

# Business models in the visual arts

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*An investigation for Arts Council England and the Turning Point Network by Susan Royce*

Draft for discussion

## Executive summary

This report was commissioned by Arts Council England and the Turning Point Network to assist members of the Network in reviewing and strengthening their own business models. It is predicated on the belief that sound business models are a necessary component in a healthy visual arts ecology and essential for most publicly funded organisations.

Inevitably, the primary focus of this report is on what could and needs to change rather than what is working well.

There is a widespread belief that many business models within the visual arts sector are relatively weak and particularly vulnerable to reductions in funding. This belief is broadly supported by the available research. Most visual arts organisations are under-capitalised. The absence of substantial ticketed income means that increased activity almost always converts into increased costs and visitors remain a relatively unexploited source of further income.. In comparison with performing arts organisations, the business models of building based organisations are often inflexible. Many organisations have not been able to set aside the necessary funds for repairs and renewals of new Lottery funded buildings. Fundraising remains challenging for all but a few of the larger, London based organisations.

Within the sector there is only a limited understanding of what a business model is and does; in part this reflects the generally low level of business skills within the sector. There is, however, a good consensus around what a good business model should look like – the challenge appears to be translating that general agreement into concrete action.

The key obstacles to building better models appear to centre on

- Aspects of the culture of the visual arts world
- The practical implications of free entry
- Funder tolerance of under performance

The culture of the contemporary art world has a strong individualistic flavour and a traditional ambivalence towards, if not rejection of, the values of the economic world. From a purely business perspective this is problematic: business is a collective endeavour and it is hard to be good at something you do not value.

Free entry is a great blessing but does present business challenges. Customers do not automatically translate into revenues, let alone contribution or profits so increased activity usually leads to higher costs. Programming can only easily affect costs not revenues. Without large ticket incomes to manage, organisations do not investigate in staff with business skills.

For understandable reasons funders find it difficult to tackle under performance in funded organisations and are generally slow to 'call time' on failing organisations. This often mutes

or removes completely the sense of urgency (or 'burning platform') that is necessary to get difficult change started.

This report offers a number of recommendations for change for individual organisations, funders and the Network designed to strengthen the business models of Network members (see Concluding thoughts). In summary I would suggest the following.

- The sector needs to consider the impact of its discomfort with 'business' and the 'economy' upon its own sustainability.
- Funding bodies need to become less tolerant of under-performance and more willing to challenge failing organisations.
- The development of business skills should be a priority for organisations and funders.
- Organisations need to get much closer to their audiences with a view to attracting more resources via secondary spend, individual giving, advocacy and volunteering.
- Businesses in the sector need to re-think their support operations to cut costs and/or secure better services. This could include:
  - Shared services, joint procurement and outsourcing;
  - Using digital technologies to automate business processes; and
  - Making greater use of volunteers in an appropriate and strategic manner.

The visual arts are a vibrant, creative and exciting sector that has grown substantially in recent years. The challenge for the sector is to focus its energy and creativity into building better businesses as well as delivering great art for everyone.

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## Introduction

This report was commissioned in direct response to a request from the Turning Point network for support and assistance around the challenges of developing and maintaining sustainable business models within the visual arts sector. It was commissioned before the current Government came to power and the current round of public funding cuts had begun. Those cuts have lent a certain 'piquancy' to the issues debated here but have not, I believe, changed the fundamental nature of the environment with which arts organisations will need to grapple in the next decade. Changing demographics (a growing, increasingly diverse, urbanised and ageing population), the disruptive impact of new digital technologies, radical shifts in employment patterns and the impending resumption of India and China's historic role as major economic world powers are only some of the changes with which all organisations will need not only to cope with but benefit from if they are to be successful.

This report is the first stage of a two stage project whose brief is to:

*To develop research materials and events that will explore what sustainable business models look like in the visual arts.*

*The project will deliver Turning Point recommendations on improving the sustainability of the visual arts sector in the long-term. The case studies, research recommendations and events provide guidance to visual arts organisations on how to become more robust in the face of recessions and changes to public sector spending. It will directly address Goal 5 in the emergent National Arts Strategy being developed by Arts Council England: 'the arts sector is sustainable, resilient and innovative'.*

*The purpose of the report is to inform and engage; whilst being evidence based it will be relatively informal, short and visually attractive.*

The report addresses 3 key questions:

- What should a sustainable business model look like in the context of the publicly funded visual arts sector in England?
- How good are the current models?
- How could visual arts organisations develop better business models?

It addresses these questions from the perspective of strategy, rather than vision. There is a tendency within the arts sector to focus most energy on vision/policy and operational delivery whilst skipping over the need for a clear strategy to link the two. Strategy is difficult – it involves making hard choices and often sacrificing something 'in the now' for something two years' hence but it is at the core of building successful business models.

This work draws on a number of sources:

- Conversations with leaders, managers and consultants within the visual arts and wider arts sectors (see Appendix B: contributors)
- Publicly available information on visual arts organisations eg websites, Charity Commission (see Appendix C: organisations reviewed)
- Annual return and Sustain application information made available to the author by Arts Council England
- Published works on business, the creative industries and arts policy (see Appendix A: bibliography)
- Blogs on the arts, public and arts policy and creativity (see Appendix D: interesting and blogs)
- My own experiences within the sector as a finance and change consultant including work on the Arts Council's Stabilisation, Recovery, Sustain and Thrive programmes

This report could not have been written without the support and generosity of all of those who gave freely of their time and ideas; I would like to record my thanks for their input as well as stating that the opinions given here, and any mistakes, are entirely my own.

I would really welcome feedback on the ideas set out in this report. You can contact via my blog on the Turning Point site (<http://turningpointnetwork.squarespace.com/journal/>) or by email ([susanjroyce@gmail.com](mailto:susanjroyce@gmail.com)).

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## What is a sustainable business model in this context?

This section seeks to establish a working definition and to offer a model that grounds this definition in reality.

## What is a business model?

A great deal has been written about business models in the commercial world, a little about not for profits and very little about business models in the publicly funded art world (see Appendix A: bibliography). This section seeks to take the best of this thinking and apply it to the very particular circumstances of the majority of Turning Point members, namely a not for profit, publicly funded organisation working in the visual arts sector.

First, a business model is much more than the financial transactions undertaken by an organisation and recorded in its management accounts and financial statements; it

*describes the rationale of how an organisation creates, delivers and captures value'(Osterwalder, 2010).*

Two leading business academics, Kaplan and Norton, identified 4 key perspectives from which a business needs to consider its operating model and performance: learning & growth, internal business processes, the customer and the financial. They reworked their model for the not for profit and public sectors as illustrated below(Kaplan, 2004).

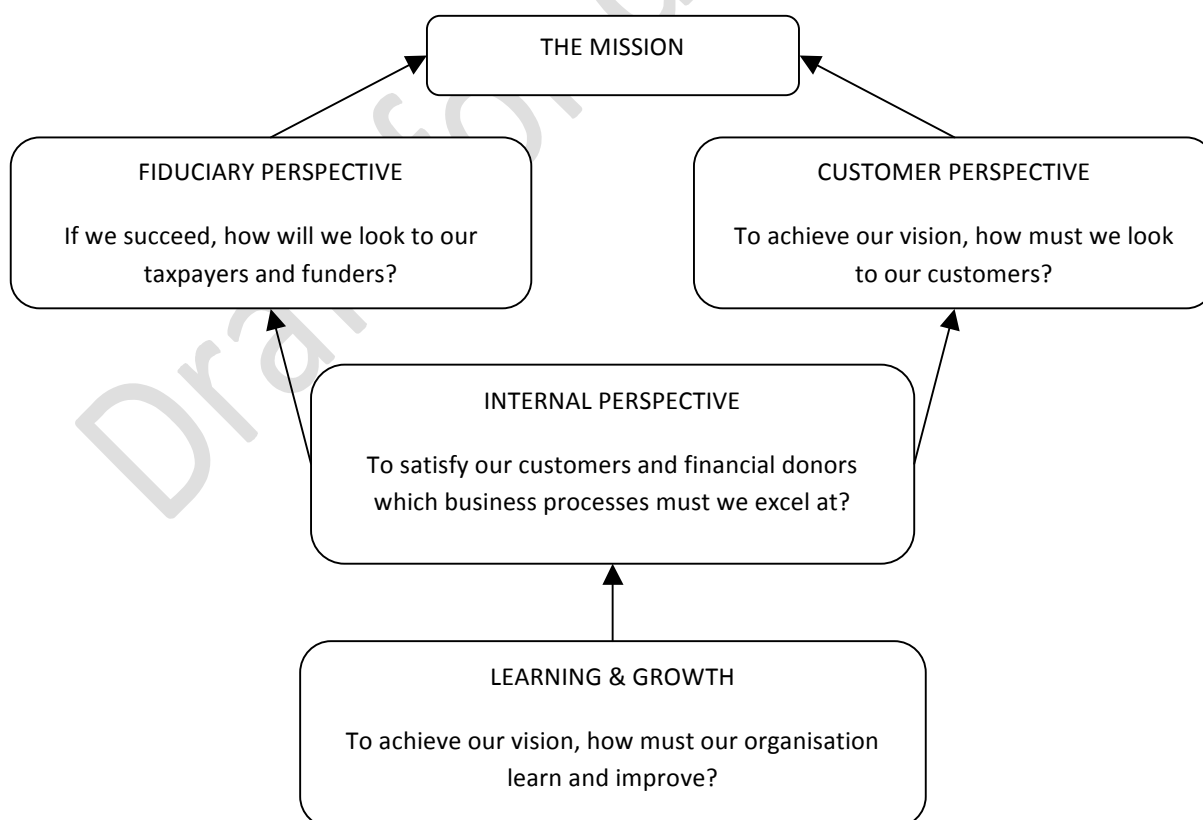


Figure 1 Strategy map (after Kaplan & Norton)

However, to the understanding that a business model is a model of the whole organisation – its culture, organisational structure, offering to customers (the customer value proposition), relationship with suppliers, systems and processes we need to add an appreciation of the impact of being a mission-led or not for profit organisation. As Jim Collins writes:

*The confusion between inputs and outputs stems from one of the primary differences between business and the social sectors. In business, money is both an input (a resource for achieving greatness) and an output (a measure of greatness). In the social sectors, money is only an input, and not a measure of greatness.(Collins, 2006)*

For members of the Turning Point group, the non-financial resources and intangible assets they utilise in delivering their mission are as important as the cash passing through the accounting systems. These could include

- volunteers such as interns and board members whose contribution is unpaid but often vital;
- personal and corporate networks which the organisation and its staff use to generate and source good ideas and find partners to collaborate with; and
- the 'brands' of both the organisation and its key players.

These are key business assets requiring and rewarding good management in just the same way as the cash assets recorded in the accounting systems.

Thus a business model in this sector is a description of how an organisation attracts and deploys its resources to fulfil its mission. Two models help organisations to do this well.

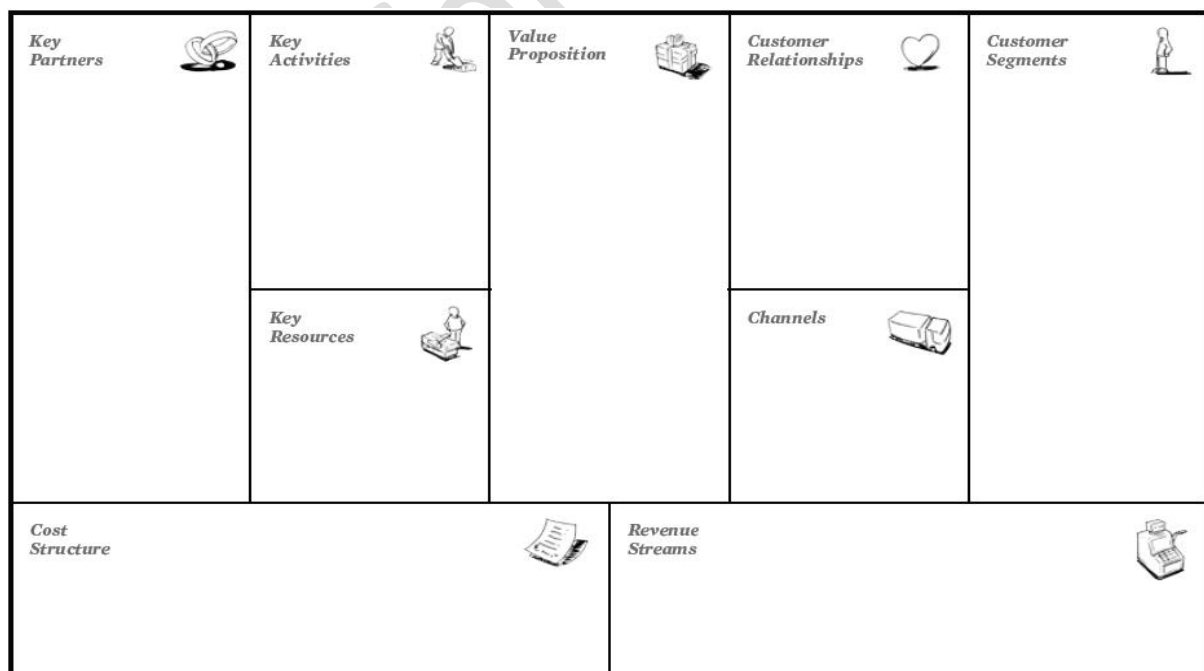


Figure 2 Business Model Canvas (Osterwalder, 2010)



The first model is the Business Model Canvas that is illustrated in summary form above. This provides an excellent way of summarising an organisation's business model on one, albeit large, sheet of paper. At the core of the model are the value propositions that the organisation offers its customers, to the left are the key elements which determine efficiency whilst those of the right concern value creation. These relationships and activities find their financial expression in the organisation's cost structure and revenue streams.

Secondly, the strategy tree ties links together mission, vision and values with strategy and execution as set out below allowing an organisation to project its model into the future. Any planning exercise should start at the top of the tree and work down, with as much iteration as necessary.

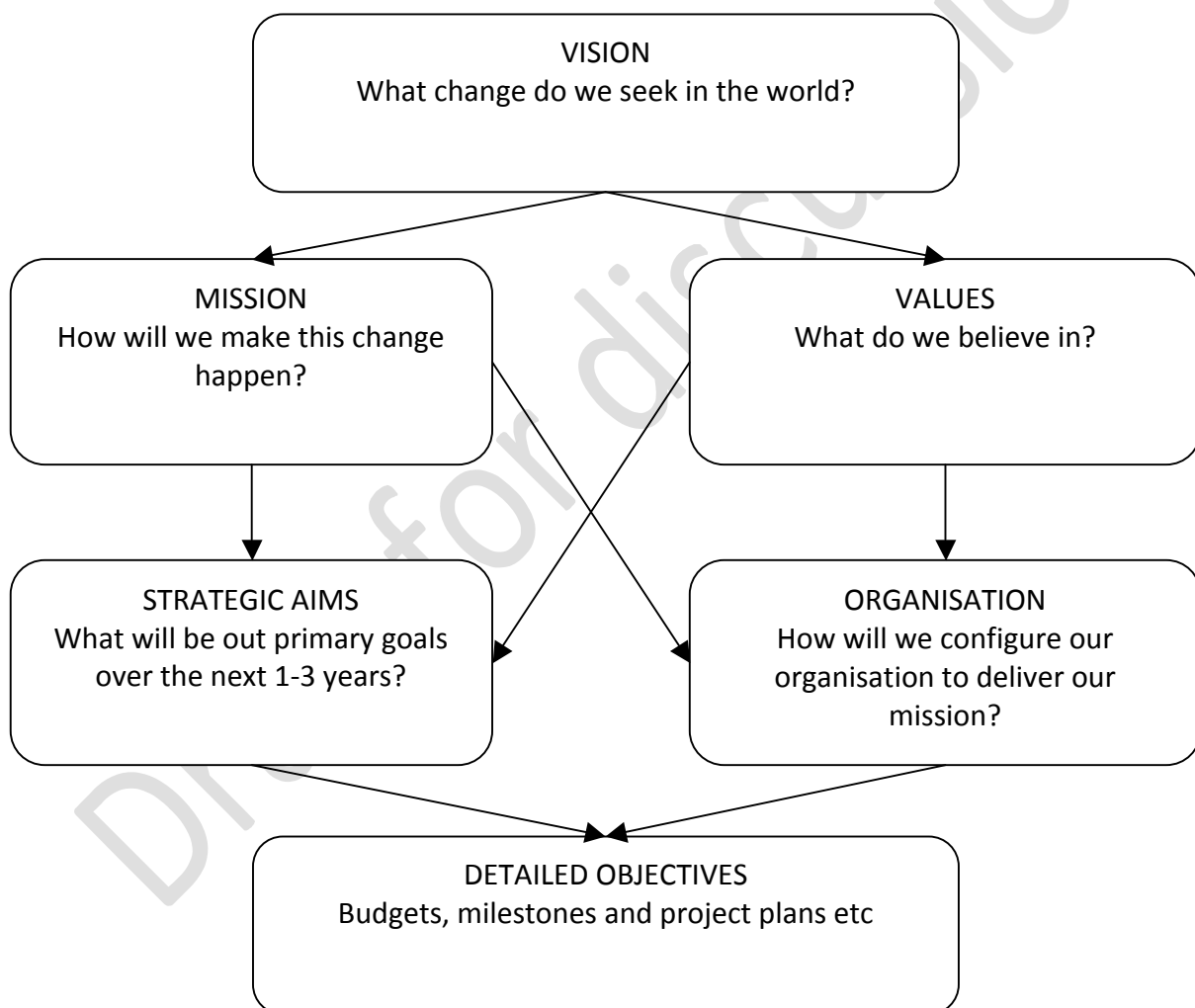


Figure 3 Strategy tree

### Why and when does having a good business model matter?

Most visual organisations define their mission in terms of making, presenting and/or enabling work, often in reference to a specific location, as the following samples demonstrate.

#### WHAT IS BALTIC?

Housed in a landmark industrial building on the south bank of the River Tyne in Gateshead, BALTIC is the biggest gallery of its kind in the world – presenting a dynamic, diverse and international programme of contemporary visual art.

WYSING ARTS CENTRE is a research and development centre for the visual arts set in 11 acres of rural Cambridgeshire. Wysing was established in 1989 and completed a £1.7million capital development project in 2008. The centre has 10 separate buildings including studio buildings, specialist new media facilities, a large gallery, education facilities and a 17th century farmhouse.

Wysing exists to support artists to maintain their careers, as artists, and explore new ways of working together and with audiences.

Chisenhale Gallery is one of London's most innovative galleries for contemporary visual art, promoting national and international developments in visual culture through its ambitious commissioning of solo exhibitions and a programme of public events including performances, film screenings and talks. Chisenhale Gallery is dedicated to increasing access to the visual arts through its artist-led, community and schools' education programme.

Great art can, and is, created by individuals and organisations with weak business models and a strong business model is no guarantor of artistic excellence. However, robust models are a pre-requisite for

- longevity;
- sustained audience engagement; and
- successful stewardship of a publicly funded building.

Longevity is not, or should not be, an end in itself: but, if an organisation's leaders wish to see their ambitions realised beyond the short term, good business models are, at the very least, of great assistance. They help organisations ride out the shocks of changes in the external or internal environment and provide comfort and encouragement to potential funders, supporters and partners.

Successful audience development requires a sustained commitment over a number of years, which in turn, requires planning and degree of financial certainty regarding future investment.

Many, if not most, publicly funded buildings occupied by visual arts organisations have full repairing leases (ie leases under which the occupier, not the landlord, is obliged to maintain the interior and exterior of the building at their own cost). To maintain the building in an acceptable condition and meet the lease obligations organisations need to plan and set

aside funds to meet periodic and substantial costs. Occupiers can no longer assume that public funds will be available to meet these costs.

You can make great work without great business models but you cannot keep doing it for very long, especially if you occupy a good-sized building.

### **What do we mean by sustainable?**

Business researchers are as fond of jargon as the contemporary art world with buzzwords coming and going like hemlines.

Until recently 'sustainability' was popular shorthand for describing successful business models which were capable of keeping their organisations in business beyond the short term. Growing interest in evolutionary biology, and possibly the recent Darwin anniversary, has seen the growing advocacy of 'resilience' as the desirable trait. I have a problem with both expressions.

Sustainability is now strongly linked with issues of environmental impact; it is also 'stodgy' and pretty unexciting. The concept suggests that sustainability is a state to be achieved and clung onto whereas, in truth, successful value creation happens at the interface between on the organisation and the outside world; success is fluid, fleeting and elusive. It is, to borrow an expression from Peter Senge of Learning Organisation fame, a 'dance'. Organisational ambitions, culture and processes act with and in the external world to deliver value (or not).

Partly in response to a growing awareness of just how fast the world is changing 'resilience' has become more fashionable; for example Mark Robinson's recent work (Robinson, 2010). There are many definitions of resilience - see (Jackson, 2010) but one of the best and simplest comes from IBM

*Business resilience is the ability to rapidly adapt and respond to risks and opportunities, in order to maintain continuous business operations, be a more trusted partner, and enable growth.*

My concerns about resilience are both theoretical and practical. First, resilience comes from systems theory and evolutionary biology and, as such, has much that is of value to say about resilient systems and ecologies but rather less about how individual components/organisms might function. Secondly, I think we are in danger of 'over-complicating' the issues we face by giving them 'sexy' sounding names; at the risk of incurring the ire of business school professors, good business modelling is not rocket science!

I believe that we need to focus on models that work and what makes them work – we can call them successful, strong, robust, sustainable or resilient – what matters is that they deliver on their core purpose. To do this an organisation must

- design itself to deliver its mission and vision to a standard which is acceptable both to itself and to those who invest in it (funders, visitors, donors and fellow artists and organisations);
- be capable of innovating and investing in its own future development; and
- have sufficient resources that it can survive a short term shock without being immediately plunged into an insolvency crisis.

### A strong business model for the publicly funded visual arts

Interestingly, there is a broad consensus among those I spoke with and in the literature regarding the characteristics of a good arts business model. For example, the table below compares the traits identified by Mark Robinson in his recent work and those identified in the Arts Council's Thrive programme. These are compatible with the more detailed 'What success looks like' statements offered in the Arts Council's Self evaluation framework (see <http://www.artscouncil.org.uk/selfevaluation>)

Making adaptive resilience real (2010)	Arts Council OD Thrive (2007)
<p><b>Resources</b></p> <ul style="list-style-type: none"> <li>• Culture of shared purpose and values rooted in organisational memory</li> <li>• Predictable financial resources derived from a robust business model</li> <li>• Strong networks (internal/external)</li> <li>• Intellectual, human and physical assets</li> </ul> <p><b>Adaptive skills</b></p> <ul style="list-style-type: none"> <li>• Leadership, management and governance</li> <li>• Adaptive capacity: innovation and experimentation embedded in reflective practice</li> <li>• Situation awareness of environment and performance</li> <li>• Management of key vulnerabilities: planning and preparation for disruption</li> </ul>	<ul style="list-style-type: none"> <li>• A strong future vision which is clearly articulated and through mission and values</li> <li>• Artistic excellence and the capacity to take artistic risks</li> <li>• A commitment to learning and development to enable the organisation to be flexible and adaptable</li> <li>• Financial viability (including positive balance sheets and a range of income streams)</li> <li>• Sound managerial systems and human resource practices</li> <li>• Good leadership and clear governance</li> <li>• A sound knowledge of present and future audiences, participants and customers</li> <li>• Strong networks and good relationships with stakeholders, customers and suppliers</li> </ul>

Table 1 Characteristics of strong arts businesses (after Robinson and Arts Council England)

Drawing on these and other authors, I would like to propose a simple and memorable model as a way of thinking about the challenges of putting together the components of a potentially successful business model for members of the Turning Point network.

I believe that an organisation needs to exhibit 3 key characteristics to be successful beyond the short term.

- It must be **attractive** to a range of co-investors (funders, donors, customers/visitors, staff, artists and other art organisations).
- It must be **agile**; able to innovate and both to initiate and respond to change, in strategic and thoughtful fashion.
- It must be **able** to achieve its goals and to execute its strategy in cost efficient and effective ways.

It must also be **well led, well managed** and have a strong and appropriate **organisational culture** which aligns and supports its mission and values.

Each of these themes is developed further below.

### The Triple A model

*The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer. Peter Drucker*

**Attractiveness** matters because:

- A portfolio of supporters willing to contribute money, time and reputation is essential to mission delivery both from a financial and a practical viewpoint. Resources are needed to finance the costs of delivery and partners are needed to make projects happen
- A diverse range of co-investors reduces an organisation's vulnerability to the reduction or withdrawal of funding
- Visual arts organisations are 'people businesses' – they need to attract and retain good people at both staff and board level but can rarely offer them substantial financial rewards

**Attractiveness** is achieved by

- A clear, compelling and attractive vision together with congruent and lived values
- A strong brand
- Clear value propositions for funders, audiences and partners including a willingness to demonstrate impact
- Transparent, honest and appropriate communications internally and externally
- Strong governance and leadership

*It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change. Charles Darwin*

**Agility** matters because:

- The next decade is likely to see significantly greater changes in the UK cultural landscape than the last one and some of those changes will not be welcome.

- Most network members are ‘price takers’ not ‘weather makers’: they have a limited ability to control the environments within which they operate. They must therefore have the capacity to respond to change when it happens.
- Agility and innovation are very closely linked; the ability to innovate, to find opportunity in change and to invent new models of delivery is a key skill for all arts businesses.

**Agility** is built and sustained by

- A relentless future focus - horizon scanning and opportunity identification
- Effective and timely decision making, delegated to the lowest possible level
- A rejection of silo working
- Provision for investment in innovation and people development
- Flexible cost structures which minimise fixed costs
- Strong financial management and high quality financial information
- Reserve levels which permit risk taking and facilitate investment

*Ideas are easy. It's the execution of ideas that really separates the sheep from the goats. Sue Grafton*

**Ability to achieve** matters because:

- Resources are scarce – successful organisations are those which use the resources that they have to greatest effect
- Being able to demonstrate ‘value for money’ and impact is a source of competitive advantage, particularly in times of increasing competition for funding (for example, see (Brookes, Kail, & Thomas, 2010), (Heady, 2010) and (Leighton & Wood, 2010))
- ‘Repeat business’ is highly dependent on getting delivery right the first time
- It builds confidence among all stakeholders including staff

The **ability to execute** comes from:

- Commitment to delivery from the top down
- Robust strategy which has been clearly communicated throughout the organisation
- People with appropriate skills
- Good project management processes
- Robust knowledge management systems
- Strong performance management

Good leadership and management are essential to the establishment and maintenance of these traits. I like John Kotter’s (Kotter, 1996) definition of the difference between leadership and management – see below.

Leadership is shared between board and senior staff, whilst management rests solely with the staff team unless the organisation is very small and the board is very ‘hands on’.

Leadership is	Management is
<ul style="list-style-type: none"> <li>• Establishing direction</li> <li>• Aligning people</li> <li>• Motivating and inspiring</li> <li>• Produces change, often to a dramatic degree, and has potential to produce extremely useful change</li> </ul>	<ul style="list-style-type: none"> <li>• Planning and budgeting</li> <li>• Organising and staffing</li> <li>• Controlling and problem solving</li> <li>• Produces a degree of predictability and order and has potential to produce consistently the short term results expected by stakeholders</li> </ul>

Table 2 Leadership and management compared (after Kotter)

Or put very simply

*Management is doing things right; leadership is doing the right things. (Peter Drucker)*

The development of leadership and leaders within the sector has received considerable attention and funding in the past decade via organisations and initiatives such as the Cultural Leadership Programme and the Clore Foundation but the development of competent managers – an easier but less ‘sexy area – has not. We have a sector full of very creative, intelligent, enthusiastic, self-motivated and highly qualified individuals who, all too often, do not have the skills they need to be efficient and effective.

*Efficiency is doing things right; effectiveness is doing the right things. (Peter Drucker)*

Good leaders develop and nurture a strong and appropriate organisational culture. I am using Edgar Schein’s definition of organisational culture as:

*A pattern of shared basic assumptions that the group learned as it solved its problems that has worked well enough to be considered valid and is passed on to new members as the correct way to perceive, think, and feel in relation to those problems*

We know what good business models would look like – how do the current ones compare?

## How good are the current models?

There is a widespread consensus that many business models within the publicly funded visual arts sector are relatively weak and particularly vulnerable to modest changes in funding.

This section considers why this might be the case and to what extent it is true from 3 perspectives:

- Some of the business challenges inherent in the culture and modes of operation of the sector generally
- An consideration of the variety of business models within the sector and their challenges
- A snapshot of the 2008-2009 annual return data

## Some systemic challenges

The following addresses some systemic issues that present significant challenges to the establishment and maintenance of strong business models within this sector.

### The culture of the visual arts

There are two aspects of the culture of the visual arts sector as a whole which somewhat operate against the establishment of successful businesses. I do not mean to suggest that either trait is universal or dominant but both are present, pervasive and impact on performance.

First, drawing on the paradigm of the solitary artist working in their studio, there is a strong streak of individualism in the visual arts. This does not make for effective team work or for a willingness to learn from others. Strong teams are central to modern business practice but the principles are poorly understood and not commonly implemented in this sector. Processes are designed from scratch without considering whether others might have undertaken similar work before and that their example can be learnt from. Knowledge management is poor, relying on individual recollection and generosity instead of being embedded through culture and process; 're-inventing the wheel' is a common pastime. These practices may well make for rewarding jobs for individuals, and offer some compensation for low rates of pay and poor career prospects, but they do represent a waste of resources in business terms.

Secondly, there is a strong current within visual arts thinking which Bourdieu christened 'the disavowal of the economy'.

*The art business, a trade in things that have no price, belongs to the class of practices in which the logic of the pre-capitalist economy lives on (as it does, in another sphere, in the economy of exchanges between the generations). These practices, functioning as practical*



*negations, it can only work by pretending not to be doing what they are doing.* (Bourdieu, 1980)

Put simply, it is hard to work at building a successful business model whilst denying that it is what you are doing or that it has value as an activity.

### **Attitude towards failure**

As a general rule, the arts funding system finds it hard to allow failing organisations to fail. Concerns over losing the value of past public investment and political fallout, coupled with a commendable desire to give a failing organisation every chance to turn itself around, combine to produce a profound reluctance to walk away until every single avenue has been explored.

This reluctance produces, to borrow a phrase from the recent banking crisis, moral hazard. Organisations are not incentivised to focus on sustainability in the good times or to take rapid and appropriate action in the bad times, if they believe that the funding system will, in the end, bail them out.

### **Free entry**

Unlike other arts venues, most galleries and similar organisations do not charge for entry. This creates a number of challenges for visual arts organisations.

First, in a financial sense, visual arts organisations are rather more like public sector bodies (eg the NHS) than they are like performing arts venues. As 'services are free at the point of delivery' their business models are missing a key component: substantial sales income related to their core activity. It is very hard for such organisations to prevent increased delivery having a negative financial impact as more activity translates into more costs with little additional income to offset the rise in costs. In addition, such models, especially when coupled with large overhead costs, are very inflexible with modest cuts in revenue having a disproportionate impact on the resources available for the programme. In effect, the 'break even' point for such organisations is set very high. This was very apparent in a review of all 42 visual arts Sustain applications received by Arts Council England. All but 2 claimed that declining income, in several cases at quite modest levels, was endangering the delivery of significant elements of their planned programme. (The 2 who did not cite falling income as a major issue were involved in major capital projects which had encountered difficulties.)

Second, in the absence of a major commercial income stream to manage, there has been relatively little incentive (and few resources) to develop in-house business and financial skills at both strategic and operational levels. Many managers in charge of financial strategy and control have little or no financial training. Financial reporting is frequently basic at best. Too few organisations prepare meaningful strategic or business plans. A review of the Sustain applications revealed that only 12 organisations could evidence some understanding of their own business model and of the impact which the banking crisis had had upon their business.

Lastly, visual arts organisations have had little incentive or, in some cases, interest in collecting good audience data and in developing relationships with their audiences. There are hopeful signs that this is changing, for example the joint audience development project being developed Turning Point SE and Audiences South. However, the absence of good customer information is a serious obstacle to building better business models; a key component of most sustainability strategies should be closer engagement with and commercial ‘exploitation of’ at least some audience segments.

### A multiplicity of business models

There are multiple lenses through which it is helpful to consider business models within this sector; three are offered here:

- Activity and investment models
- The Henley Matrix
- In comparison with the performing arts ‘paradigm’

There is also a consideration of start ups and agencies as special cases with particular challenges.

### Activity and investment models

This insight comes from Mark Robinson’s work (Robinson, 2010) in which he writes that

*This greater clarity about ‘building’ or ‘buying’ is much needed on all sides of the ‘funding’ equation if we are to use available money well. Does an organisation actively use its assets to create new revenue to create fresh assets, for instance – or does it do whatever activity funding enables? (All talk of alternative business models seems to boil down to this binary – the rest is technical info and risk assessment.)*

Whilst not agreeing that this ‘binary’ is the only lens I would use it is a useful one that I have expanded on below.

Programme model	Investment model
<ul style="list-style-type: none"> <li>• Cash in =&gt; activity out. Focus on programme delivery</li> <li>• Minimal investment in non-programme areas</li> <li>• Inherently vulnerable to changes in funder resources and priorities</li> <li>• Work largely within an ‘arts space’ talking to other ‘arts professionals’</li> <li>• Change usually only possible at an incremental level eg better fundraising</li> <li>• Relatively straightforward model to run</li> <li>• Majority of the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Co-investors (funders, audiences, artists and other organisations) work with the organisation to develop new assets (tangible and intangible)</li> <li>• Investment in people and innovation</li> <li>• Focus on ideas/artist development etc as well as programme delivery</li> <li>• Permeable – working inside and outside the arts</li> <li>• Step or transformational change model – game changers</li> <li>• Really hard to make it work</li> <li>• Examples of organising pioneering this route: Watershed, BowArts Trust,</li> </ul>

Table 3 Programme and investment models

The majority of organisations would fit into the programme model with relatively few seeking to pursue the much more challenging route. A healthy ecology needs many programme focussed organisations and a few ‘game changers’.

**The Henley Matrix**

A useful way of grouping them into a manageable framework is to use the matrix devised by the Henley Centre for Arts Council England as part of its C21st organisation programme (Curry & Gunn, 2005) which maps engagement (community => individual) against assets (knowledge => fixed).

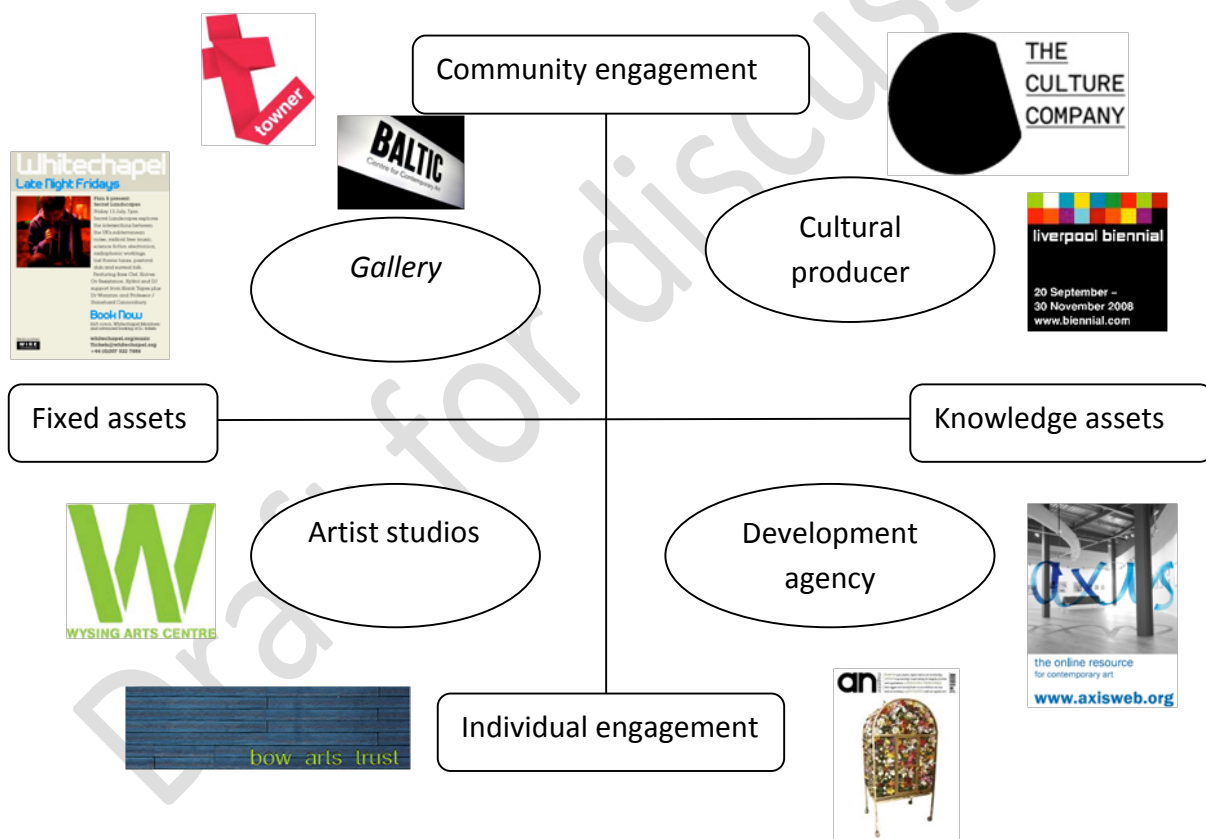


Figure 4 Henley Matrix

The following paragraphs address the benefits and challenges, from a business viewpoint, which arise from being in each sector

### *Fixed assets*

We are coming to the end of a period of remarkable public investment, via The National Lottery, in the refurbishment and construction of arts venues. Since 2000, the Arts Council alone has invested £104 million in visual arts buildings.

At a financial level, the decision to invest so heavily in bricks and mortar is rather counter-intuitive. Within the commercial world, there is a growing acceptance that value creation in the C21st will come from the exploitation of intellectual property and that competitive advantage will accrue to those who can best manage assets which others own (for example (Iansiti & Levien, 2004)).

A review of the 2008/2009 statutory accounts of 10 large building based visual arts organisations revealed that only one organisation (Baltic) had set aside funds to meet its expected future repair and refurbishment obligations. The problem appears to be compounded by the (correct) practice of writing depreciation off against restricted fund balances; no cash from unrestricted funds is therefore being 'saved' to fund repairs and renewals as would be the case in a commercial organisation.

Charities and commercial companies operate slightly different accounting rules. For profit companies do not have restricted funds (trust funds given for specific purposes). Assets are capitalised on the balance sheet and the asset value is reduced by an annual depreciation charge that appears as an expense on the balance sheet. If all other things are equal and the company achieves a break-even result or better, the company will amass a cash balance equal to the depreciation charge, enabling future assets purchases as the need arises.

Under the charity accounting rules (SORP) grants for capital projects are recorded as 'income' in the Statement of Financial Activities, but the capital costs go straight to the balance sheet, creating a large surplus in the years the grants are received. This, in turn, creates a substantial restricted fund reserve on the balance sheet that matches the restricted fund asset. Depreciation is charged annually against the asset. Most arts organisations do not budget for restricted fund depreciation, understandably seeing it as 'book entry' which has no impact on their business and not being concerned at the restricted funds 'losses' which result. Unfortunately this means the business is not setting aside cash for replacements.

Combined with the expected contraction in public funding, the ability of some organisations to maintain and update their buildings is at best uncertain.

### *Knowledge assets*

Knowledge assets (defined as the intellectual capital that an organisation owns or needs to own to enable it to deliver its mission and create value) make for a potentially more flexible business model than bricks and mortar. The challenge is to manage the asset effectively given that the 'asset' is to a great extent, inside your employees' heads. An organisation

working in this area needs to be able invest substantially in the development of their staff and in the systems which support knowledge collection and sharing.

### *Focus of engagement*

In general, it will be easier for organisations whose engagement is focussed at the community rather than individual level to build a diverse funding portfolio as their work will be more easily understood and appreciated by a wider range of funders and donors. For example, it is relatively easier to attract funding from individual or corporate donors for a schools workshops than for an artist development programme.

### *The performing arts 'paradigm'*

During my research many of those I consulted commented that the prevailing arts funding paradigm was that of the performing arts and that it was important to understand how the two models differed.

The following summary comparison between a hypothetical regional producing theatre and a 'typical' regional gallery explores the key differences in business model and their implications. Clearly, many of these comments will not apply to all visual arts organisations eg artist studios.

- The absence of paying customers is the most significant difference. The business model is less flexible both in terms of cost (proportionally higher fixed costs) and revenues (fewer opportunities to boost revenue and profits through programming). In a gallery, increased activity usually leads to an increasing need for subsidy. Audience numbers are not a major component in balancing the budget and are therefore sometimes ignored, thereby ignoring a critical source of new revenue. In the absence of a commercial income stream to manage, business skills are not prioritised/developed within the staff team and there is little investment in better business processes.
- Within producing theatre there is a tradition of collaboration as a result of co-producing, presenting etc. Typically, curators wish to curate their own shows not stage ones put together by others.
- Variations in customer behaviour make it harder to generate commercial revenue – theatre audiences purchase high margin alcohol and merchandise over a restricted time frame whereas gallery visitors buy a coffee during the day
- Lack of a well established network of industry bodies which provide cohesion and opportunities for shared learning/networking eg TMA, SoLT, BECTU, ITC

In the absence of paying customers at the heart of the business, visual arts organisations will always need to work relatively harder to build and maintain robust models.

### *Start-ups/project funded and SUN organisations*

There are two groups of organisation that will always struggle to establish an operating model that is truly sustainable.

The first group are the very small, start-up, project funded organisations. It is hard to see how these organisations can boot-strap themselves up to sustainability without additional organisational development support. They often do not have the skills, the time or the money to invest in doing more than delivery. As they are unlikely to generate returns at a commercial level, they cannot follow the usual commercial routes of bank borrowing, venture capital or private equity.

The second group are agencies created by policy makers and funders to 'plug gaps in the market' and support the wider ecology. Frequently, these organisations were created to bridge a substantial gap between what funding bodies believed the sector needed to thrive and what the 'market' ie artists and arts organisations were willing and able to pay for. Such organisations will often struggle to find multiple income streams and will remain heavily dependent on public subsidy.

### Snapshot 2008/2009

This section looks at the 188 members of the Arts Council visual arts RFO portfolio through the lens of the Henley Centre matrix. The financial data is actual data for 2008/2009 from the organisation's annual returns. The data is aggregated at a high level and does not permit detailed analysis.

In total the organisations generated turnover of £131m, received Arts Council funding of £46m and other public funding of £26m.

The aggregate deficit for the year was £3.2m and total deficits were recorded for all three years from 2007 to 2010. It is likely that some, if not most, of these deficits relate to the write down of restricted fund assets however they still tell a story of weakening balance sheets and a failure to set aside funds for asset maintenance.

	Community + knowledge (‘cultural producer)	Individual + knowledge (‘agency’)	Individual + fixed (‘studio)	Community + fixed (‘gallery)
No of organisations	43	52	20	73
Total turnover	£19m	£21m	£8m	£84m
Average turnover	£0.4m	£0.4m	£0.4m	£1.1m
Total surplus/(deficit)	(£0.4m)	£0.04m)	£0.3m	£3.1m

Figure 5 2008-2009 Henley Matrix analysis

The portfolio covers a very wide range of organisations in terms of scale and business model. The largest RFO has a turnover of over £8m whilst the smallest has less than £50k. 37 organisations received over £1m in core Arts Council support (66% of the total) and core grants ranged from £2.8m to less than £40k per year. The galleries clearly dominate the

portfolio in financial terms. Most organisations are tiny in financial terms, with 90% meeting the EU definition of micro businesses.

A microenterprise is defined as an enterprise that employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million (£1.7m).

The inherent fragility of micro businesses is well documented in the commercial world and is key reason why publicly funded support is offered to their owners via Business Link, local authority enterprise and regeneration teams etc.

The following tables summarise the income and costs breakdown for the year.

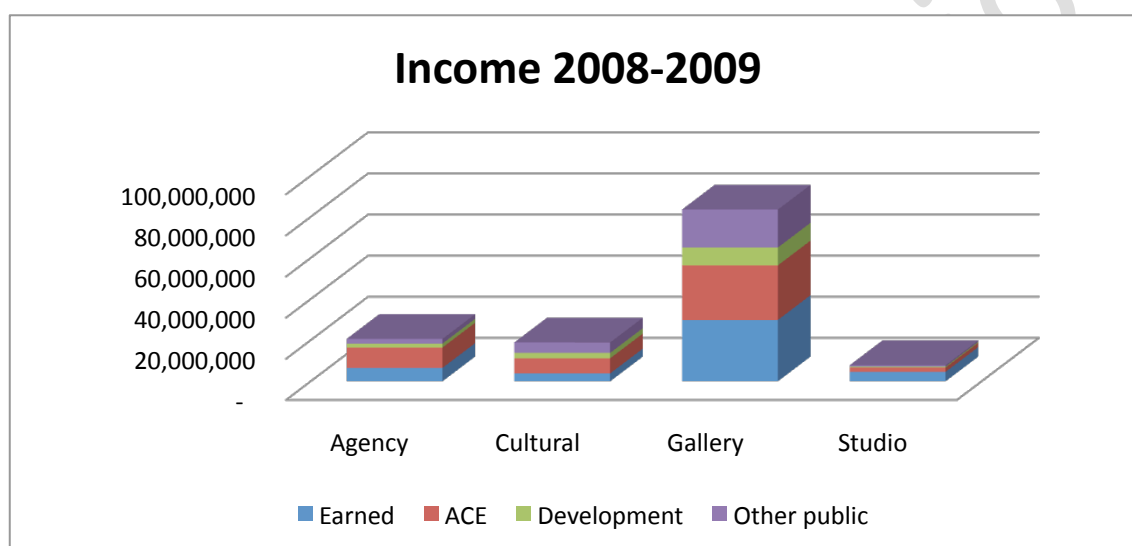


Figure 6 Income 2008-2009

All of the sub sectors are vulnerable to reductions in public funding; those most at risk are the cultural producers who receive 2/3 of their funding from these sources compared with 1/3 for studios.

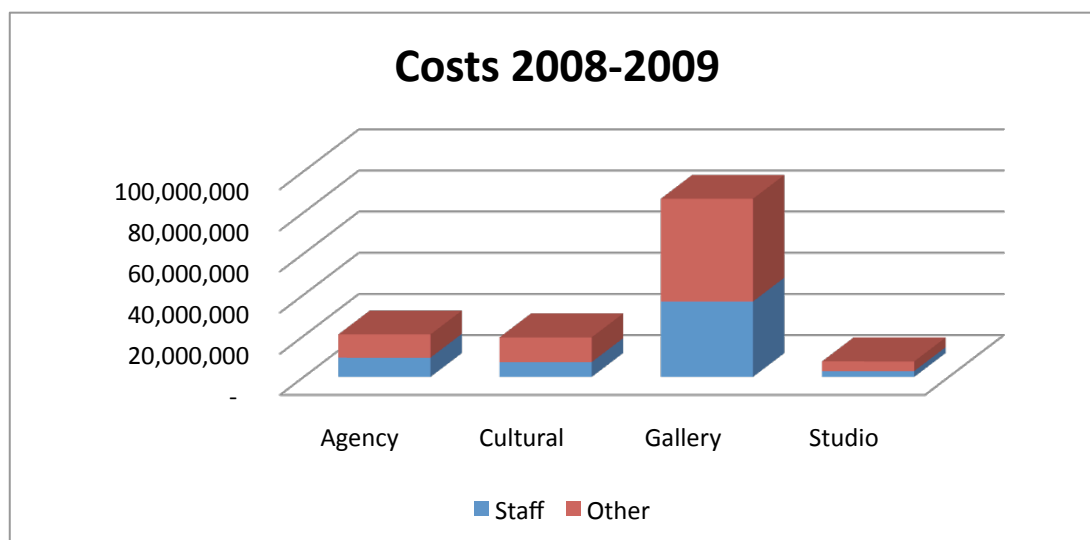


Figure 7 Costs 2008-2009

The cost structures within the sub sectors vary significantly. Staff costs make up a high percentage of total costs - 45% of agency and similar organisations' costs and 37% for studios and cultural producers.

In summary:

- In aggregate, the portfolio looks weak financially
- Most organisations are micro businesses and face the challenges of being very small and having very limited resources
- The portfolio is very fragmented with great variations in scale and business model. Work on improving financial viability needs to take place at the sub sectoral level with similar organisations working together to take on common challenges
- Staff costs represent a substantial proportion of total costs.



## How can visual arts organisations develop better business models?

This section sets out a number of actions which visual arts organisations could take to strengthen their business models; not all actions will be relevant or appropriate for all organisations, some are potential 'quick wins', others are major cultural changes which might take several years to bear fruit.

The recommendations are broken down as follows:

- Audience focus
- Business skills development
- Smarter support operations
- Financial strategy

### Audience focus

Audiences (including potential collectors) are the most obvious and currently under exploited source of future resources and income; their development should be a key component in the sustainability strategy of any organisation with a community/public focus.

A number of projects and initiatives are now underway which are exploring the potential of this area.

- Audiences London and London galleries project to develop a framework for standardised audience data collection. Organisations involved are: Artangel, Art in the Open, Autograph, Barbican Gallery, Beaconsfield, Café Gallery Projects, Camden Arts Centre, Chisenhale, Courtauld, Design Museum, Dulwich Picture Gallery, Gasworks, Hayward, ICA, Iniva, Matt's Gallery, National Gallery, National Portrait Gallery, Photographers' Gallery, Royal Academy, Serpentine Gallery, Showroom, South London Gallery, Tate, V & A, Whitechapel - <http://www.audienceslondon.org/2413/our-collaborative-projects/audiences-for-the-visual-arts-stage-2.html>
- Turning Point SE and Audiences South pilot programme
- Contemporary Art Society collector development programmes in the North East and North West - <http://www.contemporaryartsociety.org/become-a-member/north-east> and <http://www.contemporaryartsociety.org/become-a-member/contemporary-art-society-north-west>
- Turning Point East's work on collector development
- Wysing Arts' collector scheme – <http://wysingcollective.blogspot.com/>

It is vitally important that the Network identifies mechanisms to share the learning from these projects and that ways are found to invest further in this area.

## Business skills development

The general level of business skills within the sector is low. Too often, performance is not well managed, financial information is late and uninformative and marketing is tactical and reactive. Scarce resources are wasted because people do not know how to use them more effectively.

It is very hard for small organisations employing a few people to commit time and money to training. Could the Turning Point network help to bring organisations together to share training either on a regional or sub sector basis? How could the online tools currently being developed support this? Could mentoring schemes be developed with the support of individuals from other art forms, other areas of the third sector or workers in the creative industries?

Other possible sources of support and learning include:

- Board members with business experience
- Business Link
- Creative & Cultural Skills
- Business schools in Higher Education Institutions
- Further Education colleges
- Local Enterprise partnerships (possibly)

## Smarter support operations

In business, one of the 'rules of thumb' is that you can take 10% out of the cost base of most businesses without significantly impacting on delivery but that beyond 10% you have a choice: you either do less or do things differently. All of the organisations in the Network face cuts of over 10% and few would wish to do less in terms of programme, so the obvious solution is to re-think those operations which are not integral to the organisation's specific cultural offer.

There are five possible (not mutually exclusive) options; all should result in reduced costs and/or a better service for the same money but would require careful planning and a willingness to re-think and probably formalise existing processes.

- Joint procurement
- Outsourcing
- Shared services
- Re-designing your business processes
- Volunteering

## Joint procurement

Joint procurement is simply defined as

*combining the procurement (ie purchasing) actions of two or more contracting organisations.*

Commonly quoted advantages and challenges are:

Advantages	Challenges
Lower prices	Up front investment in establishing frameworks and agreeing needs
Lower admin costs	Need to compromise
Pooling skills and expertise	Need to change existing processes eg planning

**Table 4 Joint procurement**

## Outsourcing

Outsourcing is usually defined as

*the transfer of a business function to an external service provider (could be a member of the network = shared services). Not the same as subcontracting – ongoing relationship rather than a one off.*

The practice originated in the private sector but is becoming more commonplace within the public and third sectors. Examples within the arts world include

- Outsourcing of payroll and book-keeping functions
- Use of freelancers
- Operation of some catering operations
- The provision of administration services to resident companies by their hosts eg Pilot at York Theatre Royal
- The management of the newly opened Corby Cube by Northampton Theatres
- HQ's management of a number of civic venues

The advantages and challenges are usually summarised as follows:

Advantages	Challenges
<ul style="list-style-type: none"> <li>• Concentrate on core business</li> <li>• Cost and efficiency savings</li> <li>• Higher quality service through better skills and experience</li> <li>• More flexible cost structure</li> </ul>	<ul style="list-style-type: none"> <li>• Upfront investment in agreeing contracts/service level agreements</li> <li>• Need to re-think and probably formalise your own processes</li> <li>• Risks around non-delivery need managing</li> </ul>

**Table 5 Outsourcing**

## Shared services

Shared services is the same as outsourcing except that a group of like minded organisations come together to provide each other with services, or form a new entity to do so. The issues are similar to outsourcing except that you are working with 'friends' with all of the advantages and possible disadvantages that such a relationship brings.

**ConsortiCo Ltd** is a consortium of voluntary sector organisations. **Bedford Creative Arts** is a founder member.

The aim of ConsortiCo is to harness the strength and flexibility of the voluntary sector to deliver public sector contracts. It provides a single contracting route for commissioners, whilst protecting the unique identity and contribution of the member organisations.

Member benefits include:

The ability to join a fast-growing family of like-minded voluntary organisations

The ability to participate in consortium bids for larger/more complex contracts

Advice and support from the ConsortiCo hub

Reduced isolation for chief officers

The ability to create shared services such as HR advice and IT purchasing

The ability to work in “thematic partnerships” to develop concepts to present to commissioning bodies

The piloting of such an approach by one of the Turning Point groups, with a clear remit to share the lessons and structures, would be a significant contribution to enhancing sustainability.

### Re-designing your business processes

There are two main reasons to review your operational processes periodically to see if they can be improved:

- Over time business processes tend to become less efficient; and
- The last ten years have seen a revolution in business support technologies (eg accounting, project management, customer relationship management) that are now relatively inexpensive and easy to use with minimal training.

Shape introduced a new enterprise level accounting system (cost £10k inc training) that allowed them to produce management accounts promptly, funder reports automatically and real-time financial information for all budget holders on their computer desktops

Understanding, charting and re-designing business processes is time consuming but not overly challenging; it can yield real results in terms of reducing activities that do not add value and improving performance.

### Volunteering

Interns are an established feature of the operating models of many visual arts organisations. Recently, in response to rising unemployment particularly among the young and ideas

around The Big Society, there has been renewed debate around the ethics of using volunteers and unpaid interns.

In December 2009 the TUC and Volunteering England (<http://www.volunteering.org.uk>) agreed a joint charter incorporating the following principles

- All volunteering is undertaken by choice, and all individuals should have the right to volunteer, or indeed not to volunteer;
- While volunteers should not normally receive or expect financial rewards for their activities, they should receive reasonable out of pocket expenses;
- The involvement of volunteers should complement and supplement the work of paid staff, and should not be used to displace paid staff or undercut their pay and conditions of service;
- The added value of volunteers should be highlighted as part of commissioning or grantmaking process but their involvement should not be used to reduce contract costs;
- Effective structures should be put in place to support and develop volunteers and the activities they undertake, and these should be fully considered and costed when services are planned and developed;
- Volunteers and paid staff should be provided with opportunities to contribute to the development of volunteering policies and procedures;
- Volunteers, like paid staff, should be able to carry out their duties in safe, secure and healthy environments that are free from harassment, intimidation, bullying, violence and discrimination;
- All paid workers and volunteers should have access to appropriate training and development;
- There should be recognised machinery for the resolution of any problems between organisations and volunteers or between paid staff and volunteers;
- In the interests of harmonious relations between volunteers and paid staff, volunteers should not be used to undertake the work of paid staff during industrial disputes.

These principles, together with the detailed guidance offered by Volunteering England, do provide a suitable framework for the employment of unpaid staff. It is not a no cost option – good volunteering schemes cost money to set up and run – but it does offer a way for organisations to reduce their fixed cost base whilst maintaining activity levels.

## Financial strategy

### Fundraising and philanthropy

The Coalition Government has clearly signalled their wish to see arts organisations increase their fundraised income and Arts Council England will shortly release a policy paper on philanthropy. With notably exceptions such as The Serpentine Gallery the visual arts

(especially outside London) has not done as well as other arts forms such as music in this area.

This is a substantial topic and well beyond the reach of this short report however I would suggest that the Network consider commissioning some research in this area around:

- Comparing current fundraising performance across the Network and exploring the reasons for relative success and failure
- Assessing the potential for further fundraising
- Pilot studies, possibly as action learning sets

### Active reserves policy

Reserves are 'boring' and receive very little attention. Many organisations have chosen to budget for 'break even' year after year and not to build reserves, believing that,

- in the event of a financial crisis, they will be 'bailed out'; or
- that funders will withdraw grants from organisations with 'too much money in the bank'.

If either position was ever true, neither is true now.

Reserves are a fundamental component in a sound business model. Appropriate free reserve levels (ie unrestricted reserves not invested in fixed assets) are essential to allow an organisation:

- To respond strategically to changes in funding and the external environment without being forced into 'slash and burn' cost cutting;
- To invest in opportunities and in long term development which cannot be easily or quickly fundraised for'
- To take both programming and commercial risks and to reap the rewards; and
- To manage cashflow peaks and troughs.

For a useful summary of the issues see the recent MMM report ( Bolton & Cooper, 2010).

Reserves planning should be part of the business planning process for any organisation and should tie directly into risk assessment. There are a number of sources of excellent advice on reserves policies and risk management on the web including

- Charity Commission CC19 Charities and reserves <http://www.charitycommission.gov.uk/publications/cc19.aspx>
- Charity Times [http://www.charitytimes.com/pages/ct\\_features/august06/text\\_features/ct\\_august\\_06\\_feature4\\_balancing\\_the\\_equation.htm](http://www.charitytimes.com/pages/ct_features/august06/text_features/ct_august_06_feature4_balancing_the_equation.htm)
- Sayer Vincent – Drawing up a reserves policy <http://www.sayervincent.co.uk>

### Improving secondary spend

Many galleries and other venues have a catering outlet and some have a shop, after allocating overheads most do not make money. A notable exception is Cornerhouse that has a:

- Great location;
- Strong brand; and
- Does not try and run the business itself.

If you have a catering or retail operation that is not performing consider commissioning a 'quick and dirty' external review from an expert consultant.

Consider if your offer is appropriate – many venues offer the kind of catering their senior managers enjoy rather than the service that the majority of their visitors want. Do not confuse issues about branding with personal likes and dislikes.

Be ruthless – if it cannot make a profit because it is too small, there is too much local competition or not enough footfall – close it or at least contain the losses by passing the risk onto an outside firm.

For guidance see [http://www.ncass.org.uk/content/become\\_a\\_caterer.aspx](http://www.ncass.org.uk/content/become_a_caterer.aspx)

### Overhead review

If your organisation occupies a sizeable building consider commissioning an overhead review from a reputable cost management consultancy if one has not been undertaken in recent years. Standard terms are: no upfront fees and 50% of all savings achieved over 3 year period. The consultants, who utilise smart computer programmes and their connections with utility suppliers etc to compare prices and negotiate better deals, will undertake the bulk of the work for you. Savings can be in the region of 20-50%.

In 2009 Farnham Maltings instructed Auditel to undertake a review of its overheads. Savings achieved were in the range of 13% for gas and electricity, 23% on merchant card fees and 60% on alarms. See

<http://auditel.co.uk/publish/testimonials/2010/06/30/farnham-maltings/#more-755>

## Concluding thoughts

During this research an interesting paradox emerged. There is a widespread belief, broadly supported by the evidence, that business models in the visual arts are generally weak and vulnerable to relatively modest changes in public funding and the external environment. Equally, there is a broad consensus around the necessary traits of a strong business model, for example those set out by the Arts Council Thrive programme and widely endorsed by policy makers, consultants and leaders in the sector:

- A strong future vision which is clearly articulated and through mission and values
- Artistic excellence and the capacity to take artistic risks
- A commitment to learning and development to enable the organisation to be flexible and adaptable
- Financial viability (including positive balance sheets and a range of income streams)
- Sound managerial systems and human resource practices
- Good leadership and clear governance
- A sound knowledge of present and future audiences, participants and customers
- Strong networks and good relationships with stakeholders, customers and suppliers

I have summarised these as the need for an arts business to have a strong and appropriate organisational culture and to be well led and managed so that it can be attractive, agile and able to deliver.

## Suggestions for further action

We know what success would look like, the challenge is to make it happen. Some of the obstacles are systemic but there are many actions that individual organisations and the Network could take that would make a significant difference to the health of individual organisations and the sector as a whole. Building better business models is not 'rocket science' – it is a combination of hard work, serious thinking, common sense, a focus on the customer and being open to learning from those in other artforms, the Third Sector and the private sector.

The following are offered as a friend not a critic!

### Individual organisations

- Understand your own business model (if you do not already) using one of the models offered in this report. Get real clarity about what it costs you to deliver each aspect of your programme on a full cost recovery basis. Understand where you really add value and where things could be done better, possibly by someone else.
- Take a long hard look at your current reserves policy and the risks your organisation faces. Be honest and set a policy target you will actually deliver and be prepared to live with the consequences if you do not set aside enough.



- Actively consider how you could collaborate at an operational level with other organisations in your region/sector via joint procurement and/or shared services.
- Identify those parts of your business that are 'generic' and not fundamental to your unique cultural offer eg book-keeping, payroll, IT. Consider whether you could outsource these to an external provider or share services with other cultural organisations to save money and/or get a better service for the same money.
- Challenge yourselves to get to know your audiences better and work out how you could generate more financial value from them eg more retail spend per head, Friends schemes
- If you have a commercial trading operation eg shop, café or room hire does it make money after you have taken all the costs into account? If not, why are you running it? What could you do to increase profitability?
- Work out how you could raise the business awareness and skills within your organisation. Options include: getting your board involved, Business Link, Local Enterprise Partnerships, your local business school and/or FE college as well as training, knowledge transfer from consultants and bringing new staff into the organisation.
- Consider the introduction of a modern, well thought volunteering or intern programme to reduce your fixed cost base.
- If you run a building, consider an overhead review by a reputable cost management consultancy. There should be no upfront fees and you share the savings with them, typically 50:50 over a say 3 year period.

### Turning Point Network

- Open up the debate about the relationship between the visual arts and business
- Use the knowledge sharing tools being developed to highlight interesting ideas and good practice about arts businesses both in the UK and overseas
- Encourage pilot projects and share the resulting learning. Consider the developments of toolkits, tips 'n' tricks and good practice guides out of these pilots to be shared across the network. Look at the Third Sector for good examples of how to do this eg NCVO, ACEVO, ACF. I would suggest the following topics, some of which are already underway:
  - shared services;
  - audience development;
  - business skills development; and
  - individual and corporate giving outside of London.

### Funders particularly Arts Council England

- Become less tolerant of under-performance and become more willing to 'pull the plug' on failing organisations and projects
- Mandate the use of the self-evaluation framework for all regularly funded organisations and insist upon the production of proper 3 – 5 year business plans

- Provide clear guidance on the importance of a proper reserves policy and strategy
- Place a greater emphasis on audience development within the visual arts
- Consider how the new funding framework could support the development of shared services
- Explore with the sector and other players eg Sector Skills Councils, NCVO how the level of business skills could be raised within the sector
- Invite all recipients of OD funding to share their knowledge within their sector and/or regionally
- Publish in an accessible form the key learning points from the OD Thrive programme
- Continue to support the Network as a key mechanism in building strength within a fragmented sector.

This concludes my report. It has been a most fascinating project whose timeliness has seemed to grow with each passing week. The chance to reflect on some issues very close to my heart has been a great gift and a privilege. I would like to thank Vivienne Bennett and the Turning Point Network for commissioning the work and for all those who have, in so many generous ways, assisted with its production.

Our sector is full of creative and exciting people making and presenting great work. The changes we need to make are, I believe, fairly clear – the challenge will be harnessing our creativity and passion to make those changes so we can continue to deliver great work.

Thank you for reading

Susan J Royce  
Barbican, London  
27 October 2010

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## Appendix B: contributors

Claire	Antrobus		
Vivienne	Bennett	Director, Visual Arts Strategy	Arts Council England
Lynn	Blackadder	Consultant	Lynn Blackadder Consultancy
Iwona	Blazwick	Director	Whitechapel Gallery
Sarah	Bolling	Interim Chief Executive	Audiences London
Kate	Brindley	Director, Museums & Galleries	Middlesborough Council
Andrew	Brown		Arts Council England
David	Brownlee	Chief Executive	Audiences UK
Anna	Dinnen	Manager, Organisational Development	Arts Council England
Alison	Edbury	Chief Executive	&Co
Ken	Elvy	Director, Organisational Development	Arts Council England
Caroline	Felton	Chief Executive	Creative & Cultural Skills
Adrian	Freidli	Director, Digital Projects	Arts Council England
Dawn	Giles	Director	Bedford Creative Arts
Elizabeth	Gilmore		Arts Council England
Chris	Grady	Consultant	Chris Grady.org
Rosy	Greenlees	Chief Executive	Crafts Council
Hilary	Gresty	Director	VAGA
Timandra	Gustafson	Arts Projects & Resources Manager (acting)	Hampshire County Council
John	Hartley		Arts Council England
Paul	Hobson	Director	Contemporary Arts Society
Diane	Howse	Co-director	PSL
Annabel	Jackson	Consultant	Annabel Jackson Associates
Amanda	King	Turning Point South East Co-ordinator	
Dawn	Langley	Consultant	Alchemy research & Consultancy
Donna	Lynas	Director	Wysing Arts Centre
Sheila	McGregor	Chief Executive	Axis
Val	Millington	Director	NFASP
Dave	Moutrey	Chief Executive	Cornerhouse
Andrew	Nairne	Executive Director, Arts Strategy	Arts Council England
Michael	Noonan	Consultant	
Taylor	Nuttall	Director	folly
Ian	Oakley-Smith	Director	PricewaterhouseCoopers
Victoria	Pirie	Chair	Walford Mills
David	Pratley	Consultant	David Pratley Associates
Francis	Runacres	Director, Investment	Arts Council England
Mark	Segal	Director	Artsway
Paul	Smith		Liverpool Biennale
Michelle	Solarno		Arts Council England
Mary Alice	Stack	Manager	Artco
Pauline	Tambling	Managing Director	National Skills Academy

Sally	Taylor	Director	LCACE
Sally	Taylor	Director	LCACE
Jon	Treadway	Director of Regular Funding	Arts Council England
Alessandro	Vincentelli	Curator	Baltic
Richard	Watts	Consultant	People make it work
Simon	Zimmerman	National co-ordinator, Turning Point	Arts Council England

Draft for discussion

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## Appendix C: organisations reviewed

ACAVA	South London Gallery
ACME	Spike Island
Arnolfini	the Architecture Foundation
Artangel	The Culture Company
Artsway	Watershed
Aspex	Whitechapel
Beam	Workplace Gallery
Bedford Creative Arts	Wysing Arts Centre
Bluecoat	Yorkshire Arts Space
BowArts Trust	YSP
Bridge Street Arts	
Camden Arts Centre	
Centre for Creative Collaboration	
Compton Verney	
Cornerhouse	
De La Warr	
Derby Quad	
Devon Guild	
FACT	
Forma	
Four Corners	
Future Everything	
Grizedale	
ICA	
Ikon	
John Hansard	
Knowle West Media Centre	
Kube	
Lakeland Arts	
LARC	
Milton Keynes Gallery	
mima	
Modern Art Oxford	
Mother Studios Hackney	
Museums Sheffield	
Newlyn Art Gallery	
Nottingham Contemporary	
Pavilion	
Photographers Gallery	
Picture This	
Plymouth Arts Centre	
Project Art Works	
Project Space Leeds	
Serpentine	

## Appendix D: interesting and blogs

All of these sites and blogs have prompted, informed and provoked my thinking on this area (I have not included the 'obvious' ones eg The Guardian, Arts Council England)

<http://www.matthewtaylorsblog.com>

<http://newphilanthropycapital.wordpress.com/#>

<http://thinkingpractice.blogspot.com/>

<http://www.internationalfuturesforum.com/iffblog/?p=606>

<http://www.audiencesuk.org/>

<http://www.urbanophile.com/>

<http://www.axisweb.org/Dialogue.aspx>

<http://museumtwo.blogspot.com>

Draft for discussion