, nonprofit governance, donations, importation of artworks, copyright, sales of goods, hiring of employees, liability, health and safety, licensing, and many others. An important disclaimer, however, is that it is still limited in what it can cover. Rather than a complete guide, consider the chapter as an overview of what you need to know so that you can explore the topics further.

Of equal note, is that laws and regulations vary from one place to another—not only from country to country but also from one city to another. It might be legal to hold a late-night, outdoor concert in one city center, for example, while the neighboring city may ban outdoor concerts altogether. One state or region might allow alcoholic beverages to be sold at performances, while another may forbid it. It may be legally permissible to display images critical of cultural or religious practices in one country but completely disallowed in another.

A person's knowledge of some of these laws and regulations might come about just from living in a particular town, city, region, or country. But, given the increased mobility of both artists and arts managers in today's world, as well as the increasing tendency for international or cross-border work in the cultural sector, it is important to be aware

of the applicable laws and regulations that might affect you wherever you happen to be working or living. In addition, laws that pertain to natural-born citizens may differ significantly from those that apply to new residents, visitors, or individuals who are not otherwise recognized as citizens. Further, since laws and interpretations of laws change over time, it is likely that you won't be familiar with all of the laws in place where you live, even if it is your hometown or country.

Better to be certain of the laws and regulations that apply to you and your organization than to assume you know what is permissible or not. An ancient Latin saying states, *ignorantia juris non excusat* (ignorance of the law is no excuse). In other words, even if you are not aware that you have broken a law does not mean you won't be held liable, or responsible, for the consequences. Proving that you shouldn't be liable probably entails going to court—and paying for an attorney. For that reason alone, some knowledge of legal matters is useful even if the information provided here does not turn you into a legal expert. The information in this chapter may help you, as an arts manager, ensure your organization is making its best efforts to follow appropriate and relevant laws. The responsibility is on you to do research, ask questions, and perform the necessary *due diligence* to keep yourself informed. Due diligence is the process of taking necessary steps to ensure that you have satisfied legal requirements.

An important caution when reading this chapter, and for any dealings you may have concerning legal matters, is that when in doubt, consult a lawyer or other legal authority rather than risk making a mistake. To further explore legal issues and how they pertain to the arts, the next section looks at types of laws. Relevant examples, from the arts and arts management, are provided as illustrations.

TYPES OF LAWS

Laws can be categorized in a variety of ways, each of which emphasizes particular features. Although there are many more categories than those selected here, some common ways to look at laws are by 1) origin—positive law and common law, 2) seriousness of legal issue—criminal and civil, and 3) legal specialty—labor law, entertainment law, and tax law, as examples.

Origin

One way of approaching the origin of laws is to pose philosophical questions about law's nature and how laws first came about, as was discussed at the beginning of this chapter (are they divinely given or do humans create them, for example). A more practical approach divides them into those created by a legislature, and those that are part of what is called common law.

Briefly stated, positive laws are statutes adopted by a legislature, a court, or other institution. Although they can take any form, they are typically written down and formally adopted in what is called the *legal code*, or the code of laws of a particular state or nation. The term penal code, for example, refers to the set of laws that governs the punishment of crimes. You may have also studied, at one time, ancient systems of laws

such as Hammurabi's Code (a collection of laws dating from the time of the ancient Babylonian ruler, Hammurabi) or the Code of Ur-Nammu, which is the oldest extant, written legal code (roughly 4,000 years old). These collections of rules were, very literally, codes of conduct for the societies that adopted them. Because they were written down—that is, posited, or put into position—they are called *positive law*. When you consider that scholars know of even earlier legal codes that are no longer in written form, it's clear that systems of laws have been around for a very long time.

In contrast, *common law* refers to unwritten laws. In other words, they are not formulated, reviewed, and adopted by a legislature. In some cases, they pertain to what might be called reasonable assumptions about individual behavior. An example is the duty to read contracts before you sign them. Although there is no written law that you must read before you sign, a judge will assume, in the case of a dispute, that any reasonable person will have read a contract in full and therefore agrees to the whole of its contents. Donovan's failure to read the entire contract he signed with Tyra caused confusion and ended up compromising his event. Consider what might have happened if Tyra, prepared to do both lectures on the same day (per the contract) was prevented from doing so since Donovan had also hired the band. A court might decide she was entitled to be paid, nonetheless for both lectures. A judge, assuming that someone in Donovan's position would have read the contract, might rule that Village Community Arts Center should be held to a strict wording of the contract.

Common law also includes laws created in the process of *interpretation*, by judges, when they issue a ruling in court. Such interpretations establish a *precedent*—a decision made in a court of law that then becomes the basis for future decisions. Once a precedent is set, subsequent cases can be decided by comparing their similarity to the original case. Cases that show similarity in terms of the facts (the who, what, where, when, and why) or the legal issues (*legal question*) involved will tend to receive the same kind of judgment from a court, whereas those that are dissimilar in facts and issues are likely to receive dissimilar judgments. A legal question is an issue that requires the application or interpretation of a law. In contrast, a question of fact is one that can be answered by looking at the evidence. As an example, whether or not Donovan read the contract he signed with Tyra is a question of fact. Whether or not he should be held to the terms of the contract is a legal issue—a question of law.

Laws decided on precedent are also called *case law* since they come about as the result of cases heard in court. A system of case law allows judges to arrive at decisions where the existing, positive law is not very helpful. To illustrate, consider one legal issue that has come up fairly often in the history of the arts—deciding whether or not a particular art piece is obscene. The issue has implications for arts managers who could be accused of breaking the law if an exhibit, performance, or art piece is judged to violate existing obscenity laws. The example is also illustrative of Levi's claim about the dynamic nature of laws—that is, that they can change over time depending on prevailing societal views.

An oddity in the arts is that although depictions of nudity in paintings and sculpture have been fairly common in various times and places throughout history, contemporary standards can be quite different. *Statue of a Young Boy*, a Roman marble sculpture dating from the 1st century (currently housed at the Art Institute of Chicago) depicts a young, pre-teen boy, who is wholly unclothed. Such a sculpture (or photograph, or painting)

made today and placed on public view, would most certainly raise considerable controversy, and might even be seen as a case of child pornography. Two contemporary examples of this are the American photographer, Jock Sturges, who is known for his images of nude adolescents taken with their and their families' consent. Similarly, the photographic artist, Sally Mann, featured her own children in "nude ... or in other vulnerable positions" leading to criticism, in one instance, that she was "unnecessarily sexualizing her daughter" (Cohen 2018). Both of these artists were threatened with criminal action; Sturges was charged with violations of child-pornography statutes, which were later dropped. Mann was cautioned but never charged (Ibid).

In stark contrast, an art piece that shocked in an earlier era might now be considered banal. Francisco Goya's *The Nude Maja* was confiscated by the Spanish Inquisition in 1815 but is now openly displayed in the Museo Nacional del Prado in Madrid, Spain.

Erotic literature has an equally long history. The ancient Sanskrit text known as *Kama Sutra* is a well-known example. Copies of the text, which gives advice on marriage, courtship, and sex positions, have been translated into many languages; illustrated versions can be purchased in many bookstores or online. In 1956, the Allan Ginsberg poem *Howl*, which also contains references to sexual practices, was banned, and the publisher arrested for disseminating obscene literature. A later court ruling declared it was not obscene. Today, it is considered one of the great works of American literature and might be assigned as required reading in a literature course.

Clearly, throughout history norms change. What was once considered common and unobjectionable can be viewed, in later eras, as offensive, indecent, and even harmful. At the same time, words and images considered obscene or profane in one century (or country) may be in common usage in another. Further, many words that were once considered common are now considered offensive, racist, or sexist, and possibly much more objectionable than words considered profane. The point is that given the changing nature of what is deemed obscene, it is exceedingly difficult to come up with a statute that defines obscenity once and for all. Instead, judges look at past court rulings to help them decide how to rule on a particular case. Each new ruling, in effect, becomes part of common law. Precedent has been used in courts to address a wide variety of legal issues, many pertaining to the arts. Some examples include copyright and intellectual property, cultural rights, restitution of artworks, import tariffs on artworks, and many, many other legal issues ranging from minor to more critical offenses. The next section looks at categories of law based on the seriousness of crimes.

Seriousness of the Legal Issue

In a very broad sense, all laws have to do with preventing harm. Of course, the concept of harm can be widely interpreted—and is—when it comes to the way it is understood in legal contexts. Using this very broad notion, however, we can differentiate between types of laws based on the manner and magnitude of harm that might arise as a result of the crime perpetrated.

Seriousness of a crime can be measured in terms of the level of violence committed, the amount of financial loss suffered, or both. *Criminal law* deals with offenses with the highest order of violence, or harm, such as murder, robbery, and certain types of theft,

arson, kidnapping, assault, and similarly serious crimes. The most serious of these are called *felonies*. Less serious crimes are *misdemeanors*, and the least serious are *infractions*, which typically include such things as traffic violations or littering. It is not always clear, however, what the dividing line is between the three categories; differences between one jurisdiction and another can factor into how crimes are categorized. The level of punishment also varies, with the most severe punishments for felonies, less severe for misdemeanors, and least for infractions. It may surprise many in the arts management field that criminal acts are fairly common in the art world. Some examples are provided in the next section.

Art Crimes

Art theft. Stealing of a physical artwork or item of cultural property such as a painting, ceramic, sculpture, or other artistic object. Thefts can affect private collectors, art galleries, museums, and houses of worship. By some estimates between four and six million dollars' worth of artwork is stolen, worldwide, each year (Polk 2014).

The International Criminal Police Organization (Interpol) lists 52,000 stolen objects in its database, as of 2020, which, however, does not account for all art thefts that are carried out each year (Interpol website). The first recorded art heist appears to have been the theft, by Polish pirates in 1473, of a triptych by Hans Memling entitled, *The Last Judgement*. Taken from a ship bound for Florence, Italy, and never returned, the piece is now displayed in the National Museum in Gdańsk, Poland (*Greatest Art Heists of All Times*). Some notable contemporary art thefts include the Vincent van Gogh painting, *The Parsonage Garden at Neuen in Spring*, stolen from the Singer Laren Museum in the Netherlands in March 2020 just as Covid-19 lockdowns were getting underway. It has not yet been recovered. In 2005, the two-ton, bronze sculpture *Reclining Figure* by Henry Moore was stolen and subsequently disappeared. Police believe it was cut up and melted down to be sold for the raw bronze.

Looting. Strictly speaking, looting is also a case of theft but in the very specific sense of artworks stolen during wartime, from historic sites, or from archeological sites. Most countries have specific laws regarding art objects that are considered to be part of national heritage or that have archeological significance; they are often referred to as *cultural property*. In some countries, objects of 50 years old or more can be bought and sold but may not be taken out of the country, even if you acquire them in a legitimate purchase. Many countries consider cultural property to belong to the state rather than to any individual, however, efforts to combat looting and cultural heritage theft are not always successful, and laws may be difficult to enforce. In 1970, the international organization UNESCO (United Nations Environmental, Scientific and Cultural Organization) adopted the *Convention of the Means of Prohibiting the Illicit Import, Export and Transfer of Ownership of Cultural Property* in an effort to decrease the looting of cultural objects. The international agreement is intended also to form accords, or formal agreements, among nations that will make it more difficult to own, sell, and transport looted goods, as well as making it less attractive for individual collectors, institutions, and nations to engage in these practices.

Fraud, or misrepresenting important information about an artwork. Some examples are:

- Art forgery is creating and selling artwork that is falsely attributed to another artist, typically one who is well-known. The most common form of forgery is to make a painted copy of a famous artist's painting and claim that the forgery is the original. Vincent van Gogh and Salvador Dali are among artists whose works are most targeted by forgers. Confounding matters are artists, such as the photographer Sherrie Levine, and the painter Sturtevant, who replicate (or repeat) the work of other artists as a way to comment on the status of art in society. Levine, for example, has created exact photographic reproductions of the work of famous photographers Walker Evans and Edward Weston. Although controversial, the intent is not to pass off their work as originals. Instead, making sure that the public is aware that their work is a replication is an important component of their art practice.
- Representing a piece of art as worth more than it actually is and selling a single piece of art to more than one buyer simultaneously are other examples of fraud. The latter can occur when a collector purchases artwork and does not take physical possession, unknowingly giving the opportunity to the dishonest seller to resell the work and retain the proceeds from multiple sales.

Money laundering. This type of crime is often connected to fraud, bribery, or other criminal acts such as smuggling and theft. Money laundering is the result of money gained from illegal activity. In an effort to cover up the source of the ill-gotten money, which is often called dirty money, criminals will launder it by making it appear that it was obtained legitimately. Both high-end art and antiquities are attractive to money launderers for the reasons that 1) other means of money laundering are increasingly difficult; anti-money laundering regulations have tightened, and enforcement has increased, and 2) transactions for art and antiquities are often private, so they may escape the attention of legal authorities. Art and antiquities can be purchased anonymously and once bought can be put into storage in ultra-secure warehouses located in freeports. A freeport is a landing place at an airport or maritime port where goods can be held without paying customs duties or other taxes. Since the goods stored are technically in transit (they are waiting to be transported elsewhere), they are more likely to be under the radar of official documentation. The laundering aspect of the crime is to use ill-gotten money to buy artwork, which is then sold. The money gained from the art sale is then "clean," so to speak, of the crime.

Both the United States and the United Kingdom have taken notice of art as part of money laundering schemes with new regulations that may affect all art market transactions. For example, as of 2021, registering as an arts market participant will be required in the United Kingdom; organizations may then need to demonstrate compliance with anti-money laundering laws through policies, training, and record-keeping. Agencies such as the FBI and Homeland Security, in the United States, are currently studying art markets with a view to establishing more rigorous money laundering regulations that may apply to any business selling art.

Vandalism. Marring or defacing someone else's property is an act of vandalism. Because it has to do with property damage it may, in some cases, be categorized as a civil law matter instead of a criminal offense. Although the value—in the case of artworks—is not necessarily relevant for determining if a crime has been committed, it is more likely to be prosecuted when the value is high, or if the artwork has some other significant worth (historic, national importance, or status as a landmark). In these cases, the artwork is typically the property of a nation or other governmental entity rather than of a private individual. Vandalism includes:

- The intentional destruction of artwork belonging to someone else, whether that is an individual or group of individuals. It can also apply to works held in common. Works owned in common are typically considered to be the property of the citizens of a city, state, region, or nation, and often include public art.
- Unintentional destruction of artworks could also be counted as criminal vandalism depending on the circumstances of the case. As an example, in 2021, the work "Untitled," by graffiti artist, JonOne, was unintentionally vandalized by a man and woman who saw it on exhibit at Lotte World Mall in Seoul, South Korea. The painting was displayed along with paint cans, brushes, and the artist's shoes. Mistaking it for a participatory mural, the couple added their own brushstrokes; they had not read the accompanying signs explaining what the work was about. They were arrested but were not charged with vandalism after the police learned they had simply made a mistake.

Desecration. Destroying or defacing artifacts, archeological, religious, or heritage sites. Similar to vandalism, it involves defacing or destroying a cultural object or site, but with the added component of disrespect for its sacred or religious character. Typically, desecration is of a specific object that, in itself, has significance. For example, a temple, church, mosque, or religious object might be the target. Similarly, political symbols such as a nation's flag, the portrait or sculpture of a ruler, or other significant people can also be targets. Motivations of the perpetrators can be religious (for example, an adherent to one religion may want to desecrate the symbols of another religion), political, or personal. Complicating matters is that politically driven destruction of artwork or symbolic objects could be a form of protest rather than desecration. Spray painting a statue or tearing it down because it seems to celebrate objectionable political or historical positions is such a case. Courts may choose to treat cases of political protest as categorically different from acts of desecration. Deciding whether to prosecute or not may depend on the political mood of the general public in the time period during which the protest occurs.

The examples of crimes discussed here are by no means exhaustive but include some of the most common that arts managers might encounter. Before moving to civil law, it is worth highlighting another notable and distinguishing feature of criminal law. Although both criminal and civil offenses cause harm, in the case of criminal offenses, they are considered to have harmed society at large rather than a single or small group of individuals. That is because these crimes are regarded as having disrupted the entire balance of civilized society. In other words, the very existence of crimes like murder, rape, arson,

and the like are considered to harm every one of us even if we are not the direct victims of the crime.

The reason has to do with preserving the social order, or social contract, which undergirds many present-day legal systems. The term *social contract* was first used by the French philosopher, Jean-Jacques Rousseau (1762) to describe an ideal system of government—one that relied on the participation of the general populace rather than the rule of kings. He felt that individual citizens should be actively involved in the rules and decisions that affect them. Other philosophers, such as British empiricists Thomas Hobbes (1651) and John Locke (1689), explored similar notions, posing an essential question, why is government needed? What is the purpose of government?

The various answers proposed by these thinkers pointed in the same general direction. Government (which is a system of laws and regulations) is needed so that individuals can lead their lives unimpeded by the whims of authority (the whims of a monarch or dictator, for example) and by the offenses that one individual or group might perpetrate against another. The goal is not simply the protection of individuals, although it is an important concern, but also the benefit of all society. In other words, if society is free from certain types of crimes—murder, arson, kidnapping, robbery, and the like, then everyone in that society is better off. A life in which we have to be on constant guard against the harm others might do to us would not be a very good life for any of us, individually. Hobbes described such a life as “poore [sic], nasty, brutish, and short” (1965, 32), by which he meant that without laws, any, and all of us, are at risk of losing our lives and livelihoods to anyone who is able to take them from us.

From a societal perspective, a social contract means that people can engage in industry, which, for Hobbes, refers to productive work such as raising crops or building shelter (or producing art—although Hobbes doesn’t specifically address artistic industry). In the dystopian world where a social contract does not exist, each of us would be too busy trying to protect ourselves from others; we would be so engaged in trying to survive and in competing with each other for scarce shelter and food that we couldn’t form a healthy society. If society never moved beyond this state, we would always live in the same miserable conditions. In sum, our lives would be very short and thoroughly unpleasant, brutish, and nasty.

In contrast, a system of laws keeps most of such behavior in check through reciprocal good behavior. The abstract idea looks at relationships in society through the concept of a contract or agreement between members of a society (with each other) and between individuals and the government. Stated very simply, the social contract is the idea that each individual will refrain from committing crimes in exchange for gaining protection from crimes committed by others. Although that sounds circular, it accounts for the fact that no system is perfect, and crimes will still happen. But when they happen, government authorities (for example, a police force) will step in, detain the individuals suspected of the wrongdoing, and submit the proceedings to a criminal court of law. Of course, that simple explanation glosses over many aspects of the legal system and assumes that fairness—as well as lack of prejudice, discrimination, and bias will prevail. Nonetheless, it acknowledges that human beings, broadly speaking, want to live in a just, fair, and civil society where they can flourish. The ideal of society organized in such a way, where we all participate to create the best society possible, is what underlies

concepts of social justice in which, for many people, the arts figure prominently. The ability to engage in intellectual and artistic exchange, in other words, depends a great deal on the extent to which a social contract is in effect.

In the next section, we look at civil law. As already noted, this category of law has to do with disputes directly between individuals or institutions.

Civil Law

The term *civil law* is sometimes used very broadly to include anything that doesn't fall under the category of criminal law. More specifically, it covers disputes arising from relationships between individuals, between institutions, or between individuals and institutions. Whereas crimes are prosecuted by the state (in other words, the state takes the action of bringing cases to court), civil actions are brought to court by the specific individual or individuals harmed. Typically, the person claiming harm must provide proof—in court—of the harm done and show that it was substantial enough to take action. Conflicts arising in civil law typically have to do with money, either directly or indirectly. The harm to an individual or institution is therefore often framed in monetary terms, or the amount of money lost, or that could have been lost, as a result of the conflict. If such cases go to court, compensation will be in the form of *damages*, which are paid by the individual or institution that caused the harm to the person or institution that suffered. Alternately, a civil case can result in a requirement that the person who caused the harm to refrain from causing further harm. For example, use of another person's intellectual property without permission could result in a court order to stop doing so. Or it can compel someone to do something that they were supposed to do. A person who agreed to perform a concert on a certain date, but later refuses to do so, could be compelled, by a court, to go through with the performance. Failure to comply with a court order in civil cases could result in further punishments, including imprisonment.

In contrast to criminal law cases, where the person accused of a crime is found guilty or not guilty, civil cases find a person liable or not liable. The term *liable* means the accused person is answerable to the law or is found to be legally responsible for the harm.

Whereas in criminal law the court seeks to restore societal balance by punishing the perpetrator, civil law seeks to restore the harmed individual back to the pre-harm state. For example, consider a dancer who has purchased a pair of ballet shoes that were improperly made by the manufacturer as the result of some type of neglect. The defective shoes cause her to fall and break her leg. If she wins her civil law case, a judge might order the manufacturer to pay her medical bills—the idea being to restore the money she had to spend because of the broken leg. They may also have to compensate her for wages lost during the time she was unable to dance, and presumably she will be reimbursed for the cost of the shoes. In a more extreme example, imagine the dancer is permanently injured and cannot resume her dancing career. In this case, a judge might order the manufacturer to pay a very high sum to compensate for the more permanent harm, including the cost of physical therapy and the amount equal to years of lost wages. In either case, a civil suit cannot completely restore her back to her former self, but at least can alleviate the financial harm.

Some examples of areas covered by civil law, as they might relate to the arts, are discussed below. The reader should note that the list is not exhaustive, and examples in each area do not cover the full range of possible conflicts that might arise. As already noted, seeking the advice of an attorney may be wise if legal matters such as these arise.

Breach of contract. Contract law is discussed in more detail, later in this chapter, under the section dealing with legal specialties. A contract is considered breached when at least one of the parties violates its terms. As an example, imagine you sign a contract with a group of musicians to perform at your organization's dinner gala. You sell tickets to the event and expect a full house. Imagine too, however, that the musicians were offered a much more lucrative contract by another organization just hours before your event begins. If they take the new contract, and fail to perform at your event, they are considered in breach of the original contract. You might imagine that your guests would be disappointed enough to leave the event and demand a refund. At a minimum, the damages incurred by your organization are the lost revenues. There may be additional losses depending on the particular circumstances, for example, if you could not recoup the cost for unused food, wait staff, or other cost items, or if you anticipated additional revenue, such as for raffles or extras. As another example, consider Donovan's agreement with the local music group. If the group relied on the contract language stating they were hired for a performance series, they could accuse Donovan of having breached the agreement if he later limits it to just one. That doesn't mean a contract can't change. But both parties must agree, and the changes should be noted, in writing, signed (or initialed) and dated. Such measures assure that conflicts regarding the terms are unlikely to arise and the possibility of a contract breach will be minimized. Extensive changes may require an entirely new document. Similarly, in the case of Donovan's mistakes with the musicians' contract, the conflicting requirements could render the whole contract void. Once Donovan caught his error, the best option was to write an entirely new contract, with correct information, that would supersede the original.

Defamation. Disseminating false information with the intent to harm a person's reputation is called defamation. It can be further divided into libel, if it is in a fixed form such as writing or an image, or slander if it is spoken. As an example, suppose a photographer is angry because Village Community Arts Center did not select his work for an upcoming exhibition. On previous visits to the center, he had taken photos of the interior. He decides to use these to create a series of doctored images showing garbage and other refuse in the Center's exhibit areas, including an apparent infestation of rats and cockroaches. He sends the images to the local newspaper and posts them on social media with the intent to make people believe that they show real conditions in the gallery. He is also interviewed by a local TV station, which shows his images. The artist expressly states that the images are real and that the gallery poses a health and safety hazard. He has therefore committed both libel and slander. The damage to the organization's reputation may be at stake if current and potential donors, and members of the public, believe the photos are real, with a resulting loss of donations and other revenue. Note that if the photographer, instead, displays the images as artwork, and not as images he claims are real, he may be in a better position, legally, as long as he clearly maintains that the images are not intended to depict a real situation. Although the Center may still seek legal remedy, the photographer might claim freedom of expression rights (once again, as

long as he does not claim that the images depict reality). A court's decision in this latter case will depend a great deal on the evidence, and arguments, presented by each side.

Disputed title. Ownership of property falls under civil law in the case that two or more people or organizations question who the owner is. Disputed ownership can affect physical property of any type, such as buildings, land, and copyrighted material (such as artworks). Donations to organizations can also be affected when it is not clear that the donor owned (or had title to) the donated item, as happened when Donovan accepted the paintings from Helene. If the owner of a donated item can prove ownership, the organization may have to relinquish it. Arts organizations should therefore make sure that they receive the *title*, or proof of ownership, for donated items.

Landlord/tenant disputes. If your organization rents its facilities rather than owning them, it will have to deal with a landlord. Likewise, an organization that owns a building may be a landlord to individuals or groups to whom it rents its facilities. Disputes that arise from a landlord-tenant relationship fall under civil law. Disputes run the gamut from failure to abide by a rental contract, damage and repair issues, failure to pay rent, unauthorized use of the property, unlawful discrimination in approving rental contracts, and many others.

Property damage. The intentional harm of someone else's property through a willful act or through negligence is generally a civil matter. The legal remedy is the replacement cost or repair of the physical object that is damaged. As an example of negligence that leads to property damage, imagine that the Arts Center was storing costumes for an upcoming production that were rented from a local company. The area where they were stored has a leaky roof. Following heavy rainfall, some of the costumes are damaged from water and later develop mold. If the Center refuses to compensate the owner, the case could go to civil court. The Center might be legally obligated to pay damages up to the full cost of repairs or replacement. If the Board members knew about the leaky roof and failed to repair it, they could be individually liable. The costume owner may need to provide evidence that the costumes were free of water damage and mold when they were originally delivered to the Center. The case of the props removed by the janitorial staff at the Arts Center is another example. The artists would need to demonstrate that the Center was responsible for improperly storing the items (for example, failing to label them or securing them in a location janitorial staff could not access).

Unauthorized use. The use of property by someone other than the owner, either without the owner's permission or in a way contrary to the owner's wishes is a civil matter. A Board member's use of the Center's van is such an example. Donovan's use of Vittorio's artwork for the gallery brochure is also a case of unauthorized use, and no doubt, of copyright infringement, as well. Donovan should have received express permission, preferably in writing, from Vittorio or his representative before using the artwork. The Board member should have sought permission prior to using the van.

The above list and examples are by no means comprehensive of the types of civil issues that might arise in an arts or arts management context. The overview is intended to make readers aware of the legal obligations that might arise in the day-to-day operations of an organization.

You may note that many of the civil actions described concern types of agreements or contracts. Although not every civil matter is a contract violation, problems relating to

agreements are frequent. That may be why many law firms have contract law as a specialty. It also means that organizations must be particularly attentive to the agreements they make. Before signing, you have the opportunity to discuss the terms and make sure that you are able to fulfill your part of the bargain. That includes such things as costs, deadlines, quality of materials or performances, and storage requirements for costumes and other property, as well as any other stipulation that is needed to avoid conflicts.

The next section looks at laws through the lens of legal specialties. Individuals who specialize in a certain legal area do so in order to become an expert in that legal specialty. Some that might touch on the arts include the following.

Contract Law

A contract is a legally binding agreement, either written or spoken, that creates an obligation for an exchange of value. It is legally binding when the agreement meets the following requirements:

1. *Offer and acceptance.* A formal offer of an exchange for value, followed by someone accepting that offer, is the first step in creating a contract. You have an item you want to sell, and you let people know how much they need to pay in order to purchase it from you. Someone offers to buy it at that price, you accept that offer and an exchange is made. Employment contracts often include a formal offer and acceptance. However, the process can also be implied. If you walk into an art gallery, select an item, and tell the sales representative, "I'll take it," you have just made an offer. If the person takes your money, wraps up the item, and lets you take it home, then your offer has been accepted. In the case of purchasing an expensive painting or sculpture, you will typically sign a contract. For less expensive items, the seller may only offer a receipt, which, however, still provides proof of the contractual relationship between you and the seller. Contracts do not need to be written; verbal contracts are common and acceptable. However, when written—and signed—they are easier to enforce in case of a dispute. A contract is binding when you sign it, in writing.
2. *Consideration.* A contract is, essentially, an agreement between two or more parties to an exchange of value. For example, an artwork, as an item of value, is exchanged for another value, such as an amount of money. Although money is the most typical value exchanged, almost any type of consideration will do. An artwork could be exchanged for another artwork, for another type of property, or even as consideration for a performance, for other creative work, or for executing an action. For example, an artist with little available cash might offer a painting in exchange for repairs on her home. The essential point is that there must be an exchange of value. In the case of the social contract discussed earlier, the items of value exchanged are the rights of one person for the duties of another (the right to be free of harm and the duty not to do harm). The items exchanged do not have to be equal in value as long as the parties agree on the items of value to exchange.
3. *Mutual assent of capable parties.* All parties must agree to the terms of the contract. Generally, this is indicated by their signatures. Changes to the terms of a contract

should be in writing and acknowledged with a signature or initials. Parties to a contract must also be of the legal age required for signing a contract and be both physically and mentally capable as well. That means that each person signing must be competent in understanding the terms of the contract. A physical impairment, such as being under the influence of drugs or alcohol, or suffering from a physical illness, or mental disorder may render a person incompetent. An individual would need to provide evidence of the impairment, in court, in order to void a contract.

Contract Scenarios

Failure to comply with the terms of a contract is called *breach of contract*. An intentional breach is when you knowingly decide not to comply. An unintentional breach can occur in the case that you misunderstood the terms of the contract or some unforeseen event prevented your compliance. Ideally, an unintentional breach can be resolved between the parties without going to court. A conversation between the parties to clarify terms of the agreement or to adjust terms to which both parties agree may make it possible to complete the contract. An intentional breach may signal the unwillingness of one of the parties to comply. In such a case, legal recourse may be required. The following scenarios illustrate some of the aspects of contracts discussed above.

1. Amara hires an artist to paint her portrait. They agree that upon completion of the painting, the artist will be paid a specific sum of money. The items of value in this case are 1) the sum of money and 2) the completed portrait painting. Amara has also included a date for the completion of the work. She receives the completed painting on time but decides she doesn't like it, although it is otherwise well executed and in good condition (that is, there is no damage to it). Since the artist completed her contractual obligation, and the contract does not specify that Amara must like the result, she is obligated to uphold her part of the agreement, namely, to pay the artist for the work.
2. A group of musicians agrees to perform as part of a fundraising event. The event organizers have no money to pay the performers, so instead, they offer to provide lunch and dinner to the musicians, as well as discount coupons for a local music store. The items of value in this case are 1) the music performance by the musicians and 2) the meals and discount coupons. The musicians are a big hit at the event. In fact, many attendees decide to donate to the organization precisely because they enjoyed the musical performance so much. The donations from the event far exceed what the organization anticipated. When the musicians find out, they feel that they should benefit from this good fortune. However, there is no written contract, and in any case, they received the meals and discount tickets as agreed. The organization has lived up to its obligations and owes nothing further to the musicians.
3. The owner of a fledgling art gallery would like to hire a dancer to perform during the opening reception of an upcoming exhibit in the hopes that people will find out about her gallery by attending the performance. She meets a dancer who expresses interest and promises to stop by and perform. The gallery owner doesn't offer any compensation, but counting on the promise, she announces the dance performance on social

media. In this case, there is only one item of value—the dance performance. Because there is no exchange of value and no written contract signed by the parties, the dancer's promise is not legally binding. The gallery owner has no legal recourse.

Disputes over whether or not contracts are binding are actually quite frequent. For example, since a contract does not have to be written, disputes can arise when the various parties have differing views about the specifics. Even where a written contract exists, details are sometimes left out or are poorly worded. Due dates for completion of work, the required quality of work, and whether or not the recipient can refuse work that is not acceptable are common examples. Details written into a contract help prevent misinterpretations. Donovan's (mis)understanding of what was expected from Tyra is a case in point; Donovan relied on the conversation as confirmation of what the contract contained. What he learned, as a result, is that lack of attention to contracts could land the organization in trouble. Even if you aren't an expert at contracts, adopting a few useful strategies can prevent some of the most egregious errors.

Contract Strategies

Agreements you make, individually, or as a representative of an organization should not be taken lightly, especially since many contracts in the arts sector are for very high sums of money. When the sums of money are quite high, hiring an attorney may be the best option. An attorney can draft a contract that will protect your interests and ensure that the agreement is binding on all parties.

A less expensive but possibly riskier option is to use a contract template for the type of transaction you will engage in. Templates can be found online through specialty websites or (for some types of contracts) can be purchased at office supply stores. If you use a template, however, read it carefully to make sure you understand and agree to all of its terms. You can amend a contract template by either adding or deleting items so that it will fit your specific needs. Be clear on what you and the other parties want. Since a contract is an exchange for value, specify what will be received, by or from whom, and for what specific compensation. Make sure that the value is reasonable. Ask others in your organization to read the contract over and suggest improvements for clarity and accuracy, and to make sure that what is written is correct for the particular circumstance. Had Donovan done so, he might have caught the errors in both the contract for Tyra and the one he prepared for the local musicians.

Always discuss the terms of the contract with the other parties who will sign it. Make needed changes if requested, and that all parties agree to. You can require everyone to initial important paragraphs as a way to ensure understanding and agreement.

Knowing something about the parties you are contracting with may be useful. For example, seek recommendations or online reviews of companies and individuals you deal with. Ask for samples of an artist's work or testimonials from satisfied customers. If a problem arises, see if it can be resolved before it escalates to the courts. Make sure that you and your organization are always fulfilling your part of any agreement.

Nonprofit Law

This area of law covers laws and regulations governing the creation, operation, and dissolution of nonprofit entities. Nonprofit organizations have existed, in some countries, at least since the 19th century. They have since proliferated, worldwide, at an increased rate since the beginning of the 21st century. Part of this is due to an increase in bottom-up growth in “social action, activism, and civic participation,” particularly in democratic countries, and as the “consequence of deliberate, top-down development policies by governments that see nonprofits as instruments for achieving their own objectives” (Casey 2016, 188). Some of these objectives, in the case of the arts, include providing access to arts experiences above and beyond what is directly provided by government. *The Journal of Nonprofit Education and Leadership* reports that contemporary nonprofit organizations, “have become central to [government] policymaking, the promotion of civic action, and the delivery of new quasi-public services” (Ibid), that is, services offered for the betterment of the general public.

Every country has its own laws governing nonprofit organizations. Typically, rather than a single, comprehensive law, there are multiple laws that apply to different aspects of creation, governance, and operation. The different laws are formulated and administered by separate agencies. In the United States, for example, establishing a nonprofit arts organization requires an application to the secretary of state, in the individual state, where the nonprofit will be headquartered. One must also submit another application to the federal Internal Revenue Service for tax-exempt status. A business license, obtained from local government, is yet another requirement. Applicable laws and regulations pertain to such things as soliciting and receiving donations, use of endowed funds, what types of political activity—if any—your organization can engage in, the duties of board members, and a host of other legal obligations. To illustrate the range of laws that might apply in any given country, take a look at the relevant laws governing nonprofits in Japan:

- The Constitution of Japan;
- Trust Law Article 66, which regulates public charitable trusts;
- Corporation Tax Act;
- Private School Law, Article 3;
- Fundamental Law of Education, Article 3;
- Fundamental Law of Education, Article 3;
- Religious Corporation Law, Article 4;
- Social Welfare Business Law, Article 22;
- Medical Corporation Law, Article 39;
- Relief and Rehabilitation Enterprise Law;
- Local Autonomy Law, which regulates neighborhood associations;
- Law to Promote Specified Nonprofit Activities;
- Association and Foundation Law, the Law on Recognizing Organizations as Public Interest, and the Law to Consolidate Relevant Laws;
- Tax Law;
- Income Tax Law Enforcement Ordinance.

The list of applicable laws in France is even longer:

- Associations Law;
- Implementation Decree of the Associations Law;
- Law on Philanthropy Development;
- Creating Corporate Foundations and Modifying the Content of the Law on the Development of Philanthropy;
- Law on the Museums of France;
- Law on Philanthropy, Associations, and Foundations;
- Law on Research;
- Rights and Responsibilities of Universities;
- Law in Favor of Work, Employment, and Purchasing Power;
- Law on Modernization of the Economy;
- Law on the Social and Solidarity Economy;
- Decree on University Foundations' General Functioning Rules;
- Decree on Endowment Funds;
- Circular on the Organization, Operations, and Control of Endowment Funds;
- Law on Hospital Reform and Regarding Patients, Health, and Territories;
- Tax Code;
- Implementation Regulation (EEC) No. 2290/83 of Regulation (EEC) 918/83;
- French tax administration guidelines;
- French tax administration;
- Model Charters for Public Utility Associations and Foundations;
- Law on Administrative Control over Donations;
- Opinion of the *Conseil d'Etat* No. 322894;
- Order of the Ministry of Economics, Finance, and Industry of December 30, 1983 on Tax Exemptions;
- Education Code;
- European Council Directive No. 132/2009;
- European Regulation No. 1186/2009.

The above lists demonstrate that managing a nonprofit organization is highly regulated by both local and federal agencies (and, in some cases, international). Given that rules pertaining to nonprofits can also change over time, staying on top of relevant laws and regulations will go a long way to ensure you are in compliance. In some cases, creating and operating a nonprofit organization may require the advice and participation of a lawyer who specializes in nonprofit law. In other cases, such as in the United States, any individual can complete the required forms and submit them to the appropriate government authority, along with the required fees. Information on how to successfully complete the forms can often be found online. Government agencies that regulate nonprofits will provide this information; it can also be found on numerous websites that provide information on nonprofit organizations.

Diligence on the part of board members and staff of a nonprofit organization is a minimum requirement for adhering to all applicable laws and regulations. Failure to do

so could result in fines, revocation of nonprofit status, or payment of back taxes. In some circumstances, board members can be held individually liable for wrong actions.

A commonality in nonprofits, no matter where they are located, is that they require a set of by-laws, which are the governing rules by which the nonprofit organization operates. They are put in place by the board of directors at the time the nonprofit organization is created. Although they apply only to the organization's internal structure, by-laws give the organization legitimacy. It tells government agencies, donors, potential partners, banks, and other businesses that might provide loans that you are following a set of rules rather than operating at a whim or in an *ad hoc* manner. They also establish policies that you can point to, internally, when subsequent board members and staff question the ways you operate; they also offer guidance on procedures that must be followed, such as who has decision-making authority, how to vote on important matters (as well as who can vote), how board members are selected, the length of their terms, how committees are formed, and what purpose they serve for the organization.

Labor Regulations

Any organization that hires staff must be concerned with rules on labor relations. These rules vary by country and local jurisdiction. They cover such things as compensation, nondiscrimination in hiring, who is eligible to be hired, the circumstances under which someone can be terminated, sick and maternity leave, overtime compensation, minimum wage requirements, and many others. In general, these regulations are meant to protect employees and job applicants from unfair or abusive treatment by employers.

A characteristic of arts sectors, worldwide, is that many workers and artists may not be covered by labor regulations because they are contingent, or freelance workers. Dancers, actors, and musicians often work on short-term contracts with no guarantee of subsequent or continued employment. Many of them work without the benefit of a contract and are paid for a single occasion of work. Performers are even sometimes (perhaps too often) hired on a barter basis. Rather than monetary compensation, they are paid in meals, discounts, or drinks (in many places musicians play small, local performances in exchange for mugs of beer during or immediately after performing). Such a system is hard to regulate and creates a situation that can easily be abused. Sometimes it works to the artists' advantage. Some artists don't use their art as their primary means of income and may accept little or no payment just for the pleasure of doing their art. Others may prefer to work without a contract in order to avoid taxes on their earnings. At the same time, employers may hire long-term artist employees, as freelancers, or designate them as independent contractors, in order to avoid paying employment taxes and insurance.

Without a contract, artists have little legal recourse if agreements are not upheld and may not be covered by labor laws. Clearly, mislabeling an employee just to reduce costs and avoid employment regulations is illegal, and employers have found themselves in trouble by doing so. Even when an organization adheres to applicable rules, however, the working life of artists remains precarious. Taking it upon themselves as an ethical matter, some organizations have adopted policies requiring that artists hired must be fairly compensated and that all artist labor requires a signed contract for the protection of the artist and the organization.

Health and Safety Regulations

This area of law pertains to ensuring the health and safety of individuals who come into contact with your organization—either in the case of staff and volunteers who want to be sure they are working in a building or other environment that is safe, or for people who attend your exhibitions and performances. Health regulations may pertain to minimum standards of cleanliness, availability of first aid, the air and water quality in your building, and adequate heating and cooling. Safety regulations pertain to the number of people who can safely occupy your building at one time, presence of fire exits and other emergency escape routes, and adequate lighting, among many others. There may also be areas of health and safety overlap, such as making sure that your building is free from toxic materials, that there is adequate ventilation, and that electrical outlets are properly working. In many countries, there are both local and federal regulations to be followed, and regular, required inspections.

Entertainment Law

Many legal specialties are included in the broad area of entertainment law. Firms doing business in this area provide services to individuals (such as artists and entertainers) and to companies involved in the media and entertainment industries. Areas of services include negotiating contracts for a client, copyright protection and resolving copyright disputes, taxation, and licensing of creative work are just a few examples. Artists working internationally may have tax obligations in both their home country and the country in which they perform. They may also have to secure visas, obtain local permits, and arrange for the transport of equipment or goods, which may also have to clear customs. These are all matters that might be arranged by the entertainment lawyer.

Entertainment lawyers may also be involved at any (and perhaps all) stages of the creative process from listening to pitches, connecting with agents, reviewing distribution opportunities, selecting marketing strategies, and more. Given that all of these may have significant financial implications for the artist/entertainer, an entertainment attorney's input can have great value. Arts organizations that have dealings with well-known artists and performers might find themselves working out business and contract matters with an entertainment lawyer rather than the artist/performer directly.

Copyright Law

As well as being a component of entertainment law, copyright law is a significant legal specialty on its own. This chapter gives it an extended treatment for that reason.

Copyright was created to protect the unauthorized use of *intellectual property*, which can be defined as creations of the mind. Creations of the mind are considered property, in the sense that they can be owned, and the owner has legal control over them, including being able to derive income from their use. Although originally reserved for written works, copyright has expanded to include visual art, choreography, photography, film, musical works, video games, and other digital works. Today, it even includes the traditional designs of some cultural groups (such as the textile patterns of Indigenous

Australians), as well as many other creations that are outside of the arts (such as inventions and computer coding). Other legal methods for protecting intellectual property are patents and trademarks. This chapter, however, covers only copyright.

The idea of copyright has existed at least since the 10th century Song Dynasty of China. Authors sometimes included language on the final page of a book prohibiting reproduction. The first official copyright law dates a bit later, from the 11th century, also in China (Zhang & Xie, n.d., 1), and was primarily a prohibition against copying without pre-authorization. The first copyright laws in Europe and the United States date from the 18th century, primarily to recognize the *moral rights* of creators. The fact that a concept of ownership of creative work has been around so long suggests the value societies place on the creative output and status of artists. Although it is often framed purely in monetary terms, copyright is more than just a way to ensure that a creator can earn income. It also provides for some measure of control over how a work is disseminated, and who can claim credit for it.

Moral rights, contrary to what the term seems to imply, are not about morality. Instead, they are the right creators possess over their own creative works. Stated simply, moral rights have to do with the creator's reputation and renown; they include the right to attribution (to be named as the creator), the right to publish anonymously, to decide who can copy or distribute the work, the right to amend or change a work, and protection against destruction or alterations by others. In this way, moral rights also cover the integrity of a work. For example, suppose a theater company would like to perform a play. The company obtains permission, usually for a fee, from the playwright (or playwright's representative), to perform the work. Once permission is granted, however, imagine that the director decides to shorten the play by 20 minutes in order to fit within a particular time allotment and to eliminate one of the characters, who he fears might come off as too offensive for his conservatively minded audiences. That would result in significant alteration of the original. Unless the copyright holder agrees, however, the director has no right to make these changes. Copyright holders often stipulate requirements such as whether or not the play can be set in a different time period than the original, whether or not gender roles for characters can be altered, or whether or not the lines must be spoken exactly as written. In this way, they maintain their creative control over the work.

Copyright on its own, however, does not prevent unauthorized use of a creative work. Rather, it provides legal remedy if a violation occurs, which can include the order to stop the unauthorized use as well as to pay damages to the copyright holder. While that seems straightforward, it isn't always clear if a violation has occurred. For example, copyright is intended to protect original works of art. But just what is an original? There are many more borderline cases than one might imagine. Further, other rights, such as freedom of expression, will often *trump* (or take precedence over) the rights of a copyright holder. The concept of one right trumping another refers to the hierarchy of rights recognized in a legal system. Freedom of expression (also known as freedom of speech) is a fundamental right in democratic nations. As a fundamental right, it is often afforded the highest level of protection. Courts will tend to protect a fundamental right when it is in conflict with another right, such as copyright. Despite its fundamental nature, however, even freedom of speech is not an absolute right (which means that there are situations where you may not be able to exercise it).

To illustrate, consider again the director who alters the play without the playwright's permission. Suppose that instead of shortening the play and eliminating one of the characters, he rewrites it, instead, from the point of view of one of the minor characters. In his new version, let's imagine that the offensive character is now eliminated, and the play just happens to be 20 minutes shorter than the original. The central dramatic action in the director's new version revolves around the same events, but the minor character is now the lead protagonist. Is this a case of *copyright infringement*, or an entirely new, original work?

Infringement is the violation of a law or another's rights. Copyright infringement is the unauthorized use of someone else's original creative work. Unauthorized use includes intentionally passing off, in its entirety, someone else's work as your own, but can include partial, unauthorized use, of which there are many forms—sampling, in the case of music, or the use of a few sentences or passages of a literary work, inserting some of the dance steps of another choreographer into your dance routine, or use of an existing narrative embodied in someone else's creation. In our example, if the playwright whose work is altered, objects to the changes, she may opt to contest it in court. The court would then decide if the new version constitutes infringement, or if the altered play meets the criteria to be considered a new original work arising from the director's exercise of free expression.

From this example alone, it might be apparent that copyright is a complex (and much-misunderstood) area of contemporary law. An important feature is that a work is considered copyrighted as soon as it is made public even without the formal protection of a registered copyright. However, without formal registration, it might be difficult to enforce one's rights.

Arguments over copyright between creatives happen all of the time. If there is any commonality among cases it is that they revolve around the question of an artist's rights to control original work and derive income from it.

A well-known instance of a much-copied work is the novel *Gone with the Wind*, written by Margaret Mitchell. Since its publication in 1936, it has been adapted and parodied many times. Two examples include the novel, *The Wind Done Gone* (2001) by Alice Randall, a serious treatment that repositions the story through the eyes of Cynara, a slave owned by Mitchell's main character, Scarlett O'Hara. The work has also been spoofed on *The Muppet Show* as "Goon with the Wind" (1981) illustrating, thereby, the vast range of possibilities for reworking the original. In the first example, the Margaret Mitchell estate successfully won an injunction against the publisher to stop the distribution of Randall's book. The injunction lasted for only a month, however. On appeal, the publisher won; the court found that Randall had exercised her right to free speech given that the new novel was intended as a critique of *Gone with the Wind*, particularly in its depiction of slavery.

Numerous examples exist in music. Composers such as Mozart, Beethoven, Bach, and many others borrowed (or stole—depending on perspective) the work of other composers. More recently, parts of Johann Pachelbel's *Canon and Gigue for 3 Violins and Basso Continuo* (usually referred to as Pachelbel's *Canon*), have been used, widely, especially its chord progressions, by contemporary musical groups, including Pet Shop Boys, Procol Harum, Green Day, and others. In 1989, the singer/songwriter Vanilla Ice was

sued for copyright infringement for his song “Ice, Ice Baby” (1989); he used a bass line that sounded very like one used in the song “Under Pressure” (1981) by David Bowie and Queen. An interesting example is that of singer Lana Del Rey whose song “Get Free” (2017) is similar to the 1992 song “Creep” by Radiohead. The matter was never pursued in court but was much discussed in the media, in particular because Radiohead was successfully sued for copyright infringement, by the Hollies, who alleged that their song “The Air That I Breathe” (1974) was the basis for the Radiohead tune.

Another noteworthy example of copyright infringement concerns the tattoo artist Victor Whitmill who, in 2003, created a tattoo for the boxer Mike Tyson. A similar tattoo is featured in the film *The Hangover: Part II* (2013) worn by the character Stu Price. Rather than go to court, the film company, Warner Brothers Entertainment, agreed to a monetary settlement.

Unfortunately, protecting copyright can be expensive for both artists seeking to defend their rights and for the accused. Settling out of court is one solution. The person accused of copyright infringement might offer a sum of money along with an agreement to refrain from further use of the copyrighted work if the party harmed agrees to drop the matter rather than pursuing it in court. That may be the least expensive option. The cost of defending one’s rights is weighed against one’s financial ability to do so. Unfortunately, individual artists are often at a disadvantage. They may simply lack the financial resources to initiate civil action for copyright infringement, even where it seems clear that one’s rights have been violated. More often than not, however, judging whether a violation has occurred is not very clear. To illustrate, let’s return to the question of moral rights.

Moral rights are separate from the economic rights to a creative work and also vary from country to country. An artist can assign the copyright to someone else but still retain moral rights. Assignment of copyright is effectively the act of turning over one’s control of a creative work (typically in exchange for monetary compensation). Many famous musical artists, for example, do not own the rights to their own music; they have been acquired by corporations such as Sony Music Entertainment, Universal Music Group, and Warner Music Group. Ownership of copyright can be very lucrative since the owner can earn money from royalties, licensing, brand use, and other revenue streams. You may have heard popular, contemporary songs used in advertising commercials or as music piped into an elevator. The music has been licensed from the copyright holder in these cases. Whether or not the original artist can object depends a great deal on how the copyright was obtained. Imagine that a musical group gained fame for an anti-establishment punk song aimed at revealing the economic exploitation of corporate banks. Later, the band transfers the copyright to a multi-national music corporation that licenses it to a commercial bank for use as the backdrop for its new ad campaign. Having given up their copyright, the band would not be able to prevent such a use.

European copyright laws are much stronger in protecting moral rights than those in the United States. Although copyright can be transferred to another person, moral rights are often retained by the original artist, thereby preventing destruction or alterations that the artist does not agree to even if someone else holds the economic rights. As might be expected, rules for copyright registration vary from country to country, although some reciprocal agreements exist. *The Berne Convention for the Protection of Literary and*

Artistic Works (also known simply as the *Berne Convention*) is an international agreement that is intended to provide protection to artists in countries that have signed on to the agreement. Originally created in 1886, the United States did not sign the Convention until 1989. China signed the agreement in 1992.

Although there are reciprocal agreements among nations to observe the rights of artists, full copyright protection may also require registering in more than one country (along with necessary fees). The scope of protection is not always clear; in the case of the United States, for example, courts often rely on precedent, or previous decisions in case law, to make rulings.

In legal systems based on case law, courts look for similarities between cases in order to make a ruling. If the similarities are substantial (or a judge can be persuaded that they are), a court is likely to make a similar ruling. A landmark case in the United States illustrates this. The Miami, Florida rap group, 2 Live Crew, asked the music publishing company, Acuff-Rose, for permission to use Roy Orbison's song *Oh, Pretty Woman* (1964) in a rap song parody of the original. Although the publisher refused, 2 Live Crew released their song, *Pretty Woman* (1989), and were subsequently sued for copyright infringement. The two songs are markedly similar. Indeed, that was the point since the 2 Live Crew song was parodying the first. In a United States Supreme Court ruling (510 U.S. 569, 1994), the court found in favor of 2 Live Crew, stating that the rap parody was, in fact, fair use rather than copyright infringement. Since that time, *Campbell v. Acuff-Rose* has been cited, in new court cases, as justification for permitting parodies of copyrighted work.

There are many situations where copying a work will not automatically result in an accusation of copyright infringement. For example, copying of a portion of a creative work is sometimes allowed if it falls under *fair use*. In the United States, copyright law allows for limited copying of a work for the purposes of criticism, comment, research, teaching, scholarship, and news reporting. For example, if I critically review a creative work and quote some part of it, this may be considered fair use of the copyrighted material. Similarly, you can quote an author in a research article as long as you properly cite the source, as is done in this chapter. Failure to do so could be considered a case of plagiarism and copyright infringement.

Fair use supports a wide range of uses from creating a parody of an existing work to transferring digital copies to a streaming device for lawfully acquired recorded programming, copying photographs for the purpose of commentary or reporting, and using thumbnail copies of photographs as part of a search engine. To determine whether a particular case falls under fair use, courts in the United States look at:

- The purpose for copying the original;
- The amount, or substantiality of what is copied;
- The nature of the item copied (for example, courts are less likely to support fair use in the case of fictional material compared with factual material);
- The effect the copied material will have on the market of the original.

In the case of its market effect, if the copied work diminishes or replaces the value of the original, courts will be less likely to judge it as fair use. Further complicating matters are

cases, as discussed earlier in this chapter, of artists intentionally creating faithful copies of entire works for the purposes of commentary or critique.

The doctrine of fair use is intended to support freedom of speech and is more widely used in the United States than in many other countries. Currently, Canada, South Korea, Malaysia, and Singapore also recognize fair use. The European Union has much stricter limits in line with its stronger support of artists' moral rights.

Use of works in the *public domain* is not covered by copyright protection. Public domain covers all works that are not protected by intellectual property laws. Works created before copyright laws were adopted are not covered, for example. The plays of Shakespeare, the writings of Plato, ancient Chinese ink drawings, Mesoamerican pottery, Mesopotamian sculptures, and the compositions of Beethoven, among many others, fall into this category. Other, more recent works may no longer be covered by copyright, for example, the early works of Emily Dickinson and the music of Stephen Foster. Currently, in the European Union, copyright is granted for the life of the artist plus 50 years; in the United States, it applies to the artist's life plus 70 years. Still other works were put into the public domain, at the point of creation, by the creator and were therefore never covered by copyright laws.

Works in the public domain can be copied, performed, and displayed by anyone who wishes to use them. However, a person can copyright a particular version of a work that is otherwise in the public domain. A translation of Plato or Rainer Maria Rilke, a musical arrangement of a Beethoven composition, or a recording of Stephen Foster's work are all examples of new originals that have copyright protection. Since public domain and copyright laws differ from country to country, it is possible that a work is in the public domain in one jurisdiction and not another. Public domain is not the same as Creative Commons. The latter is copyrighted work for which the creators allow free use as long as the creator is acknowledged.

To add to the above, it is important to know that copyright does not apply to ideas. It only covers the way ideas are expressed in tangible, or physical, forms. For example, if you have an idea for a film and tell people about it, and one of them goes on to make the film you discussed, no copyright infringement has occurred. Further, since the intent of copyright is specifically to prevent copying, you are not protected if someone else comes up with the same or similar artistic creation, as long as the person has not copied your work. That might sound unlikely, but in fact, it happens. The 2017 film, *The Shape of Water* is such a case. The estate of Paul Zindel (an American playwright), alleged, in 2018, that the film had substantial similarities to his 1969 play, *Let Me Hear You Whisper*. Film director Guillermo del Toro and screenwriter, Vanessa Taylor, successfully argued, in court, that the similarities were coincidental since neither had any knowledge of Zindel's play prior to the accusation. The court ruled against Zindel's estate, stating, effectively, that no copyright infringement had occurred.

It is probably clear that the few examples offered in this chapter barely scratch the surface. Even a cursory knowledge of copyright's basic rules and familiarity with seminal cases can have benefits for arts managers, however. To review the basic rules, copyright covers intellectual property, or creations of the mind, of individuals. To be protected, the creative work must be:

- An original work;
- In a fixed, tangible medium (books, music, drama, choreography, architecture, sculpture, film or video, electronic media, multimedia work, software, databases).

Any time you wish to use creative work that is not your own, check to see if it is copyrighted, in the public domain, or if your use qualifies as fair use. If you suspect that someone has infringed on the right of control of your creative work, evaluate the benefits of challenging that use. At a minimum, you can contact the person who is allegedly using it. Send a registered letter that supplies proof of receipt in which you identify your original work and the work that you believe infringes on it. Ask the person to desist from further use. Request a formal response to your request, in writing, giving a deadline for the return response. Such a letter can provide important evidence, in court, of your attempt to assert your rights. The advice of an attorney in composing the letter is highly recommended. The attorney can also request that any response, and further correspondence, go through the attorney's office. If the person continues to use your creative work, the next legal step would be to go to court.

Will the amount you spend to protect your rights exceed the income you might receive from your creative work? That's an important question to consider. Consult a lawyer if you have doubts about your rights but be prepared to pay a consultation fee and additional fees for any action taken. If the matter escalates to court, there will be even more costs. And, if you are not successful, you may have to pay the attorney and court fees of the other party as well as your own. Even though strong copyright protections exist, there is no guarantee that you can establish or secure your rights.

Below is a short list of court cases that have contributed to case law development. The list includes just a few cases and is limited to the United States; a full list of copyright cases in the United States and other nations would be quite lengthy.

Note that court cases are referenced by the names of the *litigants*, who are composed of the two opposing sides—the person who brings the case to court, or the *plaintiff* (the person who files a complaint against another) and the *defendant* (the person who must defend against the complaint or accusation). For example, in the important case of *Rogers v. Koons*, a photographer, Art Rogers sued the artist Jeff Koons for copyright infringement. Rogers was the plaintiff, who brought the case against Jeff Koons, the defendant. The letter *v* for *versus* (against), shows that they are opposing parties in the legal matter. Typically, an internet search with the names of the litigants will lead you to information on the case. See what you come up with by typing *Rogers v. Koons* into a search engine. The title of the case includes additional identifying information as shown in Figure 13.1.

Rogers¹ v. Koons; Sonnabend Gallery, Inc.² 960 F.2d 301³ (2d Cir.⁴ 1992⁵)

1. Plaintiff
2. Defendants
3. Citation: where a written summary of the case can be found. In this instance, it is in Volume 960 of the United States Federal Reporter, 2nd Series, page 301
4. The court that heard the case: the U.S. Second Circuit Court of Appeals.
5. The year in which the court case was heard.

FIGURE 13.1 Sample Court Case Citation

Copyright: Landmark Cases and Cases of Note

- *Burrow-Giles Lithographic Co. v. Sarony* 111 U.S. 53 (1884)
- *Mazer v. Stein* 347 U.S. 201 (1954)
- *Davidson v. United States* No. 13-942 (Fed. Cl. June 29, 2018)
- *Sid & Marty Krofft Television Productions Inc. v. McDonald's Corp.* 562 F. 2d 1157 (9th Cir. 1977)
- *A&M Records, Inc. v. Napster, Inc.* 239 F. 3d 1004 (9th Cir. 2001)
- *Mattel Inc. v. Walking Mountain Prods.*, 353 F. 3d 792 (9th Cir. 2003)
- *Twentieth Century-fox Film Corporation, et al., v. MCA, Inc., et al.* 715 F. 2d 1327 (9th Cir. 1983)

While it is useful to be able to understand the full citation in order to find the official documentation of the court opinion, you will usually be able to find information on the cases listed using only the plaintiff and defendant. Take time to verify that you have found the correct case using the full citation, however, since there may be cases where the names of plaintiffs or defendants are similar. *Davidson v. United States* is a good example. Instead of *Davidson v. United States* No. 13-942 (Fed. Cl. June 29, 2018), you might land on this case instead: *Davidson v. United States* 312 F. 2d 163 (8th Cir. 1963).

Your research into these cases may show that some cases go through multiple rounds of appeals. An *appeal* is a challenge to a court's decision. Courts of law exist in a hierarchical system, where so-called lower courts can have their decisions overturned by higher courts. In the United States, the highest court of appeal is the Supreme Court. Similar high courts exist in other nations, such as the Supreme Court of Canada, the High Court of Australia, or the Court of Appeal of Tanzania. At the international level, there are the highest courts of appeals corresponding to particular areas of law, for example, the European Court of Human Rights.

Copyleft and Copywrong

Although copyright is intended as a protection of rights, there are many people who believe that laws do less to protect and more to restrict the free development of artistic ideas and production. The focus of copyright presented so far in this chapter has largely been the interests of artists and other copyright holders. However, underpinning the protection afforded is the belief that intellectual property benefits the general public by encouraging creators to create. The rationale is that by offering creators a limited, exclusive period of time to earn income from the creative work they will be more likely to engage in artistic creation.

Given that producing an artistic work takes time (sometimes years) and that the monetary rewards are sometimes low, the ability to derive ongoing income (as royalties) for one's work can be an advantage. On the other side is that copyright can restrict the free flow of creative expression. According to one view, extending copyright to cover more and more areas may be hurting artists more than helping them, while also negatively

affecting artistic and cultural development. “American copyright laws,” according to law professor, Lawrence Lessig, “have gotten so out of hand that they are causing the death of culture and the loss of the world’s intellectual history” (qtd. in Lillington 2001). The idea that copyright exists for the benefit of artists, in his view, “is now laughable”; laws such as the 1998 Digital Millennium Copyright Act are “not speaking for those who create, but those who hold massive amounts of copyright” (Ibid) such as corporations. Currently, copyright is often seen as serving the interests of these large corporations (who have bigger financial resources to protect the rights) than those of individual artists.

The United States *Copyright Act of 1790* provided a 14-year exclusive period to creators, renewable for another 14. After, the work automatically became part of the public domain. In more recent times, the exclusive copyright period has steadily increased. Most countries now grant a period equal to the length of the creator’s life plus an additional 50 to 70 years (during which a creator’s heirs may hold the copyright). The novel *Gone with the Wind*, mentioned earlier in this chapter, will enter the public domain in 2031 (95 years after the death of its author).

Critics have pointed out that copyright laws also disproportionately benefit more established, rather than emerging, artists, and, increasingly, the corporations that have invested heavily in obtaining the intellectual property rights of works that might otherwise pass into the public domain.

The limitations on creative development from copyright restrictions may be not significant. Prominent US court of appeals judge, Alex Kozinski, believed that without a rich, public domain, “creativity is impossible” and that the overprotection of “intellectual property is as harmful as underprotecting it” (*White v. Samsung Electronics*, 989 F.2d 1512 (9th Cir. 1993)).

Among efforts seeking to remedy the harm is a movement known as Copyleft. Working through existing copyright laws, Copyleft seeks to grant the right to freely distribute and modify intellectual property. Generally limited to software, as intellectual property, creators develop communities of individuals interested in improving and broadly sharing their work. They use instruments such as *Creative Commons Attributions Share Alike License* or *General Public License* to provide for the wide use of intellectual property.

In contrast, the Copywrong movement could be seen as an anti-copyright effort. The term “copywrong” is sometimes used to refer to the illegal use of copyrighted material. But it has also been associated with the free culture movement promoted by the activist Lawrence Lessig, with the view that existing copyright laws restrict creative and artistic development. “The copyright stranglehold has been tightening over the last decade” (Aufderheide 2005) in the view of some critics. The result is too often that creative producers will self-censor to avoid any possibility of infringement. Advocates of copywrong seek dramatic reassessment of current copyright laws in favor of public domain and fair use.

Before leaving the topic of copyright altogether, one recent law, in the United States, attempts to secure stronger protection for visual artists, namely the *Visual Artists’ Rights Act* (VARA). Put into effect in 1990, it seeks protection of visual artists by reinforcing copyright and granting moral rights protection; it was adopted soon after the United States signed onto the Berne Convention. Rights are only granted for visual art (drawings,

prints, paintings, photographic images, and sculptures) that are created for exhibition. It also applies only to artwork created in a single copy, or a limited edition of 200 or fewer. In both cases, the artwork must be signed and numbered by the artist. The right is very limited, therefore, in its application.

VARA grants the right of artists to claim creatorship and prevent use of their names on works they did not create. This prevents someone from capitalizing on a famous artist's renown by falsely claiming that the artist created an artwork, and then selling it (usually for a lot of money). VARA also protects against alterations, distortions, or mutilations of visual artworks in ways that might damage one's reputation as an artist. In contrast to European laws, VARA allows authors to waive their rights.

The next section looks at various laws and regulations important to the arts that may also touch on other areas of law as described above. For example, they have to do with some fundamental rights, as well as rights of ownership.

OTHER PERTINENT LAWS AND LEGAL ISSUES

Freedom of Expression, Freedom of Speech

Freedom of speech is fundamental to democratic governance because it guarantees, in principle, that individuals can bring forward ideas about how to create and maintain society. It recognizes that no one individual or group of individuals possesses the ideal truth and that the best way to sort out truth from falsity, and reasonableness from unreasonableness, is to allow all ideas to come forward to be openly discussed, challenged, and scrutinized. Where there are strong limitations on freedom of speech, government by the people (or democracy) is not possible. Repressive governments tend to restrict freedom of speech in order to prevent criticism and restrict protest. In such cases, individuals may be afraid to speak openly because they might be fined, arrested, imprisoned, or executed.

Speech includes both oral and written communication of ideas, as well as images, for example, photography, painting, and sculpture. It can also include conduct when it is expressive, for example, in the case of a performance of a play, music, or performance art.

As previously noted, although fundamental (freedom of speech is counted as a human right), it is not absolute. A government can restrict such things as child pornography, hate language, obscenity and regulate commercial language, such as advertising. Rather than protect all speech, the aim is to protect political speech—the kind of speech or expression needed for democracy to flourish. But a consequence is that speech that is not directly political is also protected. A self-published book of not-very-good poetry has the same protection as the award-winning work of a poet laureate. That's because the legal system doesn't try to work out which speech and expression is needed to support democratic self-governance, and which isn't, and it does not, in general, rule on the artistic merits of a work. By giving equal protection to both, the free flow of ideas is ensured. And who knows? Even mediocre poetry could have a positive influence on the pursuit of truth and the flow of ideas. As noted in the section on copyright, freedom of

speech is typically seen as one of the most fundamental rights as the court cases listed below, illustrate.

Freedom of Speech: Landmark Cases and Cases of Note

- *Miller v. California* 413 U.S. 15 (1973)
- *Roth v. United States* 354 U.S. 15 (1973)
- *Sefick v. City of Chicago*, 485 F. Supp. 644 (N.D. Ill. 1979).
- *Claudio v. United States* 836 F. Supp. 1230 (E.N.D.C. 1993)
- *Bery v. City of New York*, 97 F.3d 689 (2d Cir. 1996)
- *Brooklyn Institute of Arts & Sciences v. New York* 64 F. Supp. 2 d 184 (E.D.N.Y. 1999)
- *Mattel v. Walking Mountain Productions*

Cultural Rights

The concept of cultural rights is an attempt to recognize the right of all individuals to have access to arts and culture, understood in a broad sense—that is, they have the right to enjoy arts and culture of their choosing regardless of any assigned aesthetic merit, but also to participate in cultural expressions of their own cultural group, and to have access to the enjoyment of the cultural expressions of others. Cultural rights are related to human rights for the reason that in many parts of the world, and in many periods (including the present), dominant cultural groups have imposed restrictions on cultural and artistic practices. Some examples include the forced assimilation of Indigenous groups using laws that prohibit native Indigenous language, ritual, and dress, as well as suppression of artists and artworks. Such laws have been used against Native Americans in the United States, First Nations in Canada, Uighurs and Tibetans in China, and the Catalan in Spain, as well as against many other ethnic, racial, and religious groups throughout history. Repressive regimes have historically also restricted access to the arts for political and nationalistic reasons, for example, the persecution of artists associated with so-called Degenerate Art in Germany in the late 1930s.

Among other uses, cultural rights are invoked to support intellectual property rights to protect cultural knowledge, traditions, and products. This is to prevent the exploitation of culture for commercial gain, particularly when the cultural group does not share in the economic benefits. This can include everything from Indigenous designs used for textiles, handmade pottery, tapestries, rugs, and other crafts, traditional dance steps, music, and, of course, many other artistic forms. Indigenous groups are often unable to compete in the local and global markets against entrepreneurs who either resell their cultural goods for a much higher price (and do not share any of the proceeds with the creators), or create new products based on the cultural groups' artistic creations and cultural expressions. Similar to some of the principles behind copyright, cultural rights seek to prevent displacement of native arts and culture by others. As is the case in

copyright, cultural rights are often thought of in terms of property rights of groups framed as *cultural property*, which includes tangible and nontangible expressions of culture. For example, cultural knowledge (of such things as traditional herbal remedies, land use, and spiritual beliefs), is nontangible.

Protection of cultural property and cultural rights is seen as benefitting more than just a particular group. It is a means of ensuring cultural diversity in our world. Similar to the idea of biodiversity in world ecosystems, cultural diversity preserves a healthy human ecosystem by making sure that cultural groups, their traditions, languages, customs, and beliefs do not disappear by being absorbed into other, more dominant cultures.

Although such protections seem appropriate, it is not as easy or straightforward as it may seem. Some critics oppose the introduction of Western concepts of property rights to groups for whom the concept did not previously exist. In other words, in an effort to protect some traditions, others are compromised. Further, culture is dynamic rather than static. Even if a cultural group was isolated from all others for generations, one could still anticipate changes in cultural habits and behaviors over time. This is a natural development in human society. As cultural groups encounter one another, however, there can be a high degree of cross-cultural adaptation as the result of both aggression and cooperation. One group might learn a new method of agriculture from another or incorporate its traditional designs into trade goods in order to enhance its trade. A dominant group might enforce cultural norms on another group by suppressing native cultural expressions, or it might embrace them as an enhancement to their own ways of doing. The point is that ideas about cultural transfer and cultural appropriation are highly dependent on political, social, economic, and historical factors.

What we now call cultural appropriation has quite a long history. Consider just a few examples. Austrian composer Joseph Haydn (1732–1809) borrowed from Austrian, Croatian, and Romany (Gypsy) folk music for his musical compositions. The Russian composer, Alexander Borodin (1833–1887) based his *Polovtsian Dances* on Hungarian musical styles. The Polovtsians, incidentally, had been driven from their land by Mongol invaders; they moved north and were absorbed into the Magyar population. Later in history, Borodin's music was adapted for the Broadway musical, *Kismet* (1953).

Traveling artists, throughout history, have brought the music, dance, stories, art, and language of one place to another, which then influenced local music, dance, stories, art, and language. A quite interesting tale is the development of Delftware ceramics, an iconic cultural product of the city of Delft in the Netherlands.

Historically, the first porcelain products were made in China. Producers there created a blue and white design to appeal to non-Chinese consumers, specifically in the Persian market. Later, porcelain wares made their way to Europe via the Silk Road. The designs were eventually copied by artisans in the Netherlands. Called Delftware for the city where they were made, these porcelain wares have been produced in the Netherlands for more than 400 years. In an ironic twist, Delftware is now exported to countries in Asia, including China, where they enjoy great popularity.

Designs on ancient pottery from Egypt, Mesopotamia, and Crete show the influence of mixing cultures, especially along trade routes. Whether one sees these as cases of natural developments or unwarranted appropriation may depend on one's political and social views. Many people would argue that the free flow of cultural and artistic

influences is important to the continued development of both art and culture. It would be difficult (if not impossible) to find art or cultural expression that is somehow pure of influence from other cultures. When cultural groups come into contact with each other, there is often a great deal of exchange in language, customs, ideas, and artistic expression. For that reason, the competing ideas of cultural preservation and open cultural development pose difficulties for the idea of cultural rights. How do we champion diversity and open access to arts and culture at the same time that we strive to restrict the distinctness of a group's cultural expression? Is doing so a matter for legal systems, policy, or some other mechanism (education, or social pressure, for example)? Or do we adopt a more hands-off approach and let developments occur as they may without formal intervention by law, policy, or social pressure?

It is important to keep in mind that underlying the concept of cultural rights is the desire to prevent exploitation and marginalization of cultural groups and prevent actions by governments that disrupt cultural participation or cultural expression. In other words, the intent is to prevent irreparable harm to a culture. That view doesn't resolve the issue, however, because it isn't clear what we mean by harm in this case, and who defines the concept of a harm. The attempts to preserve cultural rights also beg the question if it is possible to do so given, as already noted, the dynamic nature of culture. Nonetheless, issues about cultural rights remain an important discussion among members of arts and culture fields, and policymakers alike.

Restitution

Given the above discussion of cultural rights, restitution is an increasingly important area of law relating to the arts. It is the act of restoring, to a rightful owner, what has been lost. The most well-known cases are the historic expropriation of artworks by members of the Nazi-led government of Germany during and around the time of World War II.

In the case of artworks, restitution most often relates to items looted in times of war. Related is the case of expropriation, which is an act of a sovereign state, exercising its powers, to confiscate property legally owned by an individual, which is then declared property of the state. Works of art, antiques and other property were confiscated, by members of the Nazi party, from Jews, Roma, some Christians, homosexuals, and other individuals. Because the Nazi party was legally in power at the time, it sometimes operated—no matter if unjustly—within its authority to take the property of individuals for its own interests and gain. Another example of expropriated art includes looted and nationalized work taken before and during the Cuban Revolution (1953–1958). Restitution is an attempt to remedy what is now considered the unjust expropriation of these works in both the German and Cuban cases. Often the case for restitution appeals to human rights.

Restitution also applies to works taken by colonial powers, such as the case of European nations that plundered sites in Egypt and other parts of Africa, Iraq, Turkey, and countries in Asia. Many of the works, either expropriated or plundered, have ended up in collections of private individuals or in museums. Efforts to restore works to their owners, heirs, or their countries of origin are embodied in a series of laws, resolutions, and agreements, many of which are internationally recognized. Some examples include the 1954 *Hague Convention for the Protection of Cultural Property in the Event of Armed*

Conflict and the 1970 UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property.

Restitution is a legal process meant to repair the harm or restore the loss resulting from expropriation and illegal takings of property. Repatriation operates similarly; it is the return of cultural goods to their country of origin. Increasingly, nations, as well as cultural groups, are seeking the return of cultural property taken during times of colonial rule by conquering armies and political groups, or by Western museums and foundations during an era when there were few or no barriers to doing so.

Customs and Import Regulations

Laws governing the import of goods intersect with the arts when the goods in question are physical objects—paintings, statues, pottery, or similar objects. Customs offices are located at points of entry into a country, at seaports, airports, and road crossings. Laws relating to the import of goods are intended to protect a country's residents, workers (for example, their jobs), businesses, environment, and economy by regulating the flow of goods from other nations. Anyone who has traveled abroad is familiar with the requirement to declare whether or not you are bringing home certain goods for which you will need to pay a tariff, or which may be prohibited from entering the country.

Customs laws apply to all travelers crossing borders. Businesses dealing with cross-border transactions or transportation of goods (either for import or export) have multiple requirements, including registering as an importer or exporter. Rules may vary depending on whether the goods are sent by post, by commercial transportation (by air, sea, or roads), are taken by you personally, or by your organization's representative. The goods you are transporting will have to be classified, according to type. Classifications can be based on the type of product, its purpose, the material used to make it, the production methods used, and how it is packaged.

If the art imported is for your own personal collection, it is often treated differently than if it is intended for commercial resale or exhibition at a museum. Artwork brought for personal reasons or exhibition may not need to pay a duty tax, for example.

Prior to bringing artwork across borders, however, check with the customs office in the country to which you are importing the work. Typically, you will have to complete documentation forms that provide a description of the item, its country of origin, identifying marks (such as a series number), the value of the work, and the purpose for importing it. Official proof of the value of the item will most likely be required. Underrepresenting the value of the artwork in order to avoid higher duty taxes or misrepresenting the purpose for importing the work could land you in trouble. Border agents are often well aware of the value of goods that are being imported.

Transfer of Art and Ownership of Art Objects

Most sales and purchases of artwork are straightforward, unproblematic transactions. The issues that might arise in this area of law pertain primarily to fine artworks purchased through dealers, galleries, or individual artists. They include the following:

- Verifying the authenticity of the work: Is the art in question created by the artist to whom it is attributed? Sellers of artwork are obligated to provide *good title*, or proof of ownership.
- Making sure it isn't stolen, looted, or otherwise illegally gained. Even if you unknowingly purchase a stolen work, if caught, you most likely will have to return it to the rightful owner. Requesting a history of ownership—the provenance—of a work is a way to verify that it was not illegally obtained in the past.
- Consignment: some galleries will purchase artists' work outright and then resell it. Others will take work on consignment, that is, the gallery will display the work and pay the owner of the artwork only when it sells. Consignment contracts might be with the original artist or a subsequent owner who wants to resell the work.
- Commissioned work: a signed contract between the artist and the person commissioning the work is vitally important. The contract should state what is being commissioned, providing ample details. A person hiring an artist to do a portrait would typically not expect it to be an abstract representation of her likeness. Specifying that she wants a figurative, and realistic representation, in writing, would eliminate that possibility (or there could be legal recourse if the artist made the abstract work anyway). The contract should also include the completion date, the medium used, whether there is a warranty on the work (in case of fading or aging of the materials), and how and when payment will be received, as well as other specifications for the protection of the commissioning individual and the artist.

The above issues barely scratch the surface of potential legal problems one might encounter when purchasing artworks. Even though laws exist, purchasing artwork from any source, especially in the case of high-cost items, requires you to be a wise buyer, whether you are making the purchase for yourself or on behalf of an organization. Insist on a contract and make sure you read it carefully before signing or transferring money.

UNJUST LAWS AND ETHICAL ISSUES

Perhaps you already know that, while related, there is a difference between legal issues and ethical issues. One could write volumes (and a number of writers have) on these differences, or on either of these topics. This chapter treats, only briefly, the topic of unjust laws and ethical issues as they might relate to the arts.

The Harm of Unjust Laws

As already covered, laws are intended, in principle, to prevent or remedy harm, restore imbalances in the distribution of advantages, and achieve other societal goals. Even with the best intentions, however, they do not always achieve these aims. Some laws may end up being ineffective, or benign, which means they neither help nor harm—they simply don't accomplish their intended goals.

Other laws may cause considerable harm, either through intent or as an unintended consequence. For example, laws may be biased so as to benefit some individuals at the expense of others. Some objections to copyright laws point out, for example, that they provide a greater benefit to well-established and affluent artists and impose hardships on others. It is increasingly clear that minoritized and other underprivileged individuals are more often accused of crimes and are less likely to afford adequate legal representation to defend themselves.

Laws that impose an unfair burden are considered unjust. In a democratic society, laws are intended to apply equally to everyone—that is, they are intended to be fair. Whether you are rich or poor, educated or uneducated, a member of a majority or minority, you should expect that laws will protect you equally, or, in the case of violating a law, that you will have a fair chance of defense in court, followed by the same level of punishment (if found guilty) no matter who you are. Sadly, this is too often not the case. Minoritized individuals, the less affluent, and the disenfranchised are more likely to be found guilty of an offense, and more likely to receive harsh punishment.

Unjust laws may also intentionally target particular individuals. In the case of the arts, laws limiting freedom of expression or that suppress or criminalize artistic expression also fall into the category of unjust laws. Not only are the arts, themselves, a form of free expression, but they are also often the means for communicating unpopular, controversial, or challenging ideas. Illiberal governments may, therefore, target the arts, cultural expression, artists, and arts managers as a means of suppressing communication and the means for dissent. Opposing unjust laws in order to engage in advocacy, promote citizen engagement and action, or participation in election processes can take artistic form. In fact, artists, both historically and currently are often among the first to engage in activism, and are therefore, too often, targeted by unjust laws. Illiberal regimes will often use unjust laws or the suppression of existing laws and rights (such as freedom of expression) to prevent artists and others from criticizing the government. They may also use these means as a way to prevent wider knowledge of governmental injustices.

Ethical Issues

Ethical issues relating to the arts include such things as the willful circumvention of applicable laws (which is also illegal). Misrepresentations and omissions, such as deliberately misrepresenting the financial health of your organization to donors or others or failing to mention pending litigation against your organization. An important ethical issue noted earlier in this chapter is the practice of underpaying artists or asking them to donate their time or creative work. Oddly, many nonprofit arts organizations, who otherwise support the arts through their activities and mission, are guilty of exploiting artists in this way. Many organizations adopt formal statements of conduct or ethical standards as a guide to staff, Board members, and volunteers. Formal statements (as well as a record of following ethical guidelines) is a way of instilling trust in donors and granting agencies, which is why many arts organizations adopt them.

A FINAL WORD

Before concluding this chapter, readers are cautioned, once again, that whenever in doubt regarding legal matters to seek the advice of an attorney. The following list is an overview of legal issues that might require professional legal advice:

- Real estate transactions;
- Agreements and contracts;
- Being served with legal papers in a civil lawsuit;
- Serious personal injury or property damage relating to the conduct of the arts organization's business;
- You, or a staff member, is accused of or arrested for a crime;
- Drafting and filing nonprofit incorporation papers;
- Disputes relating to insurance claims;
- Sale or transfer of artworks of high value;
- Donations of expensive artwork to your organization;
- Bequests of artwork to your organization;
- Copyright, trademark, or patent registration;
- Copyright, trademark, or patent infringements.

SCENARIO DENOUEMENT

As problems began to mount, Donovan was concerned that the legal issues he encountered would land the Arts Center in serious trouble. He decided it was better to admit his mistakes and see if there were any easy solutions. He started with Tyra and explained that while it had been his responsibility to read the contract, he hoped she wouldn't insist on being paid for a lecture she didn't deliver. He asked if she would be willing to give a second lecture, at her convenience, at some future date as well as a guarantee, in writing, to do another exhibition the following year. Tyra agreed and even offered some dates to consider. Donovan followed up with a phone call to the musicians' group and, with many apologies, identified his error. He supplied a new, corrected contract, which the group signed. In the case of the artwork Donovan used for the Center's brochure, he understood that he had infringed on the artist's rights. Since the artist had threatened to involve a lawyer, Donovan thought it best to inform Rihanna rather than risk any further contact with the artist. Although she was unhappy about his mistake, she let him know that he had done the right thing in getting her involved. Because one of the Board members was a practicing attorney, she turned the matter over to him, confident that it would ultimately be resolved. Regarding the donation of artworks from Helene, Donovan let her know that the Center would not be able to accept them until the issue of ownership was resolved. Finally, he worked with Rihanna on a written use policy for all of the Center's property, including the van. He made sure that the staff concerned about health and safety issues in their workspace filled out appropriate reports so that maintenance and facility staff could rectify the problems quickly. Finally, he contacted the janitorial staff and found out that they had immediately realized their error with the

props and had, in fact, put them in a secure location to prevent any further mistakes or damage. Donovan realized he was lucky to have survived so many errors. He vowed to be better informed about legal issues that might arise in his work, including when he should seek guidance from Rihanna, and what occasions might require an attorney.

SUMMARY

This chapter offers an overview of some common legal issues relating to arts and culture, as well as to the day-to-day business of being an arts manager. Although far from comprehensive, the intent is to bring awareness of the potential for legal issues to impact an organization's operations and to inform individuals about the range of legal matters that might affect them. Definitions of legal terms, as well as ways of categorizing laws by origin, seriousness of legal issue, and specialty provide context in order to demystify the complexity that seems inherent to any study of the law. Like Donovan, few students of arts management are adequately exposed to legal issues as they relate to their work. Although the best advice is often to consult a lawyer, it is nonetheless advantageous to have sufficient knowledge to identify areas of concern. Further, since laws and regulations touch almost every aspect of arts management practices, the astute arts manager will appreciate the groundwork laid here.

KEY TERMS

Appeal
Breach of contract
Case law
Civil law
Common law
Copyright infringement
Criminal law
Cultural property
Cultural rights
Damages
Defendant
Due diligence
Fair use
Felonies
Infractions
Intellectual property
Interpretation
Legal code
Legal question
Legislators

Legislature
Liable
Litigants
Misdemeanors
Moral rights
Plaintiff
Positive law
Precedent
Regulations
Rule of law
Sanctions
Social contract
Statutes
Trump

STUDY QUESTIONS

1. What are the different ways that laws can be classified? How do these classifications give you a fuller picture of legal issues relating to the arts?
2. Why do laws change over time?
3. What makes a contract binding and legally enforceable?
4. Who is protected in the case of labor laws? Why is this protection needed?
5. What are the benefits of copyright to the copyright holder? What potential negative consequences does copyright law pose for the development of the arts?
6. How does copyright affect you as an arts manager?
7. Your organization has been offered some paintings for its collection. What measures should you take in order to ensure that you obtain clear title?
8. What is the importance of an artist's right to claim a work as her own, or contrarily, to disavow a work she created?
9. How are countries such as the United Kingdom and the United States combatting money laundering in art markets?
10. What are the differences between artists' rights and cultural rights?

GAIN EXPERIENCE

1. Select one of the legal specialties discussed in this chapter. Do research to find out about how that specialty relates to the arts where you live. What are the applicable

- laws and regulations? How might they affect you as an arts manager? What special precautions might you have to take in order to make sure that you and your organization are complying with the law?
2. Select one or more of the cases of copyright infringement mentioned in this chapter or do research to find your own examples. Present them to a group of friends or fellow students and discuss the merits of the arguments presented by the plaintiff and the defendant. Do you think either of the arguments has merit? Do you agree with the court's decision? Why or why not?
 3. Imagine that you want to start a nonprofit dance organization in the town where you live. You will own your own building and hire employees, and you will offer dance concerts to the general public. Do research to find out what health and safety regulations will apply to your organization and its activities.

ADDITIONAL RESOURCES

- Center for Art Law: <https://itsartlaw.org/>
- Institute of Art and Law: <https://ial.uk.com/>
- International Center for Not-for-Profit Law: www.icnl.org/about-us
- The Law Reviews: <https://thelawreviews.co.uk/title/the-art-law-review>

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