



AMERICANS for the ARTS

SERVING COMMUNITIES.
ENRICHING LIVES.

In response to a surprising shift of cultural leadership between the business and nonprofit arts worlds, the author interviewed 82 people to discover answers to the following questions:

- Why are baby boomers leaving business-world benefits to enter the nonprofit arts?
- What did they expect, what did they find, and were they happy with their decision?
- What are the predicted outcomes of these leadership changes in the arts community?

Most corporate executives changed careers for heartfelt reasons—to give back to their community, to support something they believed in, and to make a difference in an arts organization or in their own lives. Many found their new work more challenging than expected, especially reporting to a board and fundraising. Most consider their transition successful.

Leadership change is always challenging, especially when a new leader comes from outside the arts or nonprofit sector. This *Monograph* examines such issues and suggests how these changes may benefit both the arts and business communities.

Business Boomers Penetrate Arts Leadership

By Ramona Baker

A Surprising Shift in Leadership

It doesn't come as a big surprise to hear that someone is making a career change. That happens. But it is surprising to find career changers in their late 40s and 50s. People making dramatic shifts—moving into completely new sectors of the workforce rather late in their working lives—is an unusual pattern.

Those who work in the nonprofit arts community recently have observed significant changes among the baby boomers in their industry. People who had been in leadership positions in the arts over the past 20 years began to leave the nonprofit arts world as they reached their late 40s and early 50s. Some of them moved into consulting work and others began to teach. Some returned to their roots in the arts and devoted themselves full time to their own artwork. A few moved into the business world.

The more surprising factor is that, as vacancies occurred, people have been leaving the corporate community after 20 years or more in business, and moving into leadership positions in the arts. These former businesspeople can now be found in presenting organizations, arts councils, galleries and art centers, theaters, chamber orchestras, museums, and symphonies.

What's the story? Why the changes? What's up with the baby boomers?

Who Is Making the Change?

A total of 82 people were interviewed for this *Monograph*. Fifty-eight of the interviewees were baby boomers who have recently left careers in business and taken leadership jobs with nonprofit arts organizations. Also interviewed were boomers who have recently made the opposite move—from a job in a nonprofit arts organization to a job in business. Staff members at several of the arts organizations that have recently experienced this leadership change were also interviewed, as well as people who are considering a change. Additionally, several people in executive search firms who have experience with career changers were interviewed.

These career-changing boomers live in cities throughout the United States. All interviewees for this *Monograph* worked in midsized to large cities (all but four lived in a city with a population over 500,000). All of the interviewees had moved from the business world into a midsized or large arts organization, most were white, and 70 percent were men.



Bill Nix, vice president and chief program officer of Palm Beach County Cultural Council, formerly with IBM.

The boomers that made this move came from a variety of fields including banking, law, marketing, and architecture. Others had been city planners, financial analysts, manufacturing specialists, developers, retail executives, and human resource directors. One had been a rancher. They had worked for small businesses and large telecommunications companies, for the entertainment industry, and for state governors. The corporations they represented included IBM, Wachovia Bank, and the Steven Covey Corporation.

The interviewees spoke confidentially. Although some indicated that they would not mind being quoted, the majority asked to remain anonymous; therefore names are attributed only to those who provided permission.

Why Do Some Boomers Leave the Corporate World?

Not everyone who reaches 50 and thinks about a career change is really going to do it. But some career experts say most 45- and 50-somethings at least consider a change. Every career change is personal, but these interviews reveal a few common circumstances under which some boomers leave the corporate world and why jobs at nonprofit arts organizations attract them.

New Challenges

Most of those interviewed indicated that they were happy and successful in the corporate world during their time there. Most believe they were treated well financially and otherwise. Some may have been less than thrilled about a merger or some other change in their

corporate environment, but none said that they were extremely unhappy in their business careers. They were just ready for a new challenge.

Boomers in general have been well-educated, and they want to keep their minds working. They have swelled the ranks of continuing education and community learning classes through their local colleges and community centers. According to Dr. Linda Edington, director of academic affairs at the University of Phoenix in Indianapolis, “Boomers are signing up for online education at a rapid pace.” This surprised many in the career services field, since most boomers did not grow up with online technology. Few had their own computers until they were in their late 30s. But boomers know that the best way to keep their minds sharp is to keep learning new things. After years in the corporate world, career changers said that learning about a new field from the inside was a key motivation.

Quality of Life and Burnout

Those interviewed felt strongly about quality of life issues and these issues have seemed more important to them as they get older. Some felt constrained by corporate regulations. One former retail executive said that she wanted to leave the corporate world so that she could “work better, not just faster.”

Judith Sommerstein, a career counselor in California, said she doesn’t see many career shifts among people under 35 or 40 that are motivated by quality of life issues, but she certainly does see this among baby boomers. “Salary becomes less of a priority to many boomers (despite the fact that retirement time gets closer), and job fulfillment means more. As we get older, the importance of personal job satisfaction becomes stronger.”

After more than 20 years in the business world, some boomers felt worn out or burned out. One former businessman said, “When I realized that

every year was just a slightly different version of the year before and the year before that, I knew I had to leave. It’s not enough to just change the color of the annual report cover every year.”

According to one recent transplant to the arts community, “It wasn’t a blinding flash of realization, but just a feeling every morning that I didn’t love my job anymore, and I knew I needed to work somewhere else, do something entirely different, feel more needed.”

Less Corporate Loyalty

Unlike earlier generations, boomers don’t have the sense of a lifetime commitment to a job or a career. Mary Lyn Miller, a career consultant in New York City, has noted that there are several reasons why people look for a midcareer change. “Corporate life has changed,” Miller said. “No longer is there a promise of cradle-to-grave support, so the loyalty factor has been reduced a lot. Boomers realize they can’t depend on a job to take care of them.”

“The parents of baby boomers, especially those who lived through the Depression, perceived a job as something that gave them stability and money, so they stayed in jobs whether they liked them or not. Many boomers excelled at whatever they did and then they hit a wall. They were

It is never too late
to become what you
might have been.

—George Eliot

paying the bills, but not feeling fulfilled and happy. At the core of every success story is passion,” Miller said.

“A lot of boomers are looking out at the future and they don’t see a lot of career years left so they’re changing in hopes of living their dream,” said Gerald Celente, director of Trends Research Institute. Boomers don’t believe that it makes sense to “give their heart and soul to a job that doesn’t make a difference and that has no guarantees. They may have been well-compensated, but at some point that may not be enough,” said Celente.

Personal Finances, Career Futures, and Changing Job Markets

Financially, many boomers in business have done well. Some have made substantial money, and others have been offered early retirement or an exit package. This financial security may not be the only reason to leave the corporate world for the nonprofit world, but it may make the possibility of that change more attractive.

Some of those interviewed have spent the past 20 years climbing the corporate ladder only to hit the glass ceiling. They became aware (slowly, over time, or in one quick announcement) that they were not going to be the CEO. Some realized that they didn’t want the job and were just as happy to discover it was not in their future. For others, it was a signal to move on and do something else.

There has also been a tremendous amount of downsizing and consolidation in the business world over the past 10 to 15 years. According to the FDIC, for example, there are less than half as many banks in the United States today as there were in 1991. For some, a changing job market meant a much different approach to their careers.



Lee Keesler, president and CEO of Arts and Science Council of Charlotte/Mecklenburg, formerly with Wachovia Bank.

Shifting Priorities and Deeper Meaning

Gene Cohen, director of the Center on Aging, Health and Humanities at George Washington University, said, “There is a period of exploration which begins in a person’s early 50s and continues through the early 70s. It’s a time when people begin to hear an inner voice that says, ‘If not now, when?’ These are powerful feelings of liberation. People often move into areas they haven’t tried, or embark on experimentation. In many ways, it is the counterpart to adolescence, but with a formed sense of identity.”

Some boomers reported having reached a time in their lives when they are searching for more meaning. According to Daniel Pink in the January 2005 issue of *Wired* magazine, many boomers are “liberated by prosperity but not fulfilled by it...and more people are searching for meaning. From the mainstream embrace of such once-exotic practices as yoga and meditation to the rise of spirituality in the workplace to the influence of evangelism in pop culture and politics, the quest for meaning and purpose has become an integral part of everyday life.”

“Baby boomers think they should be happy,” said Andrew Taylor, director of the Bolz Center for Arts Administration at the University of

Wisconsin. “They want to find some deeper meaning, some deeper fulfillment. And for some that means doing things differently—finding a job that makes their heart sing. Maybe they don’t get the upscale house or the new car but they’re happy.”

Why Do These Baby Boomers Seek Out the Nonprofit Arts?

Having reached middle age, many of those interviewed acknowledged that they have much to give and want to contribute.

“We ask ourselves...” said one corporate executive, “What have we done in our lives? What haven’t we done? What have we accomplished? How have we made a difference? I assume that around the age of 45 or 50, we all ask ourselves those kinds of questions, and start thinking about our answers. That’s when I knew I would be making a change.”

One new arts administrator with a passion for the arts as well as golf said, “At some point just before my 50th birthday, I realized that I was now playing on the back nine.” When he announced that he was leaving banking after more than 20 years to work in the arts, he said he was amazed at the number of people who sought him out to tell him what they had always wanted to do, jobs they wanted to take, changes they wanted to make happen. He told them to “take the first step, just do it. We all want to leave our mark before we go.”

Different Work Environments

When asked what they like most about working in the nonprofit arts world, almost all of the interviewees mentioned the pleasure of working with their new colleagues. They often repeated

how much they like their fellow staff members at the arts organizations, how smart they are, and how much respect they have for them—for their professionalism and for their commitment.

A former banker observed that in the corporate world he was a specialist with a small frame of expertise; the longer he worked in that company, the more of a specialist he became. His attraction to the nonprofit arts was due in part to the attraction of working as a generalist. “A person with a leadership role in a nonprofit arts organization wears many hats,” he said. “I fundraise, advocate, work with artists, do the small talk, manage staff and budgets, and deal with a board of directors...all the time speaking intelligently about the mission of the organization.” Another said, “In a big corporation, even as a VP, you are only a small piece of the whole. In a nonprofit, even a large one, your decisions affect everything.”

A former marketing specialist said that working with people in the arts community is the best part of his new job. “They are good-hearted and smart, and you get to know them on a different level. In business there is a certain façade that everyone wears. In corporate America, you learn the facts about people. You know whether they are married and how many children they have, but you rarely know what they think, feel, or believe. The arts community is more open. People talk about their feelings.”

Respect and Passion for the Arts

Baby boomers are now middle-aged. They have been around the block and around the community. The career changers interviewed had developed a respect for the arts, and most who made this transition had, at some point, served on the board of an arts organization. Several had served on the board of the organization that later hired them.

A former community affairs director said that it was during his time in business that he developed “an appreciation for what the arts do for the community as a whole, for the city’s reputation and for the quality of life in our region.” He said he had seen “the effect of the arts on a company’s ability to hire people from outside the community and convince them to move. If the arts are strong in your city it tells people that you are civilized.”

Another transplant from the corporate world said that what made him the happiest about moving to a museum was the feeling of pride that he had about the importance of the organization to the community. He also appreciated the cooperation among the staff, and their level of commitment both to the art and to the institution.

Some interviewees were motivated by their lifelong love of the arts. The arts hold good memories, and have been part of their lives for years. One baby boomer said, “My parents were big believers in giving back to the community. They always volunteered with arts organizations, so I grew up doing it and that’s what seemed natural to me. I realized that the arts have always been the things that brought me the most pleasure.” A former retail executive said that he knew he needed a job with an arts organization the day he realized that he “lived to do his board and volunteer work.”

Maybe the Arts Will Be Easier

Some career changers assumed that the pace and pressure of working inside a nonprofit organization would be easier than inside the corporate world. According to a June 2005 article in the *Wall Street Journal*, “Business executives who worry about meeting growth targets every quarter may think they would have fewer headaches running a nonprofit. In fact, the job is more stressful than ever as more nonprofit groups compete for limited funding. And

while juggling myriad personnel and other duties, heads of nonprofits also feel pressured to strengthen governance practices and codes of ethics.” Heads of nonprofits carry “even more of a burden of responsibility” than corporate executives, said Citigroup CEO Charles Prince, who serves on the board of The Juilliard School.

Creative Jobs Are Growing in Respect and Numbers

Over the last several years, the arts and the creative people that work in the field have become more widely recognized as important factors in economic development. As a result of Richard Florida’s book, *The Rise of the Creative Class*, as well as support from the U.S. Conference of Mayors and National Governors Association on the economic value of the arts, more communities have acknowledged the importance of having creative environments. Cities across the country are actively looking for ways to recognize, recruit, and support creative industries. Many boomers wanted to work inside creative organizations. Others were interested in a variety of qualities that they associate with the arts, such as tolerance and cultural awareness.

Nonprofits are growing in size and number, and that means that there are more jobs in the nonprofit community. According to the U.S. Bureau of Labor Statistics, the growth rate for employment at nonprofit organizations is higher than in any other segment of the labor force. From 1997 to 2001, the average annual growth rate in employment for nonprofits was 2.5 percent, compared to 1.8 percent in business and 1.6 percent in government. During that same period of time, there was a 17 percent increase in the number of nonprofit organizations in the United States.

When They Make the Move, What Do They Find?

Almost everyone interviewed for this *Monograph* indicated that reporting to a board of directors was the single most difficult part of their new work in the nonprofit arts field. “Working with a board is hard,” said one former corporate executive. “Very few people in the corporate world ever have to work directly with a board. Even if they have, it’s not the same kind of board. Working with a board in a nonprofit organization is especially hard if you have a strong sense of independence.”

One former business owner said, “I hadn’t been accountable to anyone but myself, and working with a board was extremely difficult. Boards do what is comfortable, and business folks want to run a business so they micromanage before they can stop themselves. Some of them may also feel insecure because they don’t know much about the field, so they deal with that by micromanaging even more.”

A former lawyer now working in theater said, “I experienced a shock when I made the shift from law to the nonprofit arts. The shock is that board members—the same people I had seen make sharp, clear, definitive decisions in business—those same people, upon entering their role as a nonprofit board member, would suddenly attempt to micromanage everything to a truly frightening degree and in ways that they would never have tolerated in their own organizations.”

Another interviewee who left the business world to work with nonprofit arts organizations had this advice, “My biggest surprise was the board members who are retired or semiretired. They are the most difficult. They have time on their hands and they miss running a business...so they’ll just run yours.”

“It’s hard for a CEO to tell a board member that they need some board training,” said one new CEO. “The board is the hardest thing about my job now. Maybe it’s especially tough because I used to serve on the board that has now hired me. I wonder if I was ever that bad!”

Fundraising

The challenge of fundraising was one of the biggest surprises that many people found as they moved from the corporate world into the nonprofit arts. All were aware before taking the job that it would be part of their responsibilities, but most were surprised by the amount of time that fundraising required.

Most nonprofit arts organizations must raise a substantial sum over and above the costs of their tickets, subscriptions, admissions, and memberships. The average ticket at a theater in the

According to Americans for the Arts’ *Creative Industries Report*, there are 578,000 businesses in the United States involved in the creation or distribution of the arts. These businesses employ 2.9 million people—4.4 percent of all U.S. businesses and 2.2 percent of all U.S. employees. From 2004 to 2005, growth in the number of arts businesses outpaced total U.S. business growth (5.5 percent vs. 3.8 percent). Similarly, at a time when the total number of U.S. jobs shrank (-1.9 percent), employment by arts businesses dropped at less than half that rate (-0.8 percent).

Who Are the Boomers?

Baby boomers were born between 1946 and 1964. They are 77 million strong, and the largest generation in history. Truman, Eisenhower, Kennedy, and Johnson were in office when the boomers were born. In 1955, the average cost of a house in the United States was \$22,000, and a first-class letter could be mailed for three cents.

Boomers were born after World War II and before Vietnam. They were the last generation in the United States to have polio and the first generation born after the discovery of antibiotics. They came of age after birth control pills and before AIDS. The first wave of baby boomers went to college following the Summer of Love in 1967.

Boomers and their parents moved around more than previous generations had. The percentage of children raised in households that included grandparents decreased in the 40s and 50s. As boomers and their parents moved, they adjusted to new schools, divorce, and divided households.

Boomers were the first generation raised with television—network television—all three stations. They tasted the spirit of exploration, watching men land for the first time on the moon in the summer of 1969. Later that summer, they watched as the nation held a lottery for the draft.

Boomers were influenced by vibrant young leaders who spoke passionately to them and for them. They listened to people like John F. Kennedy and Dr. Martin Luther King, Jr. (the youngest people ever to be elected president and to receive the Nobel Peace Prize, respectively). They responded to calls to fight injustice and were shaken by war, assassinations, and campus violence.

They demonstrated their belief in public process. They spoke out, sang about, wrote about, protested, and marched both in support of issues they believed were right and against things they believed were wrong. They worked for civic rights, peace, and equality. They worked in Head Start programs and joined the Peace Corps.

Most boomers attended primary, middle, and high school when the arts were a standard part of the curriculum. They probably had art and music teachers in their public schools. Most had at least one lesson a week in the arts—drawing, painting, singing, playing an instrument, putting on a play, or learning to folk and square dance. They may also have taken private lessons outside of school, been in a church choir, or worked with a community theater.

Boomers in the late 60s and early 70s painted everything from their clothes and faces to their cars. They sang songs and wrote poetry. Their theater of protest and social change included

The Fantasticks and *Hair*. Some came together in a three-day music festival in a field in Woodstock, NY.

Throughout the 70s and the 80s, as philosophy and humanities departments at most colleges and universities expanded by leaps and bounds, they attracted a larger group of students. Several fields of study developed and grew stronger, such as film and television, creative writing, and women's studies. Many boomers chose to study the arts at universities instead of just at conservatories.

When the boomers were in their early 20s, they vowed “not to trust anyone over 30.” Now more than half of the boomers have celebrated their 50th birthdays, and another turns 50 every seven seconds.

As the World Turns

Boomers have more options than previous generations about how they will spend their 60s, 70s, and 80s. This is due in part to their general health, advances in medicine, and their predicted longevity. There is no question that they are going to redefine the aging process...and since there are so many of them they are going to redefine it in a big way.

“Something huge is happening here... The emergence of an older, more vigorous population is the most significant

story of our times," said Abigail Trafford, *Washington Post* columnist.

Boomers in general may not go gently into that good night. Some plan to fight it tooth, nail, and facelift. They plan to stay mentally and physically healthy and productive. And they plan to work.

A 2003 survey conducted for the American Association of Retired Persons (AARP) found that many Americans between the ages of 50 and 70 plan to work far into what has traditionally been viewed as "retirement years." Nearly half of all pre-retirees (45 percent) expect to continue working into their 70s or later. Of this group, 27 percent said they would work until they were in their 70s, and 18 percent said "80 or older," "never stop working," or "as long as they are able to work."

The most common reason given by preretirees for wanting to continue working was the desire "to stay mentally active" (87 percent). Seventy-seven percent said it was their desire "to remain productive or useful," and 59 percent indicated their motivation was "a desire to help others."

Brent Green, author of *Marketing to Leading-Edge Baby Boomers*, said, "In the entire history of the U.S.—and all of Western civilization, for that matter, there's never been such a dramatic march to maturity."

And the Rolling Stones are still performing to sold-out concerts.

United States, for example, covers about half the cost of sitting in that seat. Additional funds must be raised through an array of different sources, including individuals, corporations, foundations, and public agencies. In addition to their annual fundraising events, some organizations also have shops and restaurants, and may rent their venues for income.

A former businessman said, "Stress in nonprofits is higher because there are never enough resources. It's a different kind of stress but it's more stress than I was accustomed to, not less. And you always have to fundraise. It's constant. I'm not sure it's possible to earn what we need and still meet our mission and the needs of the community."

From *The New Yorker* Collection.
© 2003 *The New Yorker* Collection
from www.cartoonbank.com.
All Rights Reserved.



"I haven't seen you since Woodstock! Do you still make your own shoes?"

“My new job is more complex than I thought it would be,” said one former businessman. “Some of the business functions are the same, like the discipline of the budget for example, but the income generation is much harder. It comes from so many different sources, and it’s not just about customers anymore. The income is also dependent on public opinion...donors, elected officials, audiences, and funders. Part of our income is dependent on artistic decisions, and I have to completely rely on others for that.”

Working with Staff

Most interviewees were enthusiastic about the staff they found at arts organizations. “I was impressed by how hard they worked and how smart they were. I expected that they would be good, but I was amazed at their level of professionalism.”

One former corporate leader said that at first he was concerned that “the scholarly staff and curators wouldn’t accept me. Then I realized that the best thing I could do was to be a good leader. I told them ‘there’s a lot I don’t know and I will rely on you as professional staff to tell me.’” Another said that he felt accepted by most staff members from the beginning, “But I worked really hard to show them that I cared about the organization and about them.”

One boomer who has alternated between the corporate world and the nonprofit world throughout his 30-year working life said, “Folks in the nonprofit arts community are the hardest working, smartest and most mission-driven people I have ever known. They are mission-driven rather than wallet-driven. Sometimes it’s hard for folks in corporate to understand why someone who’s really smart would work for less money than they could make in the business world.”

Consensus-Based Decision-Making

Nonprofit organizations have to build consensus. They must make decisions that frequently pass through a process that involves staff and/or board members, and sometimes board and community committees. Several people mentioned that one of their few disappointments in moving from business to nonprofits was how slowly the decisions were made. Some commented on how much patience and tongue-biting this required on their part. A former corporate executive said, “Slower decision-making in the nonprofits can test your patience, and be really frustrating. But, I am also impressed with their due diligence.”

“There are so many constituents,” said one new leader. “And after you have the input you think you need, it takes time to balance everything with what the board, the staff, the donors, and other constituents might think of the decisions.” A former businessman who is now the CEO of a museum said, “In business, when you have an 80 percent confidence level in something, you make a decision and you move on. With the structure of the nonprofit organization, decision-making is different and much slower.”

Perhaps because of this focus on consensus, nonprofits are generally more accustomed to democratic governance than the business world. It may also be the result of the fact that in most nonprofits, people wear many hats. Several people indicated surprise at the extent to which their new staff members in nonprofit arts organizations wanted to weigh in, express their opinions, and participate in decision-making. One new CEO from the corporate world described his shock when his senior staff, during their first official meeting together, offered to help him resolve a situation with a group vote. This difference in style was noticeable to most, but the degree to which it bothered new leaders varied.

Mission, Purpose, and Diplomacy

Almost all interviewees spoke of the importance of mission and passion. According to one person who made the transition from business to his current job as CEO of a national cultural organization, “At the center of nonprofit management is a cause...and that’s the big difference. I like nonprofit work because I thought the corporate world lacked heart and soul. I didn’t like the financial focus that drove everything.”

One former business executive turned theater executive said, “I loved my work in retail...it was a great industry and a great job, and I learned a lot, but I just couldn’t always get excited about the bottom line. Now I believe in what I am doing and it has meaning for me.”

A former banker said, “A lot of the things I had learned in business were transferable, such as working with staff. The biggest difference is that within a nonprofit arts organization you are dealing with people who are motivated by mission. They are much more emotional than people who are motivated by money. I wasn’t used to working with such emotional people, but on the other hand, I am in awe of their passion.”

Many new leaders mentioned the importance of diplomacy. After four months in his new job as CEO of a nonprofit arts organization, one said, “I thought I understood diplomacy...but this requires a new level of diplomacy. This takes serious skill.” Another said, “You have to be willing to sell the mission of the organization all the time and do it in a friendly, community way. You have to constantly sell it to the staff, the board, the donors, the elected officials, everybody. It’s a challenge to your sales and diplomacy skills. Business relies on sales, but in business, you only have to do it while you are actually selling! As the CEO of a nonprofit, you have to be in your sales mode all of the time. It’s like a constant political campaign.”

What Do Career Changers Miss After the Switch?

Money

Many interviewees said frankly that they missed their business income level. One person said, “I miss the income, period. I’m no longer able to contribute to the arts the same way I could when I had a larger corporate income. But I had reached a point when I wanted to contribute more than money.”

Independence

When asked what he missed most about leaving his leadership job in the manufacturing field, one person said, “I miss my independence a lot. After 20 years in leadership, it’s frustrating to deal with a board of directors that always has my hands tied.”

People

Several people mentioned that they missed their former colleagues, especially those they had worked with for a long time.

The Thrill of Business

One new convert to the nonprofit arts world after 30 years in a large corporation said that he missed the “thrill of business.”

“I miss the profit motive, having a concrete measure of success,” said another. “The measurables are less clear, and I miss that sometimes,” said a corporate finance person turned music administrator. “Here in my new job, sometimes I wonder what the bottom line really is. Is it the community good? It is the number of audience members? Or is it the amount of money raised?”

One Boomer to Another... What's Your Advice?

All interviewees indicated that they were pleased with their recent decision to move to the nonprofit arts world, and most had advice for those who might consider doing the same.

Just Do It

The boomers who were interviewed frequently delivered the same message, "Life is short." One new theater director said, "In order to make this kind of career change, a person needs to have a willingness to leap; they need to be chance-taking about this."

You Need Passion

A former director of corporate marketing said, "This isn't for you unless you can represent the organization and its mission with absolute conviction. You have to be able to sell the intangible and it's unlike anything else you've ever tried to sell." A former manufacturing person said, "If I didn't have a fire in my belly for this, I couldn't do what I do. The work is too hard and too relentless otherwise."

Money Is Different

Almost all interviewees said they missed the financial resources they had had in business. They missed having the discretionary income to do even small things like sending a staff member to a conference. Their advice to others was to understand and be prepared for that reality.

Steve Wolff, president of AMS Planning and Research, said recently, "Balancing a budget in the nonprofit arts is harder than just cutting costs somewhere. Chances are good that costs have already been cut. You really can't present a symphony with only four players."

According to one former business boomer, "In business the goal is efficiency and making money. It's not the same in the nonprofit arts community. Here the overriding goals involve the product (the arts) and community ownership. And that's very different." Another new arts CEO said that "one of the reasons that income is so tough in the nonprofit community is that it is tied to function and not to finance."

It's Not Easy

Don't assume that it will be easy because it's not "real business." According to Martin Godwin, executive search consultant at Anderson and Associates, "Lots of people think they can make the jump, but not everyone can. Some people think that nonprofit management is going to be easier and it's not. The environment of nonprofits is harder, plus you have to deal with fundraising, and almost all nonprofits these days are understaffed and overworked."

Be prepared to work longer hours for less financial compensation. "Your compensation," said one recent transfer from corporate to nonprofit arts, "is not the kind you take to the bank."

Rely on Staff

"Don't pretend to know more about the arts than you really know," was the advice of a recent transfer from business to the arts. "Rely on the staff, respect their expertise, scholarship, knowledge, and experience. Use business solutions where they work and just know that they won't work in every case."

One former financial officer now working in the visual arts had this advice: “Brace yourself. You’re going into a new world with new rules, and you just can’t learn everything overnight. Listen a lot and don’t talk too much.”

Another business boomer turned arts CEO said, “The staff gave me guidance and suggestions, and connected me to other people. They were open and generous in ways that I hadn’t experienced in corporate America.”



Virginia Willard, executive director of Northwest Business for Culture and the Arts, formerly with First Interstate Bank of Oregon.

Where Are We Now and Where Are We Going?

The biggest concern expressed by those in the arts community about this type of leadership change is that the arts will be forgotten—that they will “take a backseat to the business of the bottom line.”

“I’m concerned that if the arts don’t appeal to the masses and make money, they will dismiss it,” said one member of the arts community.

In *Whose Muse? Art Museums and the Public Trust*, James Cuno, director of the Art Institute of Chicago, wrote, “The more art museums look like multinational corporations and the more their directors sound like corporate CEOs, the more they risk being cast by the public in the same light. We are on the verge of joining the other distrusted professions—lawyers, politicians, the clergy, and corporate executives.”

A staff member with a new COO from the corporate world said, “Evaluation setting and impact measurements may help improve the bottom line, but we want to make sure that eventually an improved bottom line translates into more money for the art itself.”

“Nonprofits rely on their community reputation, and we can’t afford for our arts organization to become a bad version of the for-profit world,” said one vice president for development.

According to Len Alexander, a partner with Management Consultants for the Arts, “New leadership from the corporate community is more likely to be successful in a large arts organization where there are several layers of professional staff, and where a CEO from outside the field can be supported by a staff with professional skills and experience.”

There is also a concern that businesspeople will hire other businesspeople—because they are more comfortable with them and they speak the same language—and that the importance of the arts and the artistic mission of the organizations will be lost.

Business Background Is Helpful

One staff member talked about how pleased she was that her new CEO had come from business. “He has a strong background in HR and he’s straightening out some staff situations. He immediately increased salaries, and he’s working hard to increase our benefits.”

Several expressed optimism about their new leadership. One staff member said, “Leadership is partly about knowing when to rely on others, and he’s doing that.”

One long-time arts staff member said that she welcomed someone with “a new pair of eyes.” “There are changes that need to be made in our organization,” she said, “and we need new folks to help us look for new solutions.”

Fundraising is a challenge that can be learned. One development director said about his CEO, “He’s still new, but I’m optimistic about him being able to fundraise. He’s already got the most important ingredients necessary for fundraising—passion and people skills. He believes in our mission and I know he can help raise the money we need.”

How Does the Arts Community React?

Although the arts themselves are creative, arts organizations can be slow to change. Many continue to work within structures that haven’t adapted in decades. This may be the result of nonprofit consensus-building, financial fears, or boards that are hesitant to try new approaches.

The nonprofit arts community faces several kinds of financial challenges. Public funding for operational support has decreased in the last few years, and increases at the local, state, and national levels are becoming more challenging. In many communities, private funding still struggles to return to 2001 levels. There is also a substantial amount of debt among some of the country’s nonprofit arts organizations.

Arts organizations in every community face the challenge of audience development in the face of changing consumer habits and demographics. The arts compete with an enormous array of options for discretionary time and entertainment dollars. The arts must now also compete with the growing option of staying at home. In addition to the draw of the Internet, computers, and technology systems, staying at home offers some the advantages of not having to drive, park, or be around other people at the end of the day.

Current Assets in the Arts

The biggest asset in the nonprofit arts community today is the professional staff. They are experienced, caring, and committed to their work. Despite concerns expressed about dealing with boards of directors, there are also excellent board members across the country giving generously of their time and money. In addition, there are hundreds of thousands of individuals who support the arts in their communities as they volunteer, contribute, and attend arts events.

The arts continue to lead the way in community involvement, participation, and outreach, and they have frequently been able to build bridges where others have failed. Most nonprofit arts organizations accomplish an enormous amount of customer contact with substantially less expenditure than in the corporate world, and they lack the redundancy that is common in even lean corporations.

Advantages to Change

Boomers have made and will continue to make lots of changes. Changes in leadership can bring new ideas and new levels of collaboration. Change can also bring frustration and challenge. Both the business and the nonprofit arts sectors have had successes and failures, and each has much to share.

The post-Enron days have produced an almost societal paranoia regarding organizational oversight. Although the Sarbanes-Oxley Act primarily targets the business community, most nonprofits are already feeling the heat from this legislation. Experienced business leaders can be helpful with the inevitable changes in financial reporting and issues of governance that lie ahead.

The arts must rethink and redesign audience development. As the saying goes, “If we keep doing what we’ve always done, we’ll keep getting what we’re always gotten.” The business community has faced the gain and loss of millions of dollars in market shifts, corporate restructuring, and stock market volatility. Business leaders, with their combat experience in the marketplace, can be powerful resources in this area.

Technology is at the core of much of the rapid change in the world, and business is dramatically ahead of the arts in its use of technology.

The business boomers have much to share regarding the use of technology in organizational efficiency, communication, and marketing.

Using Our Differences

Differences and diversity help to balance an organization. Just as individuals are best served by finding a balance between analytical and creative thinking, organizations in all sectors are strengthened through balance. The more we embrace our differences and acknowledge our strengths, the better we are able to support and strengthen each other.

Let’s bring all our gifts to the table. Let’s take a chance. We have no idea what might happen if we really work together in a new way, but it could be *fabulous!*

About the Author

Ramona Baker is a member of the Americans for the Arts Board of Directors, as well as a consultant and speaker with a national practice in arts management and creative approaches to change. She works with businesses and nonprofits to support planning and increase productivity. She has served as CEO for nonprofit organizations for over 25 years. In addition, she has taught at several universities and lectured throughout the United States and around the world in many countries, including China, Australia, Russia, and Ireland. Most recently, Ramona served for 10 years as the CEO of the Arts Council of Indianapolis. During that time she increased public arts funding by 350 percent and increased the Arts Council’s cash reserves by 3,000 percent. More information about Ramona and her work is available on her website: www.ramonabaker.com



AMERICANS
for the ARTS

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

New York City Office
One East 53rd Street
2nd Floor
New York, NY 10022
T 212.223.2787
F 212.980.4857

info@artsusa.org
www.AmericansForTheArts.org

Author
Ramona Baker

Editors
Kirsten Hilgeford
Anne L'Ecuyer

Copyright 2005, Americans for the Arts.
Printed in the United States.