

## Strategic Planning in the Arts: A Practical Guide

### Artistic Planning

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The internal analysis reveals those areas of concern that must be addressed in the strategy section of the plan. In *every* plan for *every* arts organization there must be a discussion of future artistic programming and needs; this provides the motivation for the remaining sections of the plan.

While it is absurd to suggest that artists can and should know what the results of their creativity will be, it is nonetheless crucial that arts organizations plan their exhibitions and productions as explicitly and coherently as possible. No one can predict how a specific work of art will be realized, how a production of "Don Giovanni" will emerge or whether a new piece of choreography will remain in the repertory. This does not mean that one cannot develop guidelines for the number, size and nature of the productions and exhibitions to be undertaken.

By no means is this meant to limit artistic initiative. On the contrary, the goal is to understand the anticipated artistic initiatives well enough to be able to accrue the resources needed to support them. If an arts organization plans to mount expensive and esoteric productions, there are obvious marketing and funding implications: Will a unique marketing approach be needed? Must the organization expect to lose money? Is special underwriting required? Is it available? Are there identifiable donors who may be attracted to this work? The answers to these questions must be developed explicitly so that the organization is not left without the audience it hopes to reach and the funding it requires to continue to produce good work.

In developing an artistic plan, it is essential to understand the needs of the artists. This is not a simple task. When one asks creative people about their requirements, one frequently receives a very long list. Artists are visionaries and their visions are not constrained by budgets and cash flow considerations. The challenge to the planner is to work with the artists to prioritize their needs. It is not the role of the planner to second-guess the artists. They must simply understand the artists' requirements and develop alternative scenarios for meeting them. If a choreographer hopes to use more dancers, the plan must address this need, but in a time frame that allows the organization to function in a fiscally-responsible manner. Explaining to the choreographer the implications of the increased costs of adding dancers and identifying those projects that may have to be sacrificed to afford the additions help the artists set their own priorities. It is dangerous when administrators become the decision-makers on artistic matters.

A complete artistic plan addresses many issues including:

## NUMBER OF PRODUCTIONS OR EXHIBITIONS

The number of annual productions or exhibitions has huge artistic and budgetary implications. The drive to express their vision with greater strength and clarity frequently has artistic directors pressing for more productions.

The cost of additional exhibitions or productions, however, can be immense. The impact on the budget depends on the quality of the planning that led to the programming decisions. If earned income from the new presentation plus the underwriting available are enough to cover the added costs, the growth in programming strengthens the artistic profile of the organization in the best way possible. If there is no realistic revenue plan, the fiscal health of the organization is jeopardized and future presentations are threatened.

The decisions regarding the number of productions and their budgets are some of the toughest issues that must be addressed in the plan. One does not want to commit to produce more art than the organization can afford. Yet too much conservatism can restrict artistic growth - the organization's very reason for being. This tension is never fully resolved even in the best arts organizations; the on-going pressure to produce more and better art spurs the development of stronger earned and contributed income streams.

## REPERTORY SELECTION

The selection of repertory is solely the province of the artistic director although, once again, the implications for earned and contributed revenue must be discussed. The financial impact of repertory choices depends on the amount invested in any single exhibition or production and its earned income potential. While museums spend substantial sums on planning and mounting exhibitions, there is often little earned income potential. Funding possibilities are more important than attendance projections. Many opera companies also spend large sums on mounting new productions. Yet the earned income potential for an opera production is substantial and is a very important consideration when new works are added to the repertory. Modern dance companies tend to spend less on any one new work and typically do not rely on a single work to sell tickets. Large ballet companies, however, can and do spend major sums on the remounting of full-length story ballets; a poorly received new production of *Swan Lake*, for example, can be a very costly endeavor.

In many arts organizations, tension results when the artistic director wishes to mount a specific work that the administrative leadership feels is too expensive or will not attract funding or audiences. This tension can be reduced if the desired work is scheduled far enough in the future to give the staff and Board the time they need to find adequate resources. If the artistic director believes that a serious effort to fund the work will be mounted, the delay should not be a major issue. A trusting relationship between the artists and the administrators must be established for this reasonable approach to work.

The repertory selected tells the public a great deal about the artistic mission of the organization. Donors, audience members and critics look to the exhibition schedule or the performance repertory for clues about an organization's artistic vision. Yet many artistic directors select works

on their own merits, failing to look at the pattern they establish. For this reason, it is helpful to look at repertory choices over a two or three year time period. The "shape" of each season should accurately convey the mission of the organization.

## **TALENT SELECTION**

The nature of the artistic talent employed by the organization also reflects its artistic vision. Some arts organizations always employ star performers, others feature an ensemble. While the casting decisions (and the choice of directors, designers, etc.) are artistic ones, these decisions affect the entire organization. Stars can certainly help sell tickets and can play a major role in fund-raising. The development of a first-rate ensemble, however, can allow an organization greater flexibility and avoids the expenses and scheduling difficulties related to engaging celebrities.

Using a famous guest artist can actually hurt future ticket sales if enough of the audience decides to purchase tickets only when an artist of great fame is featured. This can result in many empty seats for some wonderful performances. One safe way of using guest artists is at benefit performances that are clearly of a special nature with premium ticket prices.

## **FACILITY**

While most arts organizations treat their primary venue as a "given" during the planning process, some artists and administrators wish to change the venue for their performances and exhibitions. Constructing a new facility must be considered carefully, particularly given the high cost and the need to raise capital funds in advance.

Other artists rent facilities that are either too expensive or not sufficient. The decision to move must also be made with great forethought. A serious marketing effort aimed at educating audiences about the new location must precede the move, especially if the new facility is larger than the current one. If the new theater is empty, the audience will not enjoy the performance nor will the artists feel appreciated.

## **TOURING**

Touring is a necessity for many types of arts organizations. For most dance companies, touring is essential since few companies can perform in their home theaters often enough to meet artistic and financial targets. A few theater companies tour although the availability of theater in most communities limits the interest in paying tour fees apart from the most popular Broadway musicals. Opera companies tour infrequently, given their high costs, although several major companies have established reduced-scale touring ensembles. Many symphony orchestras tour, yet the cost frequently exceeds revenue and major underwriting is essential.

Tour dates have become substantially more difficult to book since many subsidies have vanished and the presenters that engage arts groups have suffered from the same economic and funding difficulties as producing organizations. University presenters, important constituents of the presenting community, are under increasing pressure to reduce expenditures and to increase revenue as their parent institutions face budget cuts.

This forces presenters to reduce the number of performances and to book companies on the basis of financial returns. The most visible companies, especially those with lower fees, are a favorite since they will certainly sell well. The newest organizations may not sell many tickets, but the fees are small as well. Many mid-sized companies have suffered the most in this environment, with fees too high to justify given a modest reputation.

Museum exhibitions tour very frequently since the cost of creating an exhibition is so large relative to the cost of moving and re-mounting it. (Also, unlike in the performing arts, once an exhibition has been dismantled, there is virtually no opportunity to re-mount it. If a museum does not rent the exhibition to other venues, the full cost of creating the exhibition must be carried by the single showing.) The importance of tour revenue differs substantially between museums. The Museum for African Art, for example, has traditionally earned a substantial portion of its revenue from exhibition rentals. The growing interest in the subject matter and the limited number of institutions creating exhibitions on African art have produced a very fertile market.

## **PRODUCTION**

The artistic plan must also address the needs of the production staff for performing arts organizations, and the curators, registrars, archivists and conservators in museums. Requirements for additional personnel, new equipment and new policies should be addressed.

Frequently, as an organization matures, the growth in production spending outpaces that of artistic expenditures. This growth, however, must be controlled, and the staff must set priorities carefully. Is the new lighting board more important than a new work? Should the cataloguing of a collection take priority over a special exhibition? The institutional planning process can only proceed when the artistic leadership has made these decisions.

## **MUSEUM PUBLICATIONS AND COLLECTIONS**

Museums must also make explicit plans regarding catalogue publishing and collection development. Publishing is a major expense for many museums. Exhibition catalogues represent permanent documentation, preserving much of the scholarly thinking upon which the exhibition is based. The importance of this written record is unquestioned. The way the catalogue is produced, however, as well as the number of copies and the distribution channels employed must be carefully considered.

Plans for collection acquisitions must also be explicitly delineated. The priority given to building the collection will vary depending upon the organization's mission. The cost of acquiring today is

so great that every collecting museum must develop clear priorities and a strategy for attracting gifts of collection items as well as purchase funds and endowments. The time and energy devoted to these activities will clearly compete with the efforts to raise operating funding and endowments. Whether this is a good trade-off or not will depend on the artistic vision and the fiscal situation of the institution.

Everyone reading an artistic plan must be prepared to see the specific elements of that plan change as new opportunities arise. The challenge of entrepreneurial planning, described in the introduction to this book, is nowhere as evident as in the artistic planning for an arts organization.

## **ARTISTIC PLANNING ISSUES**

Each of the following issues should be addressed in the artistic plan:

- What productions (exhibitions) are planned over the next 5 years?
- How do these productions serve the mission of the organization?
- What message does the slate of productions convey to the public about the mission?
- To what extent will each production appeal to the public?
- To what extent will each production appeal to funders?
- What is the cost of each production?
- Will sufficient earned and unearned income be available to underwrite these costs?
- Where will the productions be mounted?
- Does any production have unusual technical or artistic requirements?
- Will any production feature guest artists of great celebrity?
- What impact will this have on cost? ticket prices? marketing strategy? fund-raising strategy?
- Will any production tour?
- Will the touring productions appeal to presenters?
- To what extent will earned income cover touring costs?
- Will additional funding be necessary to cover touring expenses?