#### THE CASE FOR MISSION-FOCUSED ARTS MANAGEMENT EDUCATION

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#### Introduction

A degree in arts management has never been the only pathway toward a career in the arts. Good arts managers have traditionally come to the administrative field from the ranks of artists as well as with degrees ranging from communications to business administration. Some studies have even shown that the field is not convinced that an arts management degree is necessary in order to apply for a job (Martin and Rich,1998) Given this environment, as well as the increased scrutiny of academic programs facing tight budgets, it is appropriate to examine the relevance and worth of academic arts management programs and their role in training arts managers for the future. Are arts management programs currently providing value for universities, students and the industry? What are the advantages of academic training for arts managers, and how can we best communicate those advantages to potential students and employers? And, do advantages of academic training translate to pedagogical standards that should be embraced by all arts management programs?

This article argues that there are a number of aspects of the arts industry that can only be communicated to future arts managers via an academic program. Central to this idea is the premise that preparing future arts and cultural managers involves more than teaching them to write a press release or a grant application. It is the theory behind the grant application that will make the difference between an arts manager able to adapt to the changes in our industry and those that cling to outdated practices. Academic programs that are mission-based; that is, which concentrate on teaching students how see the mission and unique aspects of the management of the arts, are the best option for preparing leaders for an uncertain future.

The term "arts management" in this article should be considered synonymous with arts administration and cultural management. The field of arts management, which used to refer almost exclusively to the management of not-for-profit arts organizations, is now being used to refer to a variety of arts-related businesses which focus on the advancement of one or more art forms or the arts in general, which may also include individual artists, small for-profit arts businesses, cultural entrepreneurs, socially engaged not-for-profits with arts focus, and arts corporations. As a result, education programs for training arts managers are equally diverse. The use of the term "arts management" also implies that the management of arts-related businesses differs from the management of other industries, and that these characteristics extend, at least in part, across sectors.

## Arts management as an academic discipline

Arts management as a distinct academic discipline is a relatively recent development.

Although several graduate-level academic arts management programs existed prior to the mid-80s, in the late 80s Paul DiMaggio wrote that 85% of arts managers reported "on the job training" as their primary source of information about the functions of their jobs (DiMaggio, 1987, p. 45). The lack of a college degree in arts administration did not seem to hurt the career development of even top level administrators.

At the same time, the rapid growth of arts organizations since 1965 along with changes in technology, access and arts participation, have created a need for increasingly sophisticated knowledge and training. While the United States had a few thousand arts organizations in the 60s, the 2012 National Arts Index reported total numbers of more than 113,000 (Kushner and Cohen, 2012, p. 12).

Why did this growth take place? The National Arts Index and several other studies point to a number of factors. Certainly the formation in the United States of the National Endowment for the Arts and National Endowment for the Humanities in 1965 is widely credited with jump-starting the proliferation of arts organizations by providing direct funding to local organizations in every state for the first time in America's history. The subsequent growth of state arts councils, which were created with NEA block grants and therefore followed the same practice of requiring matching funds at the state level, enabled new projects to spring up around the United States. Other factors often cited include the rise of technological advances (from television in the 50s to the internet at the end of the 20<sup>th</sup> century) that allowed more exposure to art than at any time in history; the rise in numbers of college art, music and theatre graduates; and the increasing understanding of the role of the arts in community economic and civic growth.

Effects of this growth on the industry have also been dramatic. The increase in numbers and complexity of arts organizations created a need for more professional arts managers, with more advanced knowledge of financial management, marketing, resource development and labor relations. In times of economic uncertainty, there is less room for error; arts organizations that in healthy times are able to withstand a failed program, a loss of a major grant, or a staff turnover need strong, strategic leadership to weather the storms when times are bad.

Since arts management programs weren't readily available for most aspiring arts managers until nearly the end of the 20<sup>th</sup> century, it's not surprising that most arts managers during the period of rapid growth between 1960 and 1990 either came from the ranks of the artists or from other fields, such as business, management, or communication. However, as early as the 60s, college level arts management programs began to emerge, and by the late 80s, were proliferating rapidly. In 2012, the Association of Arts Management Administrators (AAAE) has nearly sixty full member programs, a number that has nearly doubled in the last ten years and shows no signs of slowing.

Because of the relative youth of academic arts management programs, most were started with an entrepreneurial spirit using existing resources and leveraging new ones to respond to the needs of each particular situation. Unlike other disciplines that may rely on as many as several hundred years of academic tradition and standards, the arts

management field has just begun to discuss the overarching issues of academic arts management education.

The Association of Arts Administration Educators, while not an accrediting body, has recently published Graduate and Undergraduate Standards that provide guidelines for outcomes for member programs. These standards outline foundational, developing and best practice learning outcomes for common subject areas ranging from planning and fundraising to community engagement and research. According to AAAE, the standards were developed using input from its members as "a set of benchmarks for self-assessment and continual development...[which is] based on the philosophy that all arts administration graduates are entitled to certain outcomes from their education, regardless of the specific emphasis of the program."

(http://www.artsadministration.org/graduate\_standards).

As the arts management academic field moves beyond infancy to maturity, it is also examining its role vis a vis other academic programs and the future of arts management. Academic programs can serve to prepare students for employment in the arts industry, but should also, like other academic programs, provide opportunities for research to serve longer term objectives of the field and the industry. Currently, directors and faculty in each of the existing university programs examines its role within its academic community to find the correct balance between scholarly and applied activities. But with only about half a century's worth of research, much of it conducted outside the academic community, academic programs often rely more on the needs of the market than the accumulation of scholarly data to develop curricular choices. In an atmosphere where colleges and universities often consider students "consumers" and face competition from for-profit universities and technical schools, it's easy to understand the seduction of relying on the industry to dictate learning outcomes. However, academic preparation is more than technical training. It involves learning theory, honing critical thinking and analysis skills, and being comfortable with the creative thinking that will enable graduates not only to fill existing positions but lead the industry into the future.

### The role of the academy

The issues we are discussing are symptomatic of a larger issue in higher education: assuming that a college education is a job training program. Although studies have shown that someone with a college degree will earn significantly more during his or her lifetime (Baum and Payea, 2005), those studies also show that any college degree in and of itself has the potential to equip students with skills that are transferrable to a variety of situations. The danger in linking liberal arts education to specific jobs is that by doing so, we assume that all jobs are created equal, and will continue to require the same skills five, ten, and twenty years down the road. We all know this is not so. Changes in technology alone have shown us that it's impossible to simply train students for what they will encounter on the job. The subject matter of a student's major field of study, while important, is not the only reason students seek liberal arts education. They also come for a broad-based general education, which helps them to be able to look at problems from multiple points of view and in the context of history and culture.

If a student seeks a degree in music, French, or business, the curriculum will look pretty much the same at any institute of higher education. Students are able to choose programs based on quality of faculty, availability of extracurricular opportunities, internships, and areas of specialization. In arts management, there is no unified road to graduation, either at the undergraduate or graduate level. Currently at the graduate level, a student can get an MA, MFA or MBA in Arts Administration at the graduate level, and can specialize in a particular artistic discipline (museum or theatre management for example), cultural policy, not-for-profit arts management or community arts (among other specialties). Undergraduate degrees also vary from generalized not-for-profit management students to discipline-specific work. Degrees in the for-profit side, often called entertainment business or music business, once relegated to specialty schools, have entered the mainstream, and some colleges are also focusing on entrepreneurship rather than the management of organizations. This is so because of the relative youth of most of the existing programs, and because of the needs of colleges and universities to take advantage of existing resources and community needs while designing the program. While this diversity is not necessarily problematic, it does speak to the danger discussed previously in concentrating on market-driven curricula. The growing maturity of the academic field of arts management, with the help of tools like the AAAE Standards, can and should strive for a point where the diversity of programs is a strength anchored by common assumptions.

### Other forms of preparation for arts management employment

As noted in DiMaggio's study, the field has long been accustomed to accepting a variety of forms of artistic training, other kinds of academic coursework, and employment experience for aspiring arts managers. In the absence of an arts management degree program in a community, arts organizations have grown used to accepting business, management, communications, or arts/humanities degrees along with appropriate experience. This is a curious trend. If there were no nursing program in a community, would hospitals be comfortable hiring biology graduates and assuming that the rest of the information they need to know can be learned on the job? No – they would advertise jobs to a larger geographic area in order to find qualified candidates. The fact that arts organizations are willing to accept peripheral preparation may indicate that they are not able to afford to draw from larger geographic areas, or it may be because they are not themselves aware of the fact that a business degree does not necessarily prepare a student for working in the not-for-profit arts industry (a fact which may ultimately result in strategic challenges to the organization).

Because, as we have seen, arts organizations often find themselves needing to supplement the training of managers with job-appropriate skills, segments of the industry have become comfortable with offering arts management training and professional development via workshops, conference presentations, online resources and consulting. Organizations such as Americans for the Arts (<a href="www.americansforthearts.org">www.americansforthearts.org</a>), BoardSource (<a href="www.boardsource.org">www.boardsource.org</a>), and the Foundation Center

(www.foundationcenter.org) as well as discipline-specific service organizations like the League of American Orchestras (www.americanorchestras.org) and the American Association of Museums (www.aam-usa.org) routinely provide training in board development, strategic planning, fundraising and marketing. Although much of this training can be effective, it does not address the larger question of how managers learn the theory behind the skills.

# The unique arts industry

Are arts management programs superfluous? The answer to that question can be found in a closer examination of the way arts organizations work.

There is an oft-cited maxim that in order to succeed, "the arts need to operate more like businesses" -- as if the two are diametrically opposed. Some of the stereotypes go like this: creative people are too unorganized to understand how to run a business. We need more business people on our board so we will be able to increase revenue and market more efficiently. On the other hand, say artists, we can't swing the pendulum too far. Business people will be unsympathetic to artistic needs and will end up making decisions that place art second to the marketplace.

What these stereotypes are missing is the fact that separating art and business is a false dichotomy. The issue is not that art needs to act more like business, or that business needs to help but get out of the way of the art. The issue ultimately is that the arts industry is a unique industry, which acts in different ways than other kinds of businesses and therefore needs industry-specific management techniques in order to succeed.

Here are some of the reasons:

## - The arts can be organized in all economic sectors.

The arts are one of the few industries (education and sports are two notable others) that are routinely operated in for-profit, not-for-profit and government sectors, as well as in public-private partnerships and other combinations. While the products of these different types of businesses may look very similar to the lay person, there is a great deal of difference in the management, fiscal and operational needs of (for example) a county museum and a not-for-profit museum. Understanding arts management means also understanding what aspects of management are common among the sectors, and what aspects require specialized knowledge. At the very least, arts managers need to understand the different sectors and their legal, financial and organizational requirements.

- Even though these sectors have different organizational needs, they are competing against each other in the same marketplace

For the general public looking for entertainment, recreation or enrichment, it matters little how things are managed behind the scenes. Although there are obvious differences between a community theater production of *Joseph and the Amazing Technicolor Dreamcoat* and a national touring company of the same

show, for many ticket-buyers, the important issue is attending a performance of *Joseph and the Amazing Technicolor Dreamcoat*, not attending because it's performed by a for-profit or not-for-profit business. But, the playing field is not always level. Many in the public may not even hear about the community theater production, if the community theater can't blanket the airwaves with professionally produced television and radio spots like the touring company can. The high prices charged by commercial entertainment entities also cause confusion in the public, who may not understand that a community not-for-profit theatre constructs a budget that includes contributed income to help keep prices low. Instead, they may regard the lower price of the community theater production as an indicator of lower artistic quality, or they may wonder why another theater cannot charge equally low prices.

Because of the differences in the organizational structure and management of organizations offering the same product, it is a mistake to assume that skills learned in one arts management position will necessarily be transferrable to another position without additional education.

- The arts workforce can consist of paid employees, contracted workers and volunteers working side by side, and in some cases blurring hierarchical lines Because not-for-profit arts organizations commonly budget in a way that directs the largest percentage of income possible toward the artistic mission, they frequently choose to deal with personnel needs using a combination of paid and unpaid workers. Because the needs of the artistic mission may vary throughout the season according to the needs of the particular program or exhibit, arts organizations also require specialized skills for limited tenures. Thus, a regular paid employee may be working side-by-side with a scene designer who is only on site for a few months and a team of volunteers painting the sets.

The blurring of the hierarchical lines comes because not-for-profit board members commonly provide volunteer management for the organization in addition to governing. Thus, a paid employee whose salary was approved by the Board of Directors may find herself supervising a board member who is volunteering at a special event.

Traditional administrative management theory does not always apply in these situations. The presence of volunteers and blurring of hierarchical lines also applies to other types of not-for-profits, but the complexity of artistic staff working side-by side with administrative staff presents additional challenges that are not found in other not-for-profits. The arts manager needs to be able to negotiate all of this within a constantly changing work environment.

- The arts workforce can also consist of untrained workers (volunteers, amateur performers or artists) working side by side with highly specialized workers (arts managers, professional artists, technical workers)

A normal for-profit business would not hire a worker for a skilled position without training or experience, yet this is common in arts organizations. A community chorus, for example, may pay the conductor or accompanist, but rarely pays the singers – who, depending on the organization's audition requirements, may come to the organization having never had a voice lesson or even learned to read music. It is an artistic challenge, certainly, but it is also a management one. Specifically, the arts manager needs to be able to provide necessary orientation and training, negotiate the work plan which allows the artistic product to be accomplished with whatever personnel are participating, and provide adequate compensation (monetary or otherwise) for workers.

### The importance of mission

While the issues listed above are important, the single most significant difference between the arts and other industries is the role that mission plays in planning, managing and marketing the arts.

Mission is usually defined (somewhat simplistically) as the purpose of an organization: what the organization does, and for whom they do it. All businesses have missions, whether or not they are specifically spelled out. The difference for a not-for-profit business is that mission is not a means to an end (profit), it is the end in itself. Mission in the not-for-profit is, quite literally, the bottom line.

When an organization is granted 501(c)(3) status, the IRS grants certain benefits to the organization, including exemption from federal income taxes and the ability to offer deductions for charitable donations. To continue these benefits, the organization must show annually that the mission for which it was approved continues to be the guiding force in operating the organization. In other words, if an organization shows a profit but fails to provide proof that it furthered its tax-exempt purpose, it will be in real danger of losing its tax exempt status.

Mission in a not-for-profit arts organization is often misunderstood by those whose primary orientation is profit. Too often, a concentration on mission is misinterpreted as setting aside business sense in favor of artistic whim, or worse, a deliberate rejection of profit because of an animosity toward capitalism. Even those in the arts industry fall into the trap of assuming that a profit-making orientation is the norm, but it's one that artists have chosen to reject. In other words, many both within and outside the arts industry assume that money and art cannot peacefully coexist without losing one's artistic soul.

The idea that mission and money are incompatible leads to some destructive conclusions, many of which are, unfortunately, very much a part of the thinking of many arts organizations today. The most dangerous conclusion is that a true mission-based program will only attract a small audience, and therefore in order to make money, the organization must lower artistic standards to appeal to a broader spectrum of the public.

This attitude is actually quite patronizing and elitist. It implies that the general public is not capable of understanding good art, but since we need their money to do what we want to do, we will give them something we think they will be capable of enjoying.

Like the other aspects of the arts industry listed above that act differently than other industries, the role of mission in the management of the arts is an essential concept for arts managers to understand. When arts organizations think of mission not as simply a philosophical concept, but a legal issue and a management challenge, the attitude toward mission changes completely. Here are a few examples of management issues that require knowledge of the role of mission:

- In a for-profit business, a product is kept on the market as long as it is making a profit (for example, a movie stays in a first-run theater until audiences drop, then moves to the budget and/or to DVD). In a not-for-profit, artistic products are presented on a pre-determined schedule. It doesn't matter if every performance sells out and audiences are clamoring for more, when the run at the community theater is over, it's over because something else needs to move in.
- The for-profit marketplace innovates and creates new products only when it is economically feasible to do so. In a not-for-profit, creating and presenting new works is common and a part of the artistic mission, so revenue generation and expenses must be planned with the idea that products are introduced despite their ability to earn back investments.
- The for-profit marketplace creates and presents new products to conform with consumer needs. In a not-for-profit, the artistic integrity of the product and the need to present products that conform with the mission are more important.
  Therefore, arts organizations are often faced with the challenge of not only selling a product, but justifying a need.
- In a for-profit business, profits are obviously the primary consideration, and the primary source of income is through sales of the product. A not-for-profit has other sources of income, including donations and grants, which shield the organization from needing to rely solely on sales (and thus the need to create products which rely on those sales). This usually means that marketing budgets in for-profits tend to be larger than those in not-for-profits. On the other hand, many times the fact that a not-for-profit has other sources of income can keep its prices lower than comparable for-profit prices. But those other sources of income must be managed too.

In order to make good management decisions in a mission context, arts managers need a strong grounding in the philosophy that marries high artistic standards with a vigorous pursuit of the resources to make the art happen. This means balancing earned and contributed income opportunities, human and other resources, available artistic products, and community input as well as simply trying to sell tickets.

### **Implications for pedagogy**

It's easy to underestimate the ways that mission affects the management of the arts not-for-profit. To the uninitiated, it may seem as though the arts business is just the same as any other business, the only difference being product. When the practical aspects of mission-based arts management are considered, however, it's clear that neither on-the-job training alone or a cobbled-together education consisting of standard business courses combined with arts knowledge is sufficient to prepare the arts leaders of the future. The most successful education for arts management students will include a thorough examination of the theory of mission-based arts management, applied to practical skills that can be transferred to the marketplace.

The higher education setting is uniquely positioned to be able to offer what is most needed for arts management students. Colleges and universities can offer a broad spectrum of coursework that teaches critical thinking and creative problem solving in an interdisciplinary context, as well as the opportunity to apply theory to practice in classroom exercises, practicums and internships.

In order for the college-level arts management programs to continue to convince students, parents, university administrations and the arts industry of their relevance, however, there is a need to make clear the differences between a degree in arts management and other forms of preparation for employment in the arts. Arts management faculty need to be proactive in making sure that the unique aspects of mission-based arts management theory are applied at multiple points in the education process, not only in arts management-specific courses but also through opportunities to "translate" coursework in business, marketing and other subjects to the arts environment. In addition, we need to make sure that students understand what we are doing, and why the education they are receiving differs from other kinds of training.

#### Conclusion

It is important for those of us teaching arts management in higher education to consider mission as an answer to a pedagogical need. We have challenges: coping with the economic and academic realities of higher education, preparing students for a shifting economy and cultural job market, and responding to the short and long term needs of the arts. One of the best ways to respond to all of these challenges is to make sure that we

are providing what no one else can: a rigorous pedagogy that goes beyond skills training and emphasizes the unique management needs of the arts industry.

Of course there will always be a need for the practical skills, like grant writing and financial management – those skills are expected of any student applying for a job. But what will make the difference between a student who knows the mechanics of constructing a news release and a student who is capable of providing dynamic direction to an arts organization is the knowledge of the unique aspects of the arts industry in a mission-based setting.

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