

# Arts Management Newsletter

Bi-monthly Magazine for the global Perspective in Arts and Business



Dirk Heinze,  
Editor-in-Chief

## BACKGROUND

Sustainability in the Theatre, by Annett Baumast

• Page 2

Is Sustainability sustainable?, by WolfBrown Consultants & Joanna Woronkowicz

• Page 6

## PORTRAIT

Case for Change Capital in the Arts, by the Nonprofit Finance Fund

• Page 13

## EDUCATION

Innovation, Sustainability & Creative Economy -

• Page 14

## CONFERENCES

When Arts Presenters meet, by Alvin H. Reiss

• Page 16

## Editorial

Dear Readers,

Sustainability has become a buzz word in all areas of life ranging from sustainable finance to sustainable tourism or sustainable consumption. But "sustainable arts and culture" ... ?! The origins and actual meaning of sustainability or, alternatively, sustainable development are not always clear and the complexity of the term does not help in making it more accessible. In this issue, we take up the connection between sustainability and the creative industries, looking at it from various different angles. ...

We want to introduce several approaches and aspects of sustainability in this newsletter and hope it meets your interest and target your own professional or educational background. A special thanks goes to Annett Baumast, which make this special possible at all.



Secondly, we like to congratulate Alvin H. (Skip) Reiss in New York City for the 50th anniversary issue of *Arts Management*! This outstanding periodical has been published by him without interruption since 1962. Facing this impressive history and professional effort we feel like newbies in the publication business;-) However, we understand ourselves as partners in delivering news & know-how for arts managers, too. 10 years ago we met Skip in his apartment in Manhattan and spoke about our experiences in arts management. It is our pleasure to promote his publication today. Please think about a subscription - Arts

Management is worthy to read: [www.artsmanagement.org](http://www.artsmanagement.org)

Yours

Dirk Heinze, editor-in-chief, *Arts Management Network*



**ANNETT BAUMAST** is a sustainability expert, lecturer, writer, consultant and researcher who has been working in this field for over 15 years. Her current focus is on sustainability in the cultural industries. She holds degrees in business administration and economics, cultural management and English literature.

## To be green or not to be green?

### Sustainability in the Theatre

An article by Annett Baumast, *baumast. culture & sustainability*

The Rio+20 United Nations Conference on Sustainable Development in Rio de Janeiro in June this year will show the world what has been achieved on a world-wide scale during twenty years of sustainable development. Originally published by the World Commission on Environment and Development (WCED) in 1987, the so-called Brundtland Definition (after the Commission's chair, Norway's former Prime Minister Gro Harlem Brundtland) has been the most wide-spread and used definition of sustainable development: "Sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future."

In this definition, we find various aspects: firstly, there are needs that have to be met, and that, secondly, is the case today as well as in the future, i.e. allocated justly between generations. Those that live on planet earth today (in what we call "North" and "South") and those that are expected to arrive in the future. Which implies, thirdly, that there are limits to the (environmental) resources needed in order to meet these needs. This recalls a study that can also celebrate a milestone birthday this year: Limits to Growth, a report for the Club of Rome, a global think tank, was published 40 years ago and, for the first time, illustrated in a rather drastic manner the limitations of the world's natural resources and the effects of an ever growing world population. In trying to make the initial definition more accessible, three "pillars" of sustainable development – or sustainability as is often used synonymously – have been defined that are also mentioned in the original WCED report: Society, Economy and Ecology or People, Profit, Planet, also known as the *Triple Bottom Line*.

What does all this have to do with the theatre? Theatres are, of course, spaces in which current events and urgent issues are commented on, reflected through the lens of art and presented to a specific audience. Shakespeare, Chekhov and Ibsen have had their share in this: *A Midsummer Night's Dream* can be used to illustrate effects of climate change on agriculture (cf. e. g. Futerra's video with Keira Knightley), *Uncle Vanya's* Astrov rants against the depletion of the woods and its impact on the environment and *An Enemy of the People* focusses on water pollution. Today's dramatists and artists are no different: The English playwright Mike Bartlett's *Earthquakes in London* is based on James Lovelock's *Gaia Hypothesis*, the U.S.-American Davis Freeman and the Belgian Random Scream have, with *Expanding Energy*, created a performance on the (obsessive) use of energy and Lukas Bärfuss, a Swiss dramatist, wri-

## Background

### ... Sustainability in the Theatre

tes about the exploitation of resources and its consequences in Oil. Just three examples of a large pool of contemporary, sustainability-related plays that can be found around the globe, taking up urgent issues – loss of biodiversity, energy consumption, climate change, demographic challenges etc. – and defining an artistic stance in the light of them.

But it is not only about what happens on stage with regard to the three pillars of sustainability. It is just as important what takes place behind the scene and how those activities can positively contribute to sustainable development. It is particularly in the area of Ecology where a lot of theatres around the globe have taken bold steps in order to analyse their own behaviour and change things for the better. In many cases, this also resulted in cost savings, i.e. touching the second pillar of sustainability, Economy.

Probably one of the most prominent examples is London's *Arcola Theatre*. The *Arcola Theatre* has brought to live (and light) a myriad of initiatives to make their productions more sustainable: from organic and fair trade fabric for costumes to running productions on fuel cells, saving energy, recycling or community projects. One of the biggest goals, though, is to reach carbon neutrality but not by simply offsetting the emissions. Cate Blanchett, world-renowned actress and co-artistic director of *Sydney Theatre Company*, played an important role in the launch of the "Greening the Wharf Project." This construction project involved the installation of 1'900 solar panels on the roof of the theatre, providing 70 % of the electricity needed by the company, and was completed in late 2010. It was "the second largest roof-top photovoltaic array of solar power in Australia." Other projects undertaken by the Sydney Theatre Company include the reduction of waste, the harvesting of rainwater as well as educational activities. China's *Chongqing Grand Theatre* has also been looking into renewable energies and manages heating as well as cooling through a river-source heat pump station, significantly reducing its carbon emissions. Many more initiative of theatres trying to become green can be found around the global. Some of them as individual approaches, some of them in the context of a network.

Various organisations have formed to foster this networking amongst theatres that are interested in sustainability and look for the exchange of ideas and experiences of how to become more environmentally friendly. The *Center for Sustainable Practice in the Arts (CSPA)* was founded in California in 2008 and claims its mission to be as follows: "The CSPA provides a network of resources to artists and arts organizations by gathering and distributing information from partnering information sources, and through the development of special initiatives designed to enable sustainable practices while maintaining artistic excellence." Also in the USA, the *Broadway Green Alliance (BGA)* was formed in the same year as the CSPA in order to inspire theatres to become more environmentally friendly. They offer a wide range of tools and information on how stage productions can be planned, built and executed in a more envi-

## Background

### ... Sustainability in the Theatre

environmentally friendly manner. In the UK, *Julie's Bicycle* is among the most important resources for the creative industries with one specific focus on theatres. The non-profit organisation provides tools and consultancy for subsidised and commercial theatres that want to implement environmental measures and improve their environmental footprint. In late 2011 *Julie's Bicycle* and *Broadway Green Alliance* decided to work as partners under the name of *International Green Theatre Alliance*.

The focus of the related measures in the theatres has clearly been on environmental initiatives such as resource efficiency, carbon neutrality or waste management. Often combined with cost savings. This second pillar of sustainability, the economic or financial one, is and has always been one of the main concerns of theatres. How does a theatre survive economically in the long run? The third pillar, however, the social one, finds less of an echo amongst theatres and there is not very much information to be found. One has to travel as far as Sweden in order to find Sustainability Reports from theatres, which give an example of social indicators that can be used as measurement for theatres' contribution to the people side of sustainability. Mandated by the state of Sweden – as all state-run companies – the Royal Dramatic Theatre in Stockholm has been reporting on its sustainability activities since 2008. For the social dimension, it discloses figures on its 644 employees including diversity (percentages of various groups e.g. according to gender or age), work situation, health, safety, education and training. The guideline for these figures are the publications of the *Global Reporting Initiative (GRI)*, which has developed quasi-standards for sustainability reporting.

Even though sustainability as an important issue has not yet reached all stages around the world, there is a vast repertoire of initiatives started by a large variety of theatres. Organisations and networks have come to life and best practice examples are at hand. Everyone can go a step further to positively impact sustainable development and so can theatres.

### UPCOMING CONFERENCES ON THEATRE & SUSTAINABILITY:

Sustainability in Theater: People, Planet, Profit, Purpose; April 30 - May 1, 2012; Minneapolis, Minnesota:

<http://minnesotatheateralliance.org/sit/about.html>

2012 Ecodrama Playwrights Festival & Symposium on Performance & Ecology; May 31-June 3, 2012; Carnegie Mellon University, Pittsburgh:

<http://pages.uoregon.edu/ecodrama/>

### ABOUT BAUMAST CULTURE & SUSTAINABILITY:

The company's mission since 2011 has been to raise awareness for sustainability in the cultural sector and support initiative that positively contribute to sustainable development. Consultancy as well as educational work, project management, talks and publications are *baumast. culture & sustainability's* offers

**Background**

**... Sustainability in the Theatre**

to the creative industries and creative artists. Contact:

[info@kultur-und-nachhaltigkeit.ch](mailto:info@kultur-und-nachhaltigkeit.ch)

**SIDE STEPS**

[www.kultur-und-nachhaltigkeit.ch](http://www.kultur-und-nachhaltigkeit.ch)

[www.broadwaygreen.com](http://www.broadwaygreen.com)

[www.globalreporting.org](http://www.globalreporting.org)

[www.juliesbicycle.com](http://www.juliesbicycle.com)

- Advertiser -



 Utrecht School of the Arts

## MA Arts Management

Study Arts Management in The Netherlands at the Utrecht School of the Arts. The Master of Arts in Arts Management is a 1 year, full-time post-graduate programme. The programme is intended for ambitious young professionals with a desire to advance themselves in the creative industry.

international group of students | practise based research  
tailor-made programme | 1 year full-time

[www.hku.nl/ma-am](http://www.hku.nl/ma-am)

# Is Sustainability sustainable?

By the principal consultants of *WolfBrown* with Joanna Woronkovicz

Historically, sustaining an arts organization meant generating enough earned and contributed revenue to fund current operations. With so much continued change and turmoil in the arts industry, *WolfBrown* set out to reconsider what sustainability means in 2011. Why are some arts groups able to persevere – and even thrive – when they are chronically “under-capitalized” and perpetually on the brink of extinction? On the other hand, why are well-established, large institutions with sizable endowments filing for bankruptcy? What, besides strong finances, does sustainability require? Is it possible that financial security actually deters sustainability?

Reflecting back on several decades of work with funders and arts organizations, we propose a more nuanced and multi-dimensional view of sustainability – one that encompasses and transcends the current dialogue on capitalization, adaptive capacity and other elements of good management. In our view, sustainability requires a balancing act with three interdependent but sometimes competing priorities:

- Community Relevance
- Artistic Vibrancy
- Capitalization

Together, these elements give organizations the ability to excel in a permanent state of flux, uncertainty and creative tension.

## Is Sustainability an Illusion?

On December 16th, 2002, the San Jose Symphony – having played to audiences for over 120 years – declared bankruptcy. Its assets were sold and an institution that had once been the pride of a growing city suddenly ceased to exist. Many were shocked; how could an arts organization with such a long history and sizeable endowment fail? Throughout the late 1990s, the orchestra’s ticket sales had increased by fifty percent and government support remained stable. In the first fiscal year of the new millennium, however, ticket sales declined twelve percent. More significantly, private support for the orchestra decreased by half over a span of four years. While revenues decreased, expenses increased. At the opening of its 2002 season, the orchestra found itself in dire straits. Reluctantly, a weary board of directors, unable to reorganize and remain solvent, declared Chapter 7 bankruptcy.

## Background

### ... Is Sustainability sustainable?

Contrast this story to that of another nonprofit arts organization, the *Center for Puppetry Arts* in Atlanta, which opened 30 years ago when Kermit the Frog and his creator, the late Jim Henson, cut the ceremonial ribbon. Now a \$3.5 million organization, the Center's live performances, exhibits and distance learning programs generate roughly half a million visits annually. Demand for the Center's programs has remained stable and expenses have been carefully controlled, producing consistent operating results. In response to a major donation to the Center from Jim Henson's family of puppets and other objects from their personal collection, a capital campaign is underway to renovate and expand the Center's facilities, including a commitment to raise additional endowment to cover increased operating expenses. While other organizations in Atlanta have struggled to raise sufficient capital for new facilities, the *Center for Puppetry Arts* sees great community demand for its expansion, which will enable it to double the number of unique visitors and increase operating revenues by seventy-five percent.

Seemingly sustainable in a financial sense, the *San Jose Symphony* was not able to rebound after a few difficult years. With its structural deficit exposed, the orchestra's value proposition to San Jose's diverse community was not sufficient to generate the level of support required to reorganize, nor was it able to rescale its operations to align with demand. In contrast, the *Center for Puppetry Arts* – consistently operating on shoestring budgets – continues to grow in relevance to its community and to be recognized for its managerial and artistic excellence by national as well as local funders.

### Towards a New Understanding of Sustainability

Side-by-side, these two short case studies illustrate why a new model of sustainability is required. Accumulation of capital alone is not sufficient to achieve sustainability and may in fact lead to a false sense of security. Nor is artistic excellence sufficient. Rather, three elements must work together to achieve a level of stability or "equilibrium" known as sustainability:

- Community Relevance
- Artistic Vibrancy
- Capitalization

### The First Element: Community Relevance

Community relevance should be the first and foremost element of sustainability. It draws on a generosity of spirit and an authentic desire to serve one's community, allowing for a range of partnerships both inside and outside of the arts. Achieving relevance in the eyes of the community enables an arts organization to demonstrate its public value regularly. This goes far beyond conventional notions of education and outreach work or convenient strategies such as reduced-price tickets. In order to be relevant, an arts organization must first develop a diagnostic capacity to understand what its communi-

## Background

### ... Is Sustainability sustainable?

ty needs and then refract that knowledge through its artistic vision and core capacities. This is not to ask the community what it wants, but to inform programming decisions with a sense of community need.

An indicator of community relevance is an organization's ability to achieve "collateral impact" through partnerships. In doing so, it demonstrates the essential role it plays in community development and civic dialogue. When times get tough, an arts group with high community relevance is seen as a community asset rather than an isolated, self-interested nonprofit with a financial problem.

Take for example, *Big Thought*, the Dallas-based nonprofit devoted to creative learning for children and youth. Since its founding in 1987, *Big Thought's* investments in financial, human and cultural capital have slowly paid off, garnering the attention of community leaders. Now, through its partnerships with numerous cultural programs and community service providers such as the *Dallas County Juvenile Department*, the *Dallas Public Library*, the city's *Department of Cultural Affairs* and the *Dallas Independent School District*, *Big Thought* has reached an impressive scale of impact. While its programs and partners are not immune to shifting economic and political conditions, *Big Thought* is deeply embedded in the community. It provides an instructive example of the power of community relevance as a source of strength during challenging times.

Often, there is a natural tension between the needs of the community, which can be endless, and an organization's artistic vision and capacity. Balancing these two value systems is a constant give and take. Community relevance takes the form of:

- A philosophy of community engagement that transcends departments and programs;
- A diagnostic capacity through which information about the community is gathered and considered;
- A board-level accountability process that balances community outcomes with artistic aspirations;
- Programming collaborations and partnerships that extend impact and position the organization as a player in the larger community dialogue;
- Marketing partnerships that build awareness and extend the reach of programs to a range of audiences; and
- Programs that take place in venues and settings that engage the community.

Arts organizations that embed themselves in a larger dialogue about the challenges, hopes and aspirations of their community will be seen as indispensable. Those who do not will grow increasingly irrelevant and unsustainable.



## Background

### ... Is Sustainability sustainable?

#### The Second Element: Artistic Vibrancy

Artistic vibrancy is the fuel of sustainability. A steady flow of creative programming is the lifeblood of an arts organization and the inspiration that motivates donors and engages the community. Yet, the creativity and robustness of an arts organization's programming process is often a taboo subject. Artistic vibrancy should not be conflated with "artistic excellence," which refers more narrowly to quality of artistry. Rather, artistic vibrancy stands for the whole of an organization's artistic health, including the quality of its programming processes.

Pam Tatge, director of the Center for the Arts at Wesleyan University, ensures the artistic vibrancy of her program through an inclusive process that integrates the needs of students, faculty and community members into every aspect of the Center's programs. Tatge collaborates with students and faculty on artist selection, invites non-arts faculty to collaborate with artists on new curricula, and positions art as a springboard for campus-wide discussion of current issues such as climate change. A participatory artistic event planned by an interdisciplinary team has become the focal point of each year's Common Experience orientation for freshmen. By surrendering partial control of the programming process to key stakeholders, Tatge succeeds in attaining a high level of community relevance without compromising artistic standards. In fact, she is curating to a higher standard of accountability.

Artistic vibrancy is attainable regardless of budget size or the adventurousness of programs. Some of the most artistically vibrant arts groups we know are community theatres and music schools. Like Wesleyan, they choose to apply their artistic talents to engage a specific community in a two-way process of self-discovery. Artistic vibrancy is indicated by:

- Clarity on the desired outcomes of artistic work and open debate as to the right balance between artistic ideals and community needs;
- An inclusive and consultative program planning process;
- A full pipeline of new programming ideas;
- A willingness to experiment with programming and the financial policies and capital for managing artistic risk;
- Quality of artistry;
- A commitment to artist development at all skill levels; and
- Smart use of technologies in engaging audiences and communities in the artistic work.

At the core of every arts organization is a creative process. Some of these processes are healthier than others. Artistically vibrant organizations are sustainable because they continually reimagine their programs and refresh their constituency. They open new doorways before old ones slam shut.

## Background

### ... Is Sustainability sustainable?

#### The Third Element: Capitalization

The third element of sustainability - and servant of the other two - is that of capitalization and sound fiscal policy. The need for nonprofit arts groups to gain a more secure financial footing has been a recurring theme since the 1960s. The current industry dialogue on capitalization, led by *The Kresge Foundation*, *Nonprofit Finance Fund (NFF)* and others, once again brings into focus a helpful set of principles first advanced several decades ago. NFF identifies three purposes for capital: 1) liquidity (i.e., enough cash to meet operating needs); 2) adaptability (i.e., funds that offer flexibility in adjusting to changing circumstances); and 3) durability (i.e., funds to address the range of needs in future years). Like their counterparts in the commercial sector, nonprofit businesses require periodic infusions of capital to remain healthy. For some reason, however, the basic principle of capitalization - that return requires investment - has not yet taken root in the nonprofit arts sector.

Without good fiscal policy, capital disappears quickly. The A-B-C's of good financial management are as necessary today as they have ever been: containing costs, isolating financial risk, planning for surpluses, building reserves and depleting them strategically, and tracking against key metrics. For example, one prominent arts organization we know is re-stating its financial activity on a consolidated three-year basis, to shift focus away from short-term operating results.

An example of an organization that has embraced the principles of capitalization is the *Opera Company of Philadelphia (OCP)*. In 2008, OCP had an operating deficit of \$1.5 million, an \$850,000 working capital deficit and no reserves or endowment. Just three years later, OCP has \$1 million in positive working capital and a \$750,000 working capital reserve. Special funding commitments will enable the company to create a \$500,000 operating reserve and a \$1 million risk capital fund by the end of its 2012 fiscal year. Through careful attention to managing its finances while simultaneously articulating its capital needs, OCP transformed its financial position and laid the groundwork for a future capital campaign.

Based on our work with a wide range of arts organizations, and learning from the work of others in this area, we distinguish between five categories of sustainable fiscal policy:

- A strong base of reliable, recurring revenue, and a cost structure that adapts to it;
- Sufficient funds, including unrestricted working capital to cover unanticipated shortfalls and other capital that allows for periodic investments in artistic opportunities and business model improvements;

## Background

### ... Is Sustainability sustainable?

- A compelling articulation of capital needs, and a long-term, board-activated plan for raising them;
- A culture of fundraising that permeates the board and every staff department within the organization and focuses everyone on renewing a broad base of support; and
- A disciplined, multi-year financial planning process driven by key performance measures, which can be adjusted regularly as conditions warrant.

Smart capitalization and good fiscal policy are tools of sustainability. But they are hammers, not nails. In most cases, financial distress is a symptom, not a cause, of the problems arts groups face in becoming sustainable. Organizations that focus solely on finances in trying to achieve sustainability can lose their sense of vitality and purpose. This leads us to question the presumption of durability as a goal, when adaptability provides a sufficient platform for renewal.

### Embracing the Paradox of Sustainability

Other models of sustainability from years past include elements of “strong leadership,” “clarity of mission,” “adaptive capacity,” “willingness to innovate” and being “brand-driven.” These are baseline indicators of effective management. The road to sustainability, though, involves higher order constructs that go beyond the A-B-C's of competent oversight.

Sustainability still matters in 2011, but not in the simplistic sense of financial security. It is not a business strategy. Nor should it be the focus of strategic planning. Rather, sustainability is a byproduct of high levels of community relevance, artistic vibrancy and proper capitalization.

In looking across the arts ecosystem in a community, sustainability in the institutional sense becomes more compelling - and more problematic. The health of the ecology requires constant regeneration and renewal, which sometimes conflicts with institutional designs on permanence. Cultural leaders, therefore, have a paramount responsibility to the ecosystem, which necessarily means consolidating, re-imagining, or phasing out arts programs that are not delivering sufficient public value. The dissolution of the *San Jose Symphony*, for example, made way for *Symphony Silicon Valley*, a small and more nimble ensemble.

Permanence, stability and durability are illusory and perhaps even counter-productive ideals in today's speed-of-light marketplace. In a sense, the pursuit of sustainability, as historically defined, is quixotic. But with a more nuanced understanding of what it takes to flourish in a permanently volatile business environment, arts groups may build a legacy of creative invention and gain the enduring support of their communities.

## Background

### ... Is Sustainability sustainable?

#### Resources on Sustainability

We are indebted to the excellent work of other consultants, researchers, funders and cultural leaders, which we drew upon in our research for this article. They include the following:

- Bailey, Jackie (*Australia Council for the Arts*), “Defining Artistic Vibrancy,” 2009
- Culbert, Jane, William Keens, Laura Lewis Mandeles and Thomas Wolf, *Rethinking Stabilization: Strengthening Arts Organizations During Times of Change*, Wolf, Keens & Company, 1996;
- Evans, Richard, EmcArts Inc., “Entering upon Novelty: Policy and Funding Issues for a New Era in the Arts,” Published in *GIA Reader*, Vol. 21, No 3, 2010
- Foster, Kenneth J. “Thriving in an Uncertain World: Arts Presenting Change and the New Realities,” prepared for the *Association of Performing Arts Presenters*, 2010
- Hewison, Robert and John Holden, *The Cultural Leadership Handbook: How to run a creative organization*, 2011
- Masaki, Karen, David Plettner, and Mark Anderson, “The Nimble Nonprofit: The Central role of adaptive capacity in building organizational capacity,” published in *GIA Reader*, Vol. 13, No 3 (Fall 2002)
- Morris, Gerri and Andrew McIntyre, *Morris Hargreaves McIntyre*, “Insight Required”
- Thomas, Rebecca, Rodney Christopher with Holly Sidford (*Nonprofit Finance Fund*), “Case for Change Capital in the Arts,” 2011
- Robinson, Mark (*Arts Council England*), “Making Adaptive Resilience Real,” 2010
- Walker, Brian and David Salk, *Resilience Thinking: Sustaining Ecosystems and People in a Changing World*
- Williams, Tandi and Bridget Jones (*Australia Council for the Arts*), “Understanding Community Relevance,” 2011
- Wolf, Thomas and Nancy Glaze, Wolf, Keens & Company, “And the Band Stopped Playing: The Rise and Fall of the San Jose Symphony,” 2005
- Wolf, Thomas, “The Search for Shining Eyes”, *John S. and James L. Knight Foundation*, 2006
- York, Peter, TCC Group, “The Sustainability Formula, How Nonprofit Organizations Can Thrive in the Emerging Economy”

#### SIDE STEPS

[www.wolfbrown.com](http://www.wolfbrown.com)

# Case for Change Capital in the Arts

A US-national initiative by the Nonprofit Finance Fund

If arts organizations and the sector are to thrive, donors must change their funding and financing practices to support strategies that enable experimentation, build audiences, and cultivate artists.

Arts organizations excite and inspire audiences across the country with their creative and dynamic artistic programs. Through their imaginative and stirring works, these organizations shape community identity, lift the spirit, connect people and help us make meaning of our individual experiences and the times in which we live. Yet behind the stages, the exhibit halls, the literary publications and the websites, most nonprofit arts organizations are in a constant financial struggle. A major contributing factor is that the vast majority of them are “mis-capitalized” – financially structured in ways that stymie their ability to propel and sustain their aspirations.

If individual arts organizations and the sector are to thrive in the future, donors must change their funding and financing practices, aligning money to strategies and plans that build audience demand, cultivate new contributors, and adapt out-dated cost structures. Likewise, cultural nonprofits must take action to establish stronger business models that redress mis-capitalization and ensure their artistic relevance and excellence.

Leading for the Future: Innovative Support for Artistic Excellence, designed and administered by *Nonprofit Finance Fund (NFF)*, is the first national initiative to address the issue of mis-capitalization by deploying a specific kind of investment capital – change capital – to help arts organizations adapt their programming, operations and finances in ways that improve their long-term health.

With support from the *Doris Duke Charitable Foundation*, ten artistically excellent performing arts organizations are working with NFF to develop, implement, monitor and adjust plans for achieving this transformation. Each group’s plan is tailored to its own circumstances, but all are guided by similar principles of capitalization. Two years into this five-year initiative, initial results are very promising.

## SIDE STEPS

<http://nonprofitfinancefund.org/case-change-capital-arts>

# Innovation, Sustainability & Creative Economy

2012 HEC Summer School Program - July 9 to 20, 2012



HEC Montréal's Department of International Business offers a two-week Summer school program, for students of two study levels (graduate and undergraduate), that aims at providing insightful pedagogical and practical experience related to some core topics that all business students should learn: innovation, sustainability and creative economy.

Undergraduate and graduate students from business schools around the world are invited to participate in cutting-edge academic programs taking place simultaneously at HEC Montréal, one of the best multicultural business schools in Québec and Canada. The two-week programs are designed to give participants a privileged space for discussions and reflection on fundamental tools and content regarding knowledge creation and knowledge sharing, sustainability development values and drivers, and cultural and social innovation. The programs are intended for two distinctive study levels: one group for graduate students and one for undergraduate students. Although both programs are based on the same themes, the pedagogical approach and content are adapted to best suit the needs of students from these two study levels. In

## Education

### ... Innovation, Sustainability & Creative Economy

In addition, most of the academic material and business cases applied in the courses come from the Montreal experience, a world renowned know-how hub for innovative industries such as multimedia, gaming, arts, circus and cultural events. Montreal is also a city in which many sustainable and social projects are put forward.

Nine thematic seminars cover various aspects linked to innovation, sustainable development and creativity. The seminars are taught in English by experienced faculty at HEC Montréal's high-tech facilities. Participants who attend one of the two Summer School programs are awarded with a certificate from HEC Montréal.

A full day trading room session in HEC Montréal's state of the art trading room updated with real-time financial data (Financial Trading System, Reuter's platform and Bloomberg terminal) is also part of the program. Participants experience a broker's environment through financial trading simulations; a definite plus for management students.

Two industrial visits to leading companies in the field of new technology based in Montréal establish the link between theory and practice and allow the participants to meet and interact with high level managers and executives. In the past, Summer School participants visited companies such as *Ubisoft*, *IBM*, *Cirque du Soleil*, *Bombardier*, *Eidos* and *Bell*, among others.

Cultural and social activities are also part of HEC Montréal's Summer School, so that participants can make the most out of their experience in the exciting city of Montréal.

### About HEC Montréal

HEC Montréal is an international business school whose exceptional teaching and research, combined with its relevance and drive for innovation, have allowed it to stand out from the pack since 1907. Its 12,000 students, 250 professors and an international network of 57 000 alumni make it arguably one of Canada's largest business schools. HEC Montréal was the first school in North America to be awarded AMBA, AACSB International and EQUIS accreditation. The HEC Montreal's MBA figures in the international ranking of *Business Week* (2010), *Expansión* (2010), *AméricaEconomía* (2009 and 2010) and *Forbes* (2009). Its Master's in Administration made the *Financial Times*' international ranking for the last two years (2009 and 2010).

### SIDE STEPS

[www.hec.ca/en/international\\_student/summer\\_school/](http://www.hec.ca/en/international_student/summer_school/)

# When Arts Presenters meet

New York City in early January marks the mating season for arts presenters. Since 2004 the consecutive conferences of the Association of Performing Arts Presenters (APAP) and the International Society for the Performing Arts (ISPA) have drawn not only a huge number of arts presenters from throughout world, but representatives of artists agencies, touring companies, educators and government officials involved with the arts as well as individual artists and performing arts groups from virtually every artistic discipline. Their business? Meeting with others in the field, learning about trends and developments, resource sharing and, importantly, buying and selling their artistic wares. This writer has had the good fortune to attend both conferences for many years, held at different times prior to 2004, as speaker, panelist and award winner. For anyone interested professionally in the performing arts, attendance at both these events, is an experience not to be missed.

A review by Alvin H. Reiss, New York City

APAP, the larger of the two organizations with 1400 members, attracted more than 3500 registered attendees to its 55th annual membership meeting this year. It offered such plenary sessions as “The Value Proposition” and “Owning Your Road,” presented by top artists and administrators along with more than 50 professional and leadership development sessions. The conference also introduced attendees to the organization’s new president and CEO, Mario Garcia Durham, who, since 2004, had directed the National Endowment for the Arts’ Artist Communities and Presenting program. In addition to appearing in a number of sessions, Durham made himself available to attendees at social events and in the exhibition area.

A key feature of the conference, as it is every year, were the three floors of exhibition space at New York’s Hilton Hotel. Nearly 350 exhibitors working from small booths were promoting the artists and arts groups they represented to the presenters, in the hopes of securing future bookings for their clients. Working on the proposition that seeing is buying, the conference also featured more than 1300 artist showcases, most at the hotel along with a range of performances throughout the city. Roaming through the site, and speaking to the exhibitors, I thought that despite the poor economy, these arts veterans were definitely upbeat about the future. One artist rep, however, concerned that too many artists were focusing on a solo career, instead of exploring a range of performing opportunities, suggested, perhaps partly tongue in cheek, that we close our conservatories.



## Conferences

### ... When Arts Presenters Meet

The ISPA conference, held immediately after APAP had a distinctly international flavor with well over half the attendees coming from arts programs throughout the world. Founded in 1948, ISPA, in addition to its New York conference, hosts a second conference at a site outside the U.S. every year with this year's second gathering set for Seoul, Korea, from June 13-16.

The conference titled "Arts in Action -- Community, Crisis & Change," featured artist performances and top arts figures discussing such topics of immediate concern to attendees, as "Cultural Diplomacy: A Matter of Tact" and "Convergence of Change." It also included a session that has become a favorite of attendees, the "Pitch New Works Now" session. Over the course of two hours, attendees were treated to ten different short presentations by different arts programs from throughout the world, whose leaders through film and discussions pitched their projects to presenters and possible co-producers in the hopes of winning bookings before the works entered the international marketplace.

Selected from more than 40 submissions the works had a true international flavor with artistic teams from Australia, Canada, Japan, the Netherlands and Cambodia, in addition to two from the UK and three from the U.S., describing programs of dance, film, theater, opera, symphonic, circus and even puppetry. The scope of the works was impressive as well with one budgeted for as much as \$90,000 in weekly performance fees and another, budgeted at \$2.2-million seeking international co-producing and presenting partners. Following the pitch session attendees had the opportunity to meet with and speak to the pitch teams as well as those representing other programs at the informal Professional Exchange and lunch that followed. At business sessions that followed the next day, ISPA leaders announced plans for a new strategic organizational plan to be introduced in 2013.

While it's an exhausting experience to attend these two conferences, the reward for those who can make both programs is clearly evident. The formal sessions are clearly worth experiencing, but for this attendee it's equally rewarding to meet informally with seasoned arts professionals, neophytes in the field and even graduate arts management students and exchange thoughts, concerns and ideas. Already I'm marking conference dates in New York on my 2013 calendar, APAP, January 11-15 and ISPA, January 15-17.

### SIDE STEPS

[www.apap365.org](http://www.apap365.org)

[www.ispa.org](http://www.ispa.org)

# Imprint

## ARTS MANAGEMENT NETWORK

c/o KM Kulturmanagement Network GmbH

PF 1198 · D-99409 Weimar

Amalienstr. 15 · D-99423 Weimar

Phone +49 (0) 3643.494.869

Fax +49 (0) 3643.801.765

[office@artsmanagement.net](mailto:office@artsmanagement.net)

[www.artsmanagement.net](http://www.artsmanagement.net)

Skype: kulturmanagement

Twitter: [www.twitter.com/amnweimar](http://www.twitter.com/amnweimar)

Facebook: <https://www.facebook.com/ArtsManagement.Network>

Editor-in-Chief: Dirk Heinze

Subscribers: 7.832