

Mission Money & Models Symposium
New approaches to financial sustainability in the cultural sector

Developing Financial Capacity

Institutional Co-operation Models

What strategic alliances could be developed between organisations to achieve back office cost efficiencies and how could these be extended ‘front of house’ to include more collaborative business models which, for example, enabled new kinds of artistic collaboration, better connections to culturally diverse communities and organisations or the development of imaginative federated fundraising strategies?

ACTION POINTS

- Arts organisations (AOs) should consider objectively and rigorously, what their core business is – the key things they do that make them distinct. What do they want to be famous for - artistic or administrative activity? They should consider sharing everything else with others.
- AOs should be encouraged by funders to regard themselves as business-like - i.e. to practice effective business/strategic planning, monitoring and quality assurance, with sufficient financial rigour and single-mindedness.
- AOs should provide evidence that they are working efficiently, sharing best practice and cutting costs with others where appropriate, if they are to make the case for increased frontline funding.
- Given the circumstances the arts face, current sensitivities regarding sharing of information and protection of artistic brand, may well be viewed as evidence of resistance to change. It is common business practice for separate brands to operate effectively and efficiently under one, larger organisational structure – the arts are no different.
- Large AOs (such as major performing arts centres) should be encouraged to embrace the administrative and organisational functions of local small/er AOs. This will encourage greater organisational efficiencies, better programming, more effective audience development, and a greater general awareness of the arts community and will lead the way to joint/shared Boards. Current examples of unsuccessful shared Boards should be used to learn lessons for improved practice, and not be held up as evidence that they cannot work. The case for separation needs to be made, not assumed as of right.
- ACE/Local Authorities should investigate pairing/grouping major, well-performing AOs with small/er, under-performing ones (in this instance, “performing” equates to business performance), sharing backroom

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functions/Board/marketing/HR etc. It is preferable for AOs to lead the way rather than to have change imposed upon them.

- ACE and other significant funders should address governance issues and require AOs to include specific key business skills such as Entrepreneurship, HR, Marketing, Fundraising, Accounting and Legal on their Boards as well as the softer artistic/educational specialisms. Board training/development for Regularly Funded Organisations (RFOs) should be obligatory
- Board members' input should be significantly increased to include obligatory dissemination of best practice, and provision of key skills/personnel within their AOs. This needs to be conditional and for the full duration of Board membership, (with formal agreements) and should not be provided as grace and favour to be withdrawn without warning.
- National institutions/organisations should be encouraged to share best practice and resource (artistic and non-artistic) with small/er regional AOs.
- AOs should be prepared to explore collaboration with other organisations (artistic and non-artistic) to deliver functions which do not require buy-in to individual organisations' missions, and direct increased resources to frontline activity. This should include IT, finance, HR and training, joint procurement, insurances, shared box office, shared office space and rent costs, legal resources, general administration, filing and information services, shared front desk, and integrated database etc. They should provide encouragement, expertise and opportunity to make this happen.
- Local Authorities should be encouraged to collaborate with RFOs – many of which are small organisations – not only to provide substantial cost savings and enhanced services, but also improved delivery of local cultural strategies.
- AOs should be encouraged to provide HR training programmes for artistic staff (musicians, actors, curators, artists etc).
- AOs (and in particular small and medium sized ones) should consider pooling resources to employ key backroom staff, such as Finance, HR, and joint education, fundraising and marketing staff, at salary, expertise and seniority levels that each could not do on their own.
- AOs should think outside their own fields of activity in order to broker artistic and organisational partnerships with their own and other artforms to provide resources to create new work which none of them could do themselves. This includes joint programming, commissioning, promoting, touring and educating, leading to shared marketing and fundraising initiatives thus providing higher visibility and impact, increasing frontline resources and maximising audience development.
- ACE and other key funders should collaborate with AOs in order to present a strategically planned, comprehensive programme of activities, locally,

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regionally and nationally, thus contributing to the development of audiences which none of them could achieve individually

- Trade bodies such as TMA and ABO should be encouraged and funded to provide significant savings through joint procurement.
- The issue of merging some AOs should be dealt with head on.