



Serving Communities.
Enriching Lives.

The nation's local arts agencies (LAAs) have long formed the core of Americans for the Arts' membership. These agencies provide a locus for local cultural development and are as diverse as the communities they serve. Distinct among the LAAs are the 65 united arts funds (UAFs), which comprise the major component of Americans for the Arts' network for supporting public sector partnerships and encouraging private-sector support for the arts. UAFs were originally established to pool private-sector resources to support local arts and culture institutions. Today, UAFs are being thrust into a larger community leadership role, helping to broaden the scope of arts programming to reflect a growing diversity within the community while ensuring that the core institutions remain healthy. This *Monograph* will consider these changes, their causes, and the ways in which the field is adapting.

United Arts Funds in Transition

by Ramona A. Baker

After one of the recent nosedives on Wall Street, a friend in that world said to me, "It's not just that everything tumbled; it's that it all tumbled so fast."

Tumbling fast seems to be a condition we are all experiencing these days. As local arts agencies (LAAs) work to support and stabilize the arts organizations in their communities, they do so in the face of extreme economic, social, technological, and political shifts.

Generally defined as a private, nonprofit community organization or local government agency, the functions of an LAA vary from community to community. LAAs usually provide a combination of programs and services, either directly or indirectly, to artists and cultural organizations through a variety of programs and services, including grantmaking, marketing, technical assistance, and advocacy. They may also sponsor events, present or exhibit the arts themselves, operate facilities, and facilitate arts education and public art programs.

As the overall field of local arts agencies has grown, the environment in which they operate has changed significantly. Even as they work to retain their core programs and services, LAAs are being called upon to support a broader range of community goals, including economic development, cultural tourism, education, and workforce development.

The LAAs that seem to be facing the most dramatic changes (or pressure to make changes) are those that are also united arts funds. United arts funds (UAFs) are nonprofit organizations that raise local money for the arts in a combined fundraising effort and are usually, but not always, the primary LAA in their community. As a result of economic, social, and other changes in their communities, many UAFs are re-examining their roles in the community, especially in terms of their support for a broader community base.

Where Did United Arts Funds Come From?

To gain insight into the future direction of united arts funds, it is helpful to understand their history and the important and complex roles they have played in their communities. The first UAFs emerged in Cincinnati, OH, and Louisville, KY, in 1949. Since then, more than 100 communities have established UAFs.

The majority of existing UAFs were established between 1955 and 1975. Approximately 65 UAFs are currently operating, and in 2007 they collectively raised more than \$100 million for the arts. Only a few UAFs have emerged during the past 15 years. The newest UAF was established in 2007 in Kansas City, MO.

The stories of how these organizations were established are amazingly similar. Most came into being primarily because business leaders wanted to have strong arts organizations in their communities. They wanted to do their part to support the arts, but they didn't know the arts field and were concerned about accountability and oversight. They wanted a professional organization to be responsible for supervising and allocating their financial support.

These business leaders also wanted to reduce the number of individual funding requests they received. A united fundraising effort allowed businesses to support the arts without having to spend their time meeting with and reviewing proposals from the nonprofit arts organizations.


Some UAFs came about through a slightly different scenario. Arts leaders determined that they could achieve substantial cost-savings by pooling their fundraising efforts, creating something similar to a federated development department

that would serve several organizations. In some cases, arts organizations were able to substantially reduce their fundraising costs by moving from paying the full salary of a development director to paying for 20–30% of a shared position.

The original missions of UAFs were also similar. UAFs have historically raised unrestricted operating support primarily for a small, core group of arts organizations. When the early UAFs were being established in cities such as Cincinnati, Louisville, Winston-Salem, and Charlotte, it was for the purpose of supporting traditional arts organizations and cultural institutions (usually about 3–6) that formed the foundation of the arts community in these cities.

During the heaviest period of growth for the UAFs (1955–1975), the core arts organizations that helped to define a city usually included a ballet company, a theater company, a museum, a symphony orchestra, and frequently an opera company. These foundational arts organizations were seen as symbols of a city's level of education and sophistication. Visitors were likely to attend an arts event during even a short visit to the community. The arts were an integral part of community pride, serving both public- as well as private-sector goals. As icons of community pride, the success of these cultural institutions was important to elected officials and business leaders alike.

These core organizations had different names in different cities. The most common names for the recipients of UAF largesse were “the members,” “the beneficiary organizations,” “the affiliates,” “the core,” and “the majors.” In the early days of the UAF movement, an organization was either on the “magical” list or they were not; there was no gray area and little discussion about adding new organizations to this list.



As part of the Lexington Outdoor Mural Project, artist Waseem Touma creates a community-inspired mural that reflects the mind, body, spirit, and future of Lexington. The project received support from LexArts, Lexington, KY. Photo by Richie Wireman.

A Movement Builds: Arts Development in the 60s, 70s, and 80s

During the late 60s and 70s, the nonprofit arts environment experienced a dramatic shift that paralleled the growth of united arts funds in communities. Not only did the number of small and emerging arts organizations markedly increase, but a generational shift was also taking place. Young people began to view the traditional arts as symbols of the 1950s and of their parents' values—and they sought to change them. These young people were passionate, connected, and socially involved. They celebrated with the arts by holding music festivals in large fields and painting everything

from their vans to the sides of buildings. They established new groups and organizations, both formally and informally, to express their social, political, and artistic views.

This cultural shift was bolstered by the emergence of the National Endowment for the Arts (NEA) in 1965 and other public programs, such as the Comprehensive Employment and Training Act (CETA) in 1973. These federal policies and funding leverage helped to build and strengthen the nonprofits arts—both the traditional arts as well as the new and emerging arts.

As these new, less traditional arts organizations emerged and grew, they also began to express their dissatisfaction with their local UAFs. Specifically, these new organizations were frustrated about being left off “the list” and out of the funding

loop. After all, weren't they also responsible for part of the cultural vibrancy of the community? More informal names for the core organizations began to emerge. Those that are printable include "the entitled," "the old guard," and "the big guys."

By the early '80s, many UAFs began to make changes and depart in some way from their original structure and format. Some began to expand the number of organizations that were eligible to receive their operational funding. Others loosened previous restrictions on fundraising and allowed their funded organizations to raise money independently, except during the annual fund drive period.

By the late '80s, the smaller, emerging nonprofit arts groups were gaining ground and support within the realm of the UAFs. Many UAFs began to recognize the need to develop new programs that also allowed smaller, less traditional arts organizations to receive project funding and other programmatic support. Clearly, their influence was being felt, and the presence of these smaller organizations was certainly being recognized more widely among arts and business leaders—despite the fact that the board members of less traditional arts organization in general had less visibility, less money, and less political power.

United Arts Funds Today

The UAF movement is still growing even as it undergoes changes. Twenty-first century models of UAFs, though sharing many of the same characteristics of their more established cousins, are founded on distinct differences that reflect the needs of their communities. One of the youngest UAFs is in San Antonio, TX. Established in 2003, its mission is to raise and distribute funds to its 28 affiliate members, which must demonstrate a commitment to broad-based

community impact in order to qualify. President and CEO Rod Rubbo described the new UAF as designed "along the lines of the old, federated model—but not just for the big guys."

The ArtsKC Fund is the newest of the UAF freshman class, and is part of the Arts Council of Metropolitan Kansas City, MO. According to Paul Tyler, the grants director of the ArtsKC Fund, the Arts Council did extensive research and planning for more than a year before launching its first united arts fund drive in 2007. It has now funded 66 organizations and defines its process as "open, diverse, and democratic."

Tyler said that serving a broad-based spectrum of arts and cultural organizations "wasn't even a question when the Arts Council established its ArtsKC Fund. That is what everyone in the arts community as well as the business community expected and insisted upon."

Many UAFs are either in the process of developing a new strategic plan or have recently made significant changes to the organization's mission and focus. A sampling of such adjustments include:

At the United Arts Council of Greater Greensboro, NC, President and CEO Jeanie Duncan said that her organization's recent changes "were designed to open up our process and broaden our relationships with all of the arts in the community."

In discussing the current planning process of the Fine Arts Fund of Cincinnati, President and CEO Mary McCullough-Hudson said, "We have identified a number of opportunities to strengthen the community in areas such as education, audience development, shared services, and building public will for the value of the arts to our region. In short, we are moving from an organization that is solely focused on the financial needs of the arts to one that is also focused on the impact of the arts and the interests of the community."



Following an extensive two-year planning process, the Arts and Science Council (ASC) in Charlotte, NC, recently announced a new vision, mission, and strategic plan. Senior Vice President Robert Bush said that “the updated mission at ASC is focused squarely on broadening both the participation and the support of the arts in the Charlotte area.”

In addition to changes in mission and vision, many UAFs now also provide a variety of programs and services to the arts organizations in their communities. In doing so, they are moving into areas that were once considered outside the work of UAFs and moving into areas that were previously closer to the work of most LAAs. For example:

- In Louisville, KY, the Fund for the Arts not only provides funding to a core group of arts organizations, it also provides other support including individual scholarships, grants to community groups, and grants to schools.
- In Cincinnati, OH, the Fine Arts Fund also makes available emergency grants; capacity-building grants; and a six-month, interest-free loan program for small and midsized arts organizations caught in the squeeze of cash-flow problems.

In addition to supporting more than 150 arts organizations, the Greater Hartford Arts Council, CT, allocates one-third of its annual campaign funds to support umbrella marketing efforts, cultural planning, technical support, and audience development programs.

- In Charlotte, NC, the ASC is developing collaborative purchasing programs that arts organizations can use to leverage cost savings in office supplies, printing, and insurance.
- In Lexington, KY, LexArts manages two different facilities that offer artists and arts organizations not only rehearsal, performance, and exhibition space, but also office space and unified box office support.

Many UAFs now also provide some form of marketing and promotion for the arts. In a few cases, the focus of the marketing may be exclusively for their core, funded organizations, but in most cases the focus is broader and more inclusive.

A substantial number of UAFs also promote the arts in their community through their websites, online calendars, arts cards, discounted tickets, directories, and in some cases through large-scale visibility campaigns. The relationships that the UAFs have built with the business community, especially through their workplace giving programs, have also connected people to the arts in ways that might otherwise not have occurred.

Child painting at an ArtQuest event in Center City Park. ArtQuest is a hands-on art studio for kids, families, and school groups run by Green Hill Center for NC Art in Greensboro, NC. Photo courtesy of the United Arts Council of Greater Greensboro.

A Growing Momentum for Change

Most UAFs agree that the loudest voices encouraging them to make changes in their funding priorities aren't coming from the arts community—but surprisingly the business community. UAFs have always had strong relationships with those in the business community. More importantly, business leaders are at the core of UAF fundraising. This means that when business speaks, UAFs listen.

Business leaders want communities that support their businesses and their employees.

During interviews with business leaders conducted for this *Monograph*, most mentioned workforce development and retention as not only critical areas for them, but also areas in which they want the involvement of the arts community. In connection with their workforce needs, they also mentioned issues related to community involvement, diversity, inclusion, globalization, creativity, and innovation.

Business leaders want an arts community that recognizes and supports the full range of their employees. They want their employees to be part of the community in which they live. They want the arts and other quality-of-life factors to have a positive impact on their employees and their families. They recognize that diversity is important in the workplace, and they want to see this reflected in the arts and cultural opportunities that they help to support. As Harry Jones, the County Manager for Charlotte/Mecklenburg County, NC, stated, “I value a vibrant cultural life for our community because it brings people from all races and ethnicities together.”

I value a vibrant cultural life for our community because it brings people from all races and ethnicities together.

—Harry Jones, Mecklenburg County Manager

Changes to UAFs are also being encouraged by those who want to attract young, creative, high-tech professionals. These independent, under-35-year-olds tend to want their arts to be edgy, interactive, and multicultural. They live in a highly connected and global world, and are as likely to be watching films from India on their computer as to be listening to Asian/African music on their mp3 players. Similarly, they want the arts in their community to be diverse, accessible, and global. They look for a creative mix of arts and entertainment, and they frequently make their

decisions about participation at the last possible moment.

Although there are certainly exceptions, words and phrases such as “edgy,”

“without borders and boundaries,” “mixed and blended,” and “last minute” are not typically found in the organizational descriptions of traditional arts organizations. And yet the traditional arts have been the core recipients of the UAF funds in many communities that

Artist Peat Wollaeger and son at the opening of the *Screwed In* exhibit at the Gallery at the Regional Arts Commission in St. Louis. *Screwed In* was a temporary installation of street art created by seven local graffiti artists. Photo by Lauren Downing.



are now seeing widespread demographic shifts. This is a disconnect that is now fueling calls for change.

A third contributing factor to this push for change may be related to the way that the business community does business. Businesses are constantly focused on outcomes. As they examine the impact of their dollars, business leaders are encouraging UAFs to move away from allocating unrestricted operational support and toward a merit-based or outcome-based funding process.

The business community asks what they refer to as “bottom-line questions.” These range from questions about how the arts organizations can help maintain their city’s reputation to how the arts can help make their region one in which a variety of people of different ages, interests, skills, and backgrounds want to live and work together. The business community is willing to invest in the arts, but in exchange for that they are looking for more than just statements about the importance of the arts—they are looking for tangible returns on their investment.

This is certainly not to suggest that traditional arts organizations are opposed to change. The reality of the situation is that when significant numbers of traditional arts organizations lack sufficient capital resources, as is the case in many communities across the country, it becomes difficult to make programmatic changes without the risk of financial destabilization. There is no gain that comes from the marginalization or destabilization of traditional organizations. In most cases these are the organizations with the strongest impact on cultural tourism and on a city’s cultural reputation. As such, they are also the organizations that likely serve the largest number of people, employ the largest number of citizens, and have the largest economic impact.

Most UAFs want to find a funding allocation balance that is most advantageous to their communities and their arts organizations. UAFs

know that it would be extremely unwise to allow traditional arts organizations to become destabilized. At the same time, they also realize the importance of listening and responding to the business community’s concerns about an emerging arts market that values flexibility, diversity, inclusion, accessibility, and creativity.

UAFs also recognize that without unrestricted operational support, it’s going to be challenging for arts organizations to support their basic operational needs. Even in strong economic times, there are few individuals or businesses that want to earmark their contributions to help pay the electric bill—but an organization still needs to be able to turn on the lights.

One retail leader in Kentucky who was interviewed for this Monograph commented that a couple of arts organizations in his community seem oblivious to the demographic changes around them. He said that although no one wants to lose these organizations, he believes that their reliance on UAF funding has allowed them to survive without a clear connection to the marketplace. He went on to compare the arts to his retail business. “Pink and yellow raincoats are great, but if you want to sell pastel raincoats, you need to be aware of the marketplace and you need to check the weather. In the dry heat of August or the snow of January, trying to sell those pastel raincoats makes you seem either stupid or out of touch.”

This case study is based on a September 2008 interview with Jeanie P. Duncan of the United Arts Council (UAC) of Greensboro, NC. Duncan began her work with the UAC in 1996 and became president and CEO in 2003.

You spoke during the Americans for the Arts 2008 Convention in Philadelphia about recent changes that the UAC had made. You said these changes were made in order to be more in line with your community's needs and priorities. Please explain.

The UAC was founded in the 1960s by the business community in order to raise funds for a small number of core institutions. Our mission was to promote, serve, and support our member agencies. By 2003, we had expanded our support to 13 member arts organizations.

In 2004, we broadened our mission from its focus on the member arts organizations to one that focused on the arts for everyone in our community. This was the beginning of our transition toward the goal of ensuring that the arts are available and accessible to everyone.

In early 2008, our mission was refined to state that we are investing in our creative community. Following an evaluation and planning process, we developed several strategic priorities to help us achieve our new mission. We are now in the process of aligning all our programs and services with our new mission and priorities.

What factors brought about this transition?

Several trends affected us, including significant changes in our demographics and in our local workforce. These community changes led us to the evaluation and planning process, and from there to the development of new strategic priorities and a new way of doing business. We established areas of focus that position the arts to address community-wide needs such as education, diversity, cultural tourism, and economic development.

What are some of those changes?

We are transitioning away from the traditional, core-based UAF model to a more strategy-focused investment model.

One of the most significant changes we have made is the way our grants are determined. These allocations are primarily based on an organization's ability to meet our strategic priorities rather than its prior grant history with us. This leap is significant for the UAC. For almost the entire 45 years of our existence we funded a small, select group of member organizations. Now our funding is allocated to arts organizations, artists, schools, and others in a strategic manner with a focus on meeting our community needs and priorities.

We believe that this model will allow us to better measure our results and the impact of our funding on the community.

How have the arts organizations and the community partners reacted to the changes?

In general, our new direction has been well received. The changes did create some anxiety, especially among those 15 organizations that had traditionally been supported. Since they had been receiving the majority of our funding, they were naturally concerned with how the new focus would affect their financial position.

To prepare for this change, we created a five-year transition period. During this time, we gradually increased the number of organizations that we funded, and began preparing our organizations for the fifth year, when most of the changes would be in place.

We knew that our ability to communicate our changes would be critical to our success, and we developed a comprehensive communication and branding strategy that worked to unite the arts organizations, strengthen our core competencies, and engage the entire, diverse Greater Greensboro marketplace.

We believe that our planning, community involvement, and five-year transition yielded a solid and equitable process. We also know that it's important for us to always be open to new ideas. For example, as soon as we completed our cycle in June 2008, we immediately formed a task force to consider refinements.

How did these changes affect funding to the arts organizations?

Approximately half of the organizations saw an increase in their funding this year over the previous

year, and the others have seen level funding or a decrease.

As we focus on building a more vibrant cultural ecosystem, we have committed to supporting those organizations that work with us to advance the priorities of the community. We will not necessarily continue to invest in an organization just because it's a good organization and we supported it in the past.

Based on your experience, what advice would you give to other UAFs who may be in a similar situation?

The four areas that were most important to us were:

- *Leadership.* As you begin the process of change, assemble the most thoughtful, strategic leadership group possible.
- *Process.* Spend whatever time it takes to go through every step of the process. Examine the "what" and the "why" before you move into the "how." Your reasons for change will be your anchor and your foundation.
- *Strategic Planning.* Any significant changes to your programs and services have to grow out of a vision

and a plan. It's your North Star.

While our new model presented us with challenges, we believe that it's right for us and are glad that we spent the time in preparation, planning, and process.

- *Community.* We are here to serve the community and not a small group of arts organizations. Our recent strategic planning process was very much "outside-in," with more than 2,000 points of input from throughout our community. We hope that everyone in the community can see themselves reflected in the plan and the results.

How might these changes alter the UAC?


The main component by which the community and the arts organizations measured the UAC in the past was based on our annual fundraising results. Following our strategic changes, I believe that the success of the UAC in the future will also be measured by the strength, stability, and accessibility of the arts in our community, as well as by the role that the arts play in addressing community priorities and creating a more vibrant economy.

What's Next

Historically, our traditional arts organizations have primarily presented, performed, and exhibited the best expressions of Western European art. But the horizon of cultural experience is growing, as we are exposed to more and different arts through the Internet, books, films, and television. We are becoming more interested in not only our community, region and country, but also in what is happening elsewhere in the world. As new immigrants populate our communities, they bring with them a diversity of cultural offerings and artistic experiences. This creates the opportunity for members of a community to not only explore their own

cultures, but also to expand their artistic horizons. The explosion of new arts offerings and organizations in the past 30 years is testimony to the importance of this trend on community life.

In response to this trend, traditional arts organizations are also changing. Many are broadening the scope of their programming and altering their marketing strategies in order to be more engaged in, and better connected to, their communities and the marketplace. To make programming more accessible, they are revising their ticketing systems and experimenting with different curtain times. They are marketing their performances and exhibitions through mass e-mails and encouraging people to download gallery talks and concerts into their mp3 players. Beyond marketing strategies, traditional arts organizations are shifting the policies and



Young performers from the Eastern Music Festival, summer music festivals and music schools that present everything from the world's classical artists and performers, to blues, jazz, alternative country, and Americana music in locations throughout the Greensboro area. Photo courtesy of the United Arts Council of Greater Greensboro.

mindsets of their institutions by inviting people of all ages and backgrounds to serve on their boards and help plan their futures.

Commenting on recent changes at the Arts and Science Council (ASC) in Charlotte, NC, Carlos Sanchez, an AT&T executive and a former ASC board member, said, “It’s exciting to see ASC support new and creative activities such as the Latino Initiative. These efforts add richness and texture to the cultural fabric of our community and create opportunities for people of different backgrounds and nationalities to experience art, science, history, and heritage together.”

Though the business climate is changing dramatically, the challenges businesses are facing are similar from community to community. They are concerned about workforce development both now and in the future. A strong workforce is

It is exciting to see ASC support new and creative artistic activities such as the Latino Initiative. These efforts add richness and texture to the cultural fabric of our community, and creative opportunities for people of different backgrounds and nationalities to experience art, science, history and heritage together.

—Carlos Sanchez, former board member,
Arts and Science Council, Charlotte, NC

dependent upon good schools, a strong economy, and many quality-of-life factors. Businesses need to attract and keep the best possible employees. They want to foster an environment, in their workplaces and their communities that will attract creative people. Because of this, they have a vested interest in engaging entrepreneurs, fostering new ideas, and helping to develop broader definitions of the arts.

ASC’s Senior Vice President Robert Bush said that the new mission at ASC encourages broader definitions of the arts, and that, in the future, “the areas that will be experiencing the most growth in funding will be the new and emerging organizations, the community and neighborhood arts, multicultural programs, and funding for individual artists.”

The arts have always been part of our private and public celebrations. It’s hard to imagine celebrating Christmas without music or Halloween without costumes. Because of new immigrants to the United States who are bringing their cultural traditions with them, we now enjoy a variety of different culturally rooted festivals annually such as the Mexican Day of the Dead (Día de los Muertos), or the Carnivale of Brazil. We have parades on the Fourth of July and St. Patrick’s Day. We don’t even start a ball game without a song first. Local cultural celebrations abound—but instead of including community and neighborhood celebrations in our definition of the arts, many of us have pigeonholed the arts as exclusive to the formal exhibitions and performances held inside our museums and concert halls.

We understand that if we invite people to our house for dinner, we need to make sure that there is food they can eat and a place for them at the table. The same is true in our communities. If we want everyone to feel welcome in the arts, then we have to make a place for everyone.

The Right Time, the Right Changes

There is no doubt that in the past several years the voices calling for UAFs to examine their missions and make changes in the way they do business have been growing stronger. According to President and CEO of the Fine Arts Fund of Cincinnati Mary McCullough-Hudson, “The question that many UAFs are asking themselves right now is ‘Do we exist to serve the arts community or to serve the community at large through the arts?’”

When asked about changes in his organization, President and CEO of LexArts Jim Clark in Lexington, KY, said, “Our future arts allocations will be based on each organization’s responsiveness to the community at large, rather than on their previous operational support from us.”

The question that many UAFs are asking themselves right now is “Do we exist to serve the arts community or to serve the community at large through the arts?”

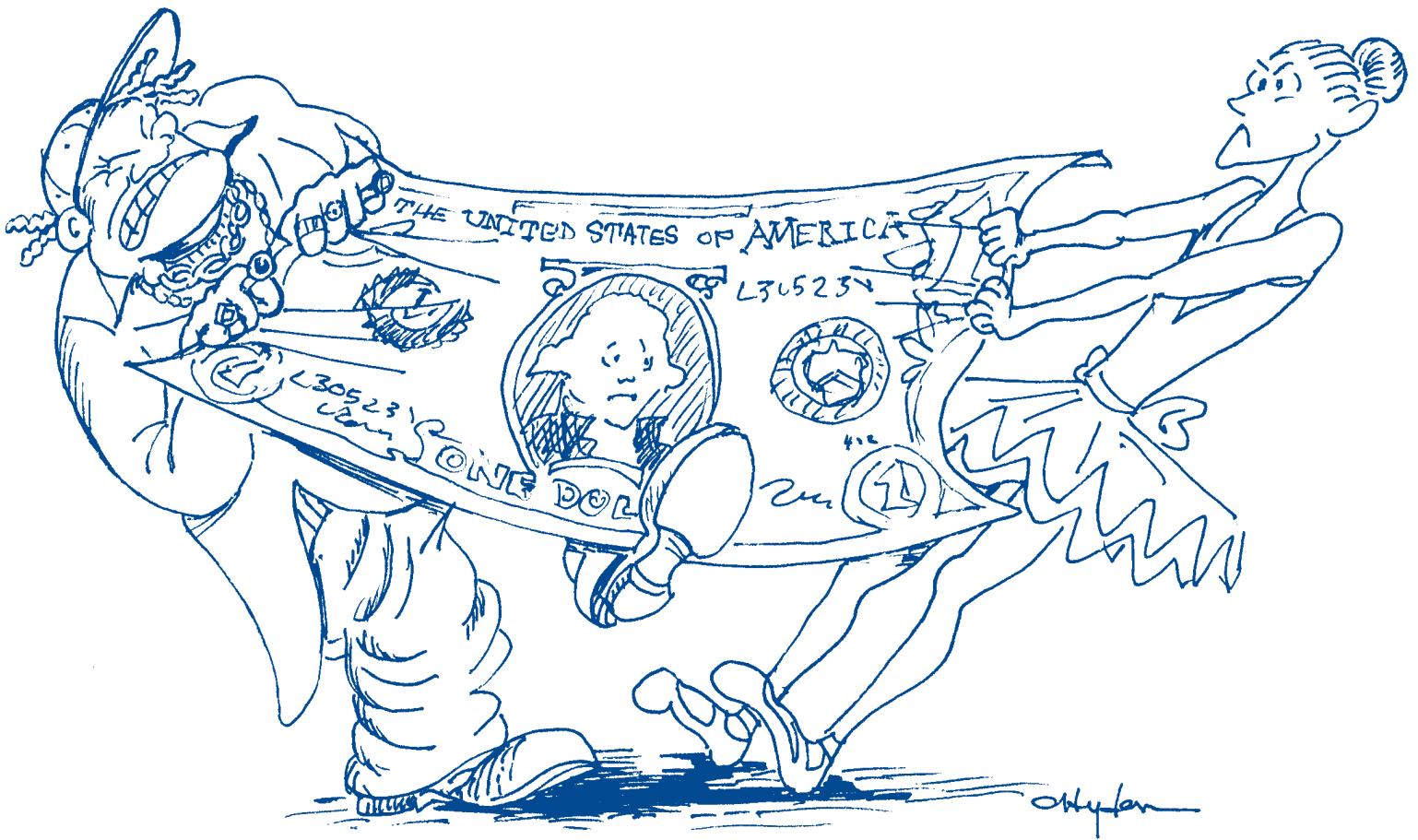
—Mary McCullough-Hudson, President and CEO of the Fine Arts Fund of Cincinnati

Depending on the conditions in each community, changes in policies and procedures will necessarily take different forms. A sampling of changes that are either in the planning stages or are already in place at some UAFs include:

- More research and marketing for the arts community as a whole; also more marketing of the arts as an integral element of a city and region
- More requests that arts organizations demonstrate their accessibility to the full range of the community, with more of these requests for outreach being tied to funding
- Greater focus on board and staff diversity as well as diversity in programming
- Greater focus on encouraging young professionals to participate and find a home in the arts—as audience members and board members
- Greater emphasis on connecting arts organizations and individual artists to the creative industries, entrepreneurship, and community solutions
- More merit-based allocations—the type of funding based on an organization’s current performance against specific benchmarks (such as outreach, accessibility, or community involvement), rather than based on their previous allocations
- More project-specific grants with tangible outcomes and fewer operational support grants, which are usually unrestricted allocations that can be spent as the organization chooses in any area of their operations
- More UAFs offering workshops, programs and services, training, and technical assistance to the arts organizations and artists in their communities
- Fewer membership-based UAFs that are exclusively focused on core organizations with guaranteed funding levels

The Cincinnati Symphony Orchestra, which receives support from the Cincinnati Fine Arts Fund, staged an event to reinvigorate youth interest in the symphony. Photo courtesy of Cincinnati Fine Arts Fund.





Tug-O-War by Charles Hayden.

- Greater emphasis on incorporating the arts into all facets of community life, including festivals, neighborhood celebrations, public art, and parades
- Increased number of UAFs that fund amateur and community arts as well as the professional arts
- Greater community encouragement for new and different leaders in the arts
- More under-35-year-olds serving on boards and grant panels
- Less restrictive definitions of the arts; more focus on different cultures and less use of Western European art as the only standard for the arts
- Involvement of more arts administrators and professionals from outside the community as grant panel members, and fewer local, citizen panels
- Greater emphasis by UAFs on helping to support professional development for board and staff members of arts organizations
- More initiatives designed to strengthen support for new and emerging organizations including financial, technical, and administrative support, as well as support for incubator models
- Directing efforts toward helping to eliminate a sense of entitlement among arts organizations and placing more focus on the responsibilities that each nonprofit arts organization has to its community
- Consideration of multiyear funding strategies for individual groups to enable better planning and support sustainability and continuity, which are especially critical for smaller organizations

Discerning the Impact

As human beings, we are hardwired to reject change. It is disruptive and disturbing. Change throws us off balance. It is not efficient. Even those of us who consider ourselves creative and innovative still thrive on certain routines.

Part of the threat of change is the fear that we will lose something in the process. This is as true of individuals as it is of organizations. We may be concerned about losing time, money, power, status, or whatever it is that seems significant to us. Even if we are confident that we are not going to lose something important (moving to a better office for example), change is still stressful and frustrating.

Being asked to change and potentially lose money in the process is especially daunting. UAFs agree that the traditional, core organizations understandably perceive a threat (real or otherwise) to changes in their funding, which has, in some cases, been a large part of their income stream for many years.

Without stable funding, it's difficult for arts organizations to take risks—and yet risk-taking is what many UAFs are now asking their traditional core organizations to do. As Mary McCullough-Hudson, president and CEO of the Fine Arts Fund of Cincinnati, said “The implications of this paradox are significant. We can't destabilize our arts groups by reducing their operational support and at the same time ask them to take more programmatic risks.”

Some UAFs believe that they have created a dependency—and some even call it an “entitlement program”—especially among the traditional arts organizations that have relied heavily on UAF funding. With a certainty of a steady funding stream

available to them, many haven't felt the need to establish strong internal fundraising and development practices. As such, they are less likely to be strong managerially and less able to weather the changes that UAFs may want to make in their funding practices. Consequently, UAFs are finding it challenging to make changes quickly without destabilizing the organizations that have relied on them.

In addition, it is much more difficult for a large organization with 2,000 employees to make rapid changes than it is for an organization with 20 volunteers and no staff, likening the difference between turning a large tanker or a small canoe around in the ocean. For either it is no easy feat, but for very different reasons.

Addressing the Challenges Ahead

The question for many UAFs is “How do we address these issues, respond to our funders, encourage diversity and accessibility, and support the new and emerging arts without destabilizing any of arts organizations?” The short answer seems to be “very carefully.”

Robert Bush said of ASC's new plans in Charlotte that “ASC's strategic plan was two years in development and it contains significant changes. We are making those changes carefully, incrementally in some situations, and with strong community involvement.”

The UAF staff and board leaders who were interviewed for this Monograph had advice for others who were considering changes: listen, involve, plan, communicate, support—and move slowly.

- **Listen and Involve the Community.** It is critical that members of the community are engaged and involved in all aspects of change. The greater the

ASC's new strategic plan was two years in development and it offers significant changes. We are making those changes carefully, incrementally in some situations, and with strong community involvement.

—Robert Bush, Vice-President of the Arts and Science Council, Charlotte, NC

participation, the more individuals and groups will be invested in the outcome. A broad spectrum of ideas, concerns, and conversations will support the process, allow all voices at the table, and add credibility to final decisions.

- **Plan.** Process is as important as product in preparing for change, and a strategic plan becomes stronger in proportion to the number of people involved. Planning together allows everyone to share their thoughts and discuss their concerns. It is important that the planning environment be comfortable and supportive and one in which interaction is encouraged.
- **Communicate and Support.** When the listening and the planning have been completed, the importance of communication is still critical. Plans should be presented and ideas discussed along with the reasons behind the changes and decisions. Information should be provided about how conclusions were reached, about the ramifications of new plans, and about next steps.

Depending on the extent of the changes that are made, it may be important to provide workshops, professional development, consultants, or other learning opportunities in order to help organizations make transitions. For example,

organizations that have received significant portions of their operational budget from UAF allocations may need information and training in fundraising and development.

- **Move Slowly.** Change that happens incrementally is more likely to be accepted. This is especially true of funding changes, whether a change in funding priorities, allocation processes, new programmatic criteria, or alterations to eligibility requirements. When funding changes happen too rapidly, arts organizations can be at significant financial risk. As one community leader in Lexington, KY, said, “If we move too fast, we’re all going to get the bends.”

Finding Stability in Change

No one is certain what the economy holds in either the short term or the long term. As UAFs work to ensure that the arts remain strong in their communities now and in the future, they do so in the face of economic and social factors accelerating beyond their control.

In times of change, perhaps the most important action we can take is to go back to the basics. That may mean a re-examination of what is best at this moment in each community. It may mean a targeted focus on a vision that arts organizations, business leaders and UAFs all support. It may mean a reaffirmation that the arts are important to our communities and that our communities are important to our arts.

Specific paths to change will be different because every community is different. Although the future holds more unknowns than certainties, we know that diversity is good, that change is inevitable, and that there is a place for all of us in the panoply of the arts.



1000 Vermont Avenue, NW
6th Floor
Washington, DC 20005
T 202.371.2830
F 202.371.0424

info@artsusa.org
www.AmericansForTheArts.org

Author

Ramona A. Baker

Editor, *Monograph series*

Marete Wester

Managing Editor

Kirsten Hilgeford

Copyright 2009, Americans for the Arts.
Printed in the United States.

Printed on 30 percent postconsumer
paper with soy ink.



About the Author

Ramona A. Baker is a consultant with a national practice in nonprofit arts management, evaluation, and strategic planning. She is also director of the Graduate Program in Arts Administration (MAAA) at Goucher College in Baltimore, MD. Her background includes 25 years as the chief executive officer for nonprofit arts organizations. Baker also works with Achieve, a consulting firm for nonprofits. She is currently a member of the Americans for the Arts board of directors, and can be contacted at ramona@ramonabaker.com.