

THE PAUL G. ALLEN  
FAMILY FOUNDATION



## **Bright Spots Leadership in the Pacific Northwest**

PAUL G. ALLEN FAMILY FOUNDATION AND HELICON COLLABORATIVE

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The operating environment for nonprofit cultural organizations today is daunting. Demographic shifts, changing participation patterns, evolving technology, increased competition for consumer attention, rising costs of doing business, shifts in the philanthropic sector and public funding, and the lingering recession form a stew of change and uncertainty. Every cultural organization is experiencing a combination of these shifts, each in its own way. Yet, while some organizations are struggling in this changing context, others are managing to stay healthy and dynamic while operating under the same conditions as their peers. These groups are observable exceptions, recognized by their peers as achieving success outside the norm in their artistic program, their engagement of community, and/or their financial stability. These are the “bright spots” of the cultural sector.

**Who are they?**

**What are they doing differently?**

**What can we learn by studying their behavior?**

To explore these questions, the Paul G. Allen Family Foundation asked Helicon Collaborative to conduct a study of cultural groups in the Pacific Northwest.<sup>1</sup> The project had two goals:

**1** to identify “bright spots,” defined as cultural organizations that are successfully adapting to their changing circumstances without exceptional resources,

**2** to see if these organizations share characteristics or strategies that can be replicated by others.

Helicon interviewed 43 cultural leaders in the Northwest region between August and October 2011 (See Appendix 1 for list of interviewees). We started with a handful of people suggested by the Allen Foundation and expanded the list based on recommendations from people we interviewed. We also reviewed the results of more than 60 interviews from a related study that we conducted in 2010 for the Doris Duke Charitable Foundation.<sup>2</sup> After concluding the interviews, we surveyed a variety of resources on leadership and managing change (See Appendix 2 for useful reference works). We then vetted the preliminary findings with a cross-section of cultural leaders and funders in the Northwest through three focus groups and a web conference.

The participants in these meetings strongly affirmed that our findings rang true across cultural organizations of different sizes, disciplines and geographies. Moreover, many noted that the findings are relevant for other kinds of nonprofit groups as well. Participants also contributed ideas about effectively disseminating the final report. We are deeply grateful to all of the people we spoke with for their time and thoughtfulness.

This document is a summary of Helicon’s findings. It offers insights about the essential elements common to nonprofit cultural organizations that are adapting and evolving successfully, despite challenging external conditions. The stories profiled here represent only a few of the exemplary organizations we learned about during this study. They are meant to be illustrative, not definitive.

We hope these findings will be useful to cultural leaders across the country and spark an ongoing discussion about what effective practices are today, and how these practices can be taken up more widely. We also hope these findings will help the sector focus more attention on what *is* working and less on what is not, thereby propelling an ongoing conversation about how we build healthier and more resilient cultural organizations and engage our communities. We expect that these discussions will add nuance to our understanding of bright spot qualities. We view these findings as just the start of this collective investigation, and look forward to a lively discussion (visit [www.brightspotsculture.wordpress.com](http://www.brightspotsculture.wordpress.com) to participate).

BRIGHT SPOTS

## THE ORIGINAL STORY

**In 1990,** Jerry Sternin was sent by Save the Children to fight severe malnutrition in rural communities of Vietnam. The Vietnamese foreign minister, having seen many such “do-gooder” missions in the past, gave him just six months to make a difference. Sternin was well-versed in the academic literature on the complex systemic causes of malnutrition – poor sanitation, poverty, lack of education, etc. He considered such information “T.B.U.” – “True But Useless.” There was no way a strategy focused on changing these deeply rooted issues could see results in six months.

Instead, Sternin used an approach that he would later call positive deviance. He traveled to villages and met with the foremost experts on feeding children: groups of village mothers. He asked them whether there were any very poor families whose children were bigger and healthier than the typical child, even though their families had only the same resources available to all. Hearing that the answer was “yes,” Sternin and villagers set out to discover what the mothers of the healthiest children were doing differently.

They found that the mothers of the healthiest children were indeed doing things differently. First, they were feeding their children smaller portions of food, more often during the day. Second, they were taking brine shrimp from the rice paddies and greens from sweet potatoes grown in their gardens and adding these to their daily soups or rice dishes. They were doing this even though most people avoided these foods, which were stigmatized as “low class.” And third, when serving their children, they were ladling from the bottom of the pot, making sure the kids got the shrimp and greens that had settled during cooking.

Sternin called these families “bright spots” – observable exceptions recognized by their peers as producing results above the norm with only the same kinds of resources available to others. In less than a month, he and the mothers had discovered local practices that were effective, realistic and sustainable. He helped mothers in other villages to study their local bright spots and replicate their behavior. Critical to the success of this process was recognizing that sustainable solutions are already in use and could be *locally sourced by local people*. Sternin helped the “bright spot” mothers in numerous villages train others in the most effective practices for their communities. At the end of six months, 65% of the children in the villages where Sternin worked were better nourished.

## Five Bright Spot Principles

When Helicon began this research project, we were excited about the possibility of discovering innovative behaviors that exemplary cultural organizations were using. And we did hear about many inspired and creative tactics. But as the research progressed, we realized that the bright spots we interviewed and heard about are not chasing the magic of innovation. Rather, they are employing fundamental principles that have roots based in common sense. These principles manifest differently in each bright spot organization, shaped by its local context and local resources—the kind of institution, its stakeholders, its community and its history. But the basic principles are consistent and reliable. Bright spots do not stand out because they are inventing wholly new practices, but because they are applying and refining fundamental principles that are available to all.

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“The principles of being a good organization are no different from those of being a good person or a good neighbor. It is all about the fundamentals—treat people with respect, share what you have, do good work that matters, and so on. We all know all of this, but when we go to work as part of an organization we sometimes forget how to behave like a human being.”

**Sandra Jackson-Dumont,**  
**Seattle Art Museum**

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Bright spot organizations are evolving in response to changing circumstances better than their peers because they engage five basic principles:

- A ANIMATING PURPOSE**  
They have a clear purpose and a compelling vision, delivered through distinctive, relevant, high quality programs that excite people.
- D DEEPLY ENGAGED WITH COMMUNITY**  
They operate in and of their communities, and they possess a deep understanding of their interconnectedness with others and their role as civic leaders.
- E EVALUATION AND ANALYSIS**  
They are sponges for information and are brutally realistic in assessing their circumstances, and yet they see possibilities where others don't.
- P PLASTICITY**  
They are nimble and flexible about how they realize their mission, and very little about the organizational form is too precious to change.
- T TRANSPARENT LEADERSHIP**  
They distribute authority and responsibility across the organization and practice transparent decision-making.

Mnemonics are sometimes useful, and always imperfect. However, the word **ADEPT** has some meanings that we think are particularly well-suited to bright spots. An adept is an expert, usually in an area that requires substantial practice to attain mastery. As a verb, adept means being proficient or expert. The word derives from the Latin for alchemist – one who is skilled in the secret of how to change base metals into gold. Bright spots are highly skilled organizations that are masterfully using basic concepts to become exceptional. The five bright spot principles are inter-related and sometimes hard to tease out in the day-to-day life of an organization. However, they are not clever tactics or quick gimmicks that boost attendance at a specific event or create a buzz around one aspect of the organization's work. They are holistic ways of operating that influence all aspects of organizational practice. It is noteworthy that the bright spot organizations we found were of different sizes, disciplines, localities,

and ages. Each organization manifests these principles differently, as they are filtered through their local circumstances, but each embodies the five of these principles in some way.



PRINCIPLE ONE:

### ANIMATING PURPOSE

Bright spots are never out of touch with the essential nature of what they do, and they believe in it passionately. They have deep self-knowledge about their unique assets, their unique circumstances and whom they serve. They know what they have to offer and how it fits uniquely into their community. A key part of this self-knowledge is an understanding of the contemporary relevance of their mission. Bright spots know they must have a compelling reason to exist *at this particular moment in time*. Sheila Hughes, from Icicle Creek Center for the Arts, puts it best;

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“The cultural sector is experiencing a 100-year storm and a significant climate shift simultaneously. Leadership organizations are acting with courage and focus, figuring out their natural strengths for this new climate and jettisoning habits and attitudes that hold them back. Central to this process is having an animating purpose that informs the artistic program, and reinventing our connections to our communities. It’s not enough to say, ‘We want to survive.’ We have to be able to answer the question, ‘Why?’”

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Bright spots in the cultural sector are dedicated to creating art and culture, supporting artists and connecting people through artistic or cultural experiences. The work that bright spots produce is consistently of the highest quality and it connects deeply to their audience.<sup>3</sup> As Chris Coleman, Artistic Director of Portland Center Stage says,

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“Bright spots are real artists communicating to real people about real and relevant things.”

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At the same time bright spots position themselves to be able to take risks. Being clear about their purpose means they keep doing bold and exciting work, even when times are tough. Chris Coleman continues, “Organizations that are committed to remaining bold and adventuresome artistically give their audiences and their communities a reason to continue investing. What I have seen is that theaters that retrenched artistically during the recession have seen a softening of their subscriptions and ticket sales.” This doesn’t mean every show has to be perfect. As Andy Fife of Shunpike says, “The quality of an organization’s programming is about the way it sets the context for a creative conversation with the audience. Not every presentation can be excellent – risk-taking is fundamental to the arts, so we shouldn’t expect brilliance every time. But the effect of any presentation can be excellent if the work is framed to create a positive exchange with the audience.”

Bright spots are tightly focused on what they need to do to accomplish their core purpose, and they exercise discipline about following that path. John Michael Schert at Trey McIntyre Project summarized this idea succinctly, “You have to have a very clear sense of who you are, and then you have to stick to it.” This clarity helps bright spots make the right decisions, but it also helps them say “no” to opportunities – even tantalizing ones -- that do not fit their purpose. In addition to doing the right things right, bright spots’ laser focus helps them decide what they can stop doing. Many bright spots, like Literary Arts in Portland and Anchorage Opera, have stopped

doing things that are non-essential or distracting. They are doing less, but doing it better. This is critical to their success, especially in a time of constrained resources. They dedicate resources to the things that advance their mission and values, and stop everything else. Paradoxically, bright spots are finding that narrowing their focus is actually expanding their opportunities — for audiences, for the balance sheet, and for artistic quality.

#### BRIGHT SPOTS:

- **Can answer “why should we exist at this moment in time?”**
- **Have a clear, distinctive purpose and vision that excites and interests others**
- **Review their purpose regularly, in light of evolving conditions**
- **Are clear about what impact they want to have, and on whom**
- **Create and/or present high quality work**
- **Create a context that connects artists and audiences**
- **Have a “stop doing” list of things that are non-essential**



#### PRINCIPLE TWO:

### **DEEPLY ENGAGED WITH COMMUNITY**

Bright spot organizations are active community members, and exercise civic leadership both inside and outside of the arts. This civic engagement is not motivated primarily by self-interest, but rather by concern for the health and vitality of the community as a whole and desire to be good citizens. Many bright spots are deeply involved in important civic issues, such as educational reform, youth violence prevention, neighborhood revitalization, and community health. “We ask ourselves, ‘How can we help others in the community achieve their goals?’” states Torrie Allen at Anchorage Opera. They engage with community issues not for audience development reasons but as an investment in the shared social and economic fabric of which they are a part. Seattle Art Museum’s engagement with community issues “has raised people’s expectations of us,” says Sandra Jackson-Dumont. “The City asks more of us now, and that’s a good thing.” John Michael Schert says, “We are part

of the city, the community. If we limit ourselves to the arts world, we are missing out on 98% of the community.” For bright spots, community participation is not marginalized to a separate department, it is a core part of who they are.

In addition to being active participants in civic life, bright spots cultivate and nurture artists and other arts organizations, and pursue creative collaborations and partnerships. Rather than seeing other arts groups as competition, they see potential partners everywhere. “We don’t operate under a scarcity model,” says Sandra Jackson-Dumont —

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“Our attitude is: let’s invite everyone in! Rather than a fear-based system where you promote yourself above the other, we are cultivating an internal culture where we can elevate others as well as ourselves.”

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Bright spots see partnerships and collaborations as a way to achieve more for the community and their mission at the same time. Partnering is a core value, not a way to realize efficiencies of time or money (which is often doesn’t, anyway). Bright spots think less about “mine” and more about “ours.”

#### BRIGHT SPOTS:

- **Exercise civic leadership and engage in civic conversations**
- **See themselves as part of multiple systems – community, arts and culture, nonprofit, etc.**
- **See themselves as invested in community goals, and don’t see these goals as distinct from their own**
- **Pursue meaningful partnerships with others in and outside the arts**
- **See other arts organizations as partners not competitors**





PRINCIPLE THREE:

### EVALUATION AND ANALYSIS

Bright spots have a voracious appetite for data — research, facts, and trends. They use multiple perspectives to help them formulate the right questions, generate possibilities and shape and adjust strategy. They are candid about the reality of their environment and willing to deal with the implications of that reality. In recent years, many have faced uncomfortable facts about weaknesses in their business models, and have made hard choices to align their operation with evolving circumstances. Torrie Allen from Anchorage Opera cut his full-time staff from 20 people to one, himself, sub-contracting many functions that were previously held by staff members. Andrew Proctor at Literary Arts in Portland pared down and re-focused programming. Perseverance Theatre and Portland Institute of Contemporary Arts got rid of facilities that they could no longer afford. The Archie Bray Foundation for the Ceramic Arts strengthened the operation of its clay business to shore up revenues. Bright spots are all seeking a better and more sustainable balance between fixed expenses and reliable revenue.

Bright spots' analytical approach is not limited to finances. They are also capturing and analyzing data on audiences and socio-demographics, on artists and artistic trends, on technological developments, on economic and environmental projections and other factors likely to influence their practice and their future. They do not view facts as “bad” or “good” (as in, “the Kindle / iPad is the death of literature” or “online streaming will end live performance”). Facts are not value judgments but just facts, and as such they can be rationally assessed and their implications acted upon.

All but a few cultural organizations have faced budget shortfalls during the recession. But because they are fact-based, bright spots have no illusions that the recession is the cause of their current financial challenges, or that once the recession passes, things will return to pre-recession status quo. They know the world has changed, and they must evolve too. As a result, they are not pursuing band-aid strategies while waiting for revenues to rebound. Instead, they are focused on the long game. They are working on building better business models with more reliable revenue, fewer fixed costs, and better financial

monitoring skills. At the start of the recession, for example, the leaders of On the Boards assessed their future financial prospects. Their income projections suggested a drop in revenue of 10-15%, but they decided to trim the budget by twice that amount.

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“We decided to right-size for what Seattle could support,” says Artistic Director Lane Czaplinski. “By making such deep cuts at the start of the recession, we were able to adjust fast and get back to business. Our colleagues who chose to make only minor adjustments early on appear to have been in a constant budget-trimming mode ever since, which has distracted and demoralized staff and put the work on stage at risk.”

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Yet bright spots' brutal realism is paired with seemingly contradictory quality—they believe they can make it work and see opportunities where their peers only see obstacles. Beth Takekawa from the Wing Luke Museum of the Asian American Pacific Experience says, “We need to turn reality into possibility. We try to hold an attitude of opportunity.” Many bright spots attribute their success to “good luck,” but it is clear that their circumstances are no different than what peers might call “bad luck.” Bright spots are able to do two very different things at the same time: confront the brutal facts of reality and see opportunities even in the midst of great difficulty. They are fiscally conservative, but they are willing to take well-informed risks to move to the next level.

The Board of Town Hall in Seattle approved its first deficit budget in 2009 in order to hire a development director, for example, and realized a \$120,000 surplus the following year as a result.



Bright spots take an evolutionary view of change, and know that it requires a long-term view and sustained investment. Although considered innovative by outsiders, some balked at applying that term to their organizations. Andrew Proctor commented, “The word ‘transformative’ gets thrown around a lot these days. Great companies evolve over time, not just because of one, major, risky decision or charismatic leader. That is how great people do great work – through a lot of little adjustments.”

#### BRIGHT SPOTS

- **Tell the truth to themselves**
- **Seek multiple, often divergent perspectives to shape questions, answers and strategies**
- **Are realistic about what their environment can support**
- **Are willing to make hard choices**
- **See opportunities where others only see obstacles and actively work to seize the opportunities**
- **See change as evolutionary**
- **Are active agents in defining their future and do not see themselves as victims of circumstance**

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#### PRINCIPLE FOUR **PLASTICITY**

In many ways, bright spots are as creative in how they run their businesses and deliver their programs as they are in the development of their artistic or cultural products. They are so clear about their core purpose and why it matters that they can be flexible and unsentimental about how they do it. They see organizational structures, location, staff, and facilities as second-order elements that can be changed if necessary for the organization to be more relevant and effective. They do not have sacred cows, and very little is too precious to change. For bright spots, form follows function. Idaho Shakespeare and Perseverance Theatre are thinking about how they can lever their investment in producing theater by expanding to other locations. Literary Arts in Portland is broadcasting its lecture series for free, despite the prevailing idea that broadcast is competition for live offerings. Oregon Public Broadcasting has re-invented its business model

to focus on content, not distribution, in response to trends in the media market. Portland Institute of Contemporary Art has decided it can have more impact by working across multiple locations, what it calls “itinerant practice,” than working primarily from one building.

Bright spots are challenging the axiom about growth that has been prevalent in the nonprofit cultural sector for decades. Lane Czaplinski from On the Boards comments, “We have grown up with the idea that ‘if you’re not growing, you’re dying.’ That mentality is ever-present and it’s lethal. The expectation that we will always be able to do more needs to change. We need to replace it with an expectation that we remain fresh, vital, relevant, and healthy.” Bright spots understand that they must evolve, but not necessarily expand.

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“Otherwise you become victims of your own success,” says John Michael Schert. “You spend all your time and energy trying to recapitalize the monster. You start to become fearful and tighten your grip, instead of looking to create opportunity, because now you have something to lose. If you only see growth as a linear thing, bigger and better, rather than cyclical, then you stop paying attention to all other ways of doing things.”

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Bright spots focus on sustaining their missions, which can sometimes mean shrinking or substantially reconfiguring the institution's form. Bright spots maintain a "feedback loop" with their environment, and evolve as necessary. This means they must be able to "thrive in not knowing, in just a little bit of chaos," as Sandra Jackson-Dumont says. Martha Richards at the James F. and Marion L. Miller Foundation commented,

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"You can almost see the divide between successful groups and non-successful groups by this marker. Inexperienced leaders and boards hunker down and pull back in times of stress. The bright spot organizations are more comfortable with risk and adaptation; they are almost energized by the challenge."

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#### BRIGHT SPOTS

- **Are dedicated to the mission, and consider nothing else too sacred to change**
- **Are continually adjusting in response to changing circumstances**
- **Challenge the idea that institutional growth is necessary for success**
- **Are comfortable with uncertainty**

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#### PRINCIPLE FIVE **TRANSPARENT LEADERSHIP**

This research project was focused on bright spot organizations, not bright spot individuals. But we found that each bright organization does have at least one strong leader at the helm, and their leadership styles share certain qualities. Leaders of bright spot cultural organizations have a strong vision and inspire others to rally around it. They tend to be humble and self-effacing, however, and channel their ego into making the organization great, rather than promoting themselves. Their leadership tends to be non-hierarchical and they empower others in the organization to act in ways consistent with the vision.

Bright spot leaders know that success must be a shared responsibility, and so they distribute authority and responsibility widely throughout the organization. Sandra Jackson-Dumont says,

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"Successful leaders at this moment in time are willing to give up some of their own agency to empower others. They are about doing what is best for the organization or cause, not their own ego."

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Bill Rauch at Oregon Shakespeare Festival offered this story: "I am often given credit for what we are doing here, but it is definitely a shared endeavor. In most cases, it's the work of others that makes the real difference. A few years ago, a new person in our marketing/audience development department came to my office. This is a big organization and it has a lot of layers. She very bravely stepped out of the hierarchy to approach me. 'I can't do my job because the senior managers – including you, Bill – are not aligned about our goals for audiences.' This one act precipitated 65 hours of intense conversations in which we questioned our operating assumptions – named and discussed our personal and organizational myths, and then debunked those assumptions with facts. The results have been stupendous. We produced our Audience Development Manifesto, a magnificent aid to our work. As important, we created a more cohesive leadership team. This might never have happened if that 'mid-level manager' hadn't seen the vision, seized her opportunity to make it real, and walked into my office."

The bright spot cultural organizations we studied often have non-hierarchical organizational structures. Some learned this as a matter of necessity. When Idaho Shakespeare lost its development director, it was forced to rely on less experienced staff to fill the gap. Now Mark Hofflund is a firm believer in the value of empowering younger staff. "We invested in the team, and it is paying off. We are giving

opportunities to people who are earning them, even though they might not have experience. We have learned that the younger generation wants to be of service and they can make a significant difference.” At the same time, bright spot leaders are willing to stand alone for the right choice when they have to, such as when Torrie Allen introduced musicals to the Anchorage Opera repertoire or Shelia Hughes stood firm in changing both board and staff at Icicle Creek.

Bright leaders are transparent about decision-making processes and engage staff and board in creating solutions. When A Contemporary Theater in Seattle needed to cut costs to balance its budget, Artistic Director Carlo Scanduzzi presented the challenge to the staff and asked them to help create the solution. Staff came up with a range of scenarios including furlough days, donating some salary back to the theater, a four-day work week or a salary cut. Each staff member was allowed to choose the option that worked best for them, and no staff positions had to be eliminated.

A strong, supportive board is critical to the success of bright spots. Many leaders that we spoke with emphasized that transparency and trust among staff and board is especially critical when trying to run a lean organization that depends on fully utilizing the skills of all involved. The best boards are partners with the organization’s management, actively involved in thinking through changing conditions and supporting the organization’s evolution. In the organizations where this is not the case, the leader recognizes that it is a barrier to sustained success. Dennis McMillan from the Foraker Group, a nonprofit support organization in Alaska, worries that too many Alaskan organizations are being “held up on the backs of heroic individuals.”

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Bright spot organizations know that board development is central to making changes sustainable over time, and are working deliberately on this issue.

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Andrew Proctor is one case among many. The board of Literary Arts hired him knowing that it needed to strengthen its role. Andrew is developing a “participation plan” with each board member. He says:

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“We go over money, attendance, participation. They call it, ‘going to the principal’s office,’ but the organization needs to evolve and they are a critical piece of that.”

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#### BRIGHT SPOT LEADERS

- **Are not ego-driven**
- **Empower others and distribute responsibility and authority**
- **Build trust within the organization and between the organization and external audiences**
- **Define clear roles for board members, staff and volunteers that enable everyone to make contributions to the organization**
- **Are transparent and open about decision-making**
- **Are willing to stand alone behind unpopular decisions, if necessary**
- **Know that sustainability requires that leadership be shared among staff and board**

# Conclusion

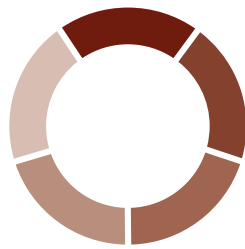
There is much talk these days about “innovation,” “breaking the mold,” “getting out of the box,” and discovering new approaches to management in the arts and cultural sector. The bright spots we surveyed are certainly good improvisers and they demonstrate a lot of creativity in responding to their individual challenges. They shine in different and distinct ways. But our research suggests that bright spots are first and foremost adept in the fundamentals. Whether they are large or small; urban or rural; performing, visual or literary arts; emerging or established — what unifies them is that they all demonstrate the following qualities:

- A ANIMATING PURPOSE**  
They have a clear purpose and a compelling vision, delivered through distinctive, relevant, high quality programs that excite people.
- D DEEPLY ENGAGED WITH COMMUNITY**  
They operate in and of their communities; and they possess a deep understanding of their interconnectedness with others and their role as civic leaders.
- E EVALUATION AND ANALYSIS**  
They are sponges for information and are brutally realistic in assessing their circumstances, and yet they see possibilities where others don't.
- P PLASTICITY**  
They are nimble and flexible about how they realize their mission, and very little about the organizational form is too precious to change.
- T TRANSPARENT LEADERSHIP**  
They distribute authority and responsibility across the organization and practice transparent decision-making.

The importance of these principles to adapting successfully and achieving results above the norm was reinforced by what people told us about the most common barriers to success. We heard repeatedly about what keeps organizations from succeeding: fear of failure and the unknown, lack of discipline or will to change, unclear priorities, ignoring facts that challenge a preferred view of the world, and inadequate cooperation with others internally and externally. These behaviors are the inverse of the qualities we discerned in the bright spot organizations.

Managing a successful cultural organization today is not as simple as adding brine shrimp and potato greens to soup. Every organization is unique and each must deploy its assets and interact with its environment its own way. However, like Jerry Sternin's mothers in Vietnam, bright spot cultural organizations are exquisitely attuned to their core purpose, use their assets inventively and maintain relentless focus on achieving tangible results. Like alchemists, they combine ordinary materials in unconventional ways in order to make something exceptionally valuable. Because bright spot organizations are adept with the fundamentals, they stand out among their peers — producing extraordinary results for artists, audiences and the communities of which they are an integral part.





# Bright Spots Vignettes



The following vignettes represent only a few of the exemplary organizations we learned about during this study, and are undoubtedly only a fraction of the many bright spots to be discovered in various communities across the country. These vignettes demonstrate how different organizations embody the five qualities of bright spots in different ways depending on their unique contexts. We hope that they help bring the concepts in this paper to life and inspire you to explore how you engage with these principles in your own work.

## ANCHORAGE OPERA

When Torrie Allen was hired as General Manager and Artistic Director of Anchorage Opera in 2007, the 45-year-old opera was suffering from a drop in audiences and donations. The Opera, like many of its peers nationwide, was losing money on every production, about \$75,000 on average. But Anchorage Opera didn't have the benefit of big benefactors who could write checks at the end of the year to cover the deficit. Allen knew that the continued existence of the Opera depended on making its programming truly relevant to a larger number of people and reviving its role as an essential part of community life.

One of the first things that Allen did was to radically change the Opera's programming philosophy:

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“Anchorage Opera isn't just an opera presenter,” Allen says, “We design and produce grand entertainment by, for and with the community. This includes ‘American opera’ – musical theater.”

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The Opera now does productions of musical theater classics like the Sound of Music and South Pacific. The theme for the 2012 season is “Spirit of the Grizzly Woman,” which connects directly to the rugged Alaskan spirit. Productions include the world premiere of Mrs. President, an opera about the first woman who ran for president in 1872, and a co-production of Bigfoot, a musical about Bigfoot...as a woman. Not everyone was happy with this shift towards the popular and contemporary. The Opera got a dozen angry letters from people who viewed this type of programming as heretical to the opera tradition. But Allen persevered, arguing that musical theater is actually more in line with opera's roots, not less. “Being great, popular entertainment is what made opera successful in the first place.” This populism extends to everything the Opera does. Whereas the opening night gala used to cost \$500 a plate and attract fewer than 100 people, it is now a \$25



party that welcomes all. Last year 1,000 people attended, most of whom had never been in the building before.

In addition to revamping its programming, the Opera is connecting to the wider community of Anchorage in new and deeper ways. “Our original name was the Anchorage Civic Opera,” says Allen, and the company is finding ways to re-animate this “civic” dimension of its mission. The Opera has cultivated a range of innovative partnerships that are mutually beneficial, including:

- Partnering with the Miss Alaska competition to help the contestants develop public presentation skills. The young women are invited to attend master classes with the Opera's singers and then the finalists introduce the Opera's performances.
- Partnering with the World Affairs Council to coordinate programming and start a conversation in the community around important issues. For example, when the Council brought a speaker on Afghanistan, the Opera hosted the speaker and partnered with a local theater company to present readings of Afghan plays.
- Offering the talent of its singers to the local electric company to do its new public service announcements on TV. It became the most popular PSA in the electric company's history, and provided free exposure for the Opera.

In seeking these partnerships, Allen asks, “How can we do something that doesn't cost money, that is out of the box, that is mutually beneficial, and that we'll be proud of later on?” Through these partnerships and its other community activities, “The Opera is a silent partner with police, school board, fire department, mayor's



office, planning commission ... with everyone who cares about quality of life in Anchorage.”

It takes time to turn a ship, but these changes are beginning to show results. Attendance has increased 50% overall, and new audiences are up by 37%. The musicals are driving this increase, with South Pacific seeing double the attendance of a typical opera, but the Opera is seeing greater attendance across the board. The average age of attendees is 35, compared to the national median age of 48 for opera goers.<sup>6</sup> Last year the Opera had its first surplus for a production, South Pacific, breaking away from the industry standard of deficit operation. Contributing to deficit reduction is the Opera’s determination to work more frugally and efficiently, spending less on overhead. Allen asserts,

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“Human beings don’t need money to be creative.”

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Whereas sets used to cost a minimum of \$20,000, recent sets have been built for as little as \$7,000 by providing more creative license to the right people. In addition, the Opera is now working entirely with contract staff except for the Executive Director and Development Director positions. This doesn’t mean the Opera is sacrificing quality. The Opera’s recent production of The Grapes of Wrath was called the “best sonic presentation in the company’s history” by one reviewer.

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**PORTLAND INSTITUTE FOR CONTEMPORARY ART**

The Portland Institute for Contemporary Art (PICA) was established in 1995 with an entrepreneurial vision for serving artists and audiences by programming open spaces and warehouses located around the city. After several successful years of this “itinerant practice,” PICA decided to commit to a fixed facility and gallery on the ground floor of a commercial building. Programming continued to be very dynamic, but the organization gradually found itself spending more on space and administrative costs than on

artists and artwork, and it accrued a significant deficit. In 2003, after careful review of its options, the Board and staff decided to relinquish the facility and launch the annual Time-Based Art Festival, marking a return to its original approach of staging events throughout town.

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“We undertook a very careful analysis and came to the conclusion that we had grown out of phase with our mission, our capacity, and the community’s interests,” says Executive Director Victoria Frey. “We had to make a significant change. Our core values are nimbleness, adaptability, vitality, and responsiveness to artists. The shift to the TBA Festival gave us the opportunity to reconnect with the energy in those values and our founding entrepreneurial spirit.”

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In 2011, PICA received funding from the ArtPlace program to “institutionalize” its non-institutional model and share it with the field. This support came at a key moment when the organization was planning to shift yet again, and pursue a hybrid model combining the successes of its nomadic programs with the accessibility of a year-round hub of operations. While new office space will provide a place for audiences and artists to convene and discuss contemporary art, PICA remains committed to mounting the majority of its projects in alternative spaces and responding to the needs of each artist. Even though it believes that this model is more adaptive to current trends, PICA finds itself confronting conventional perceptions of what a successful arts center can be. Frey observes, “When funders look to support artists spaces, they often look for permanent facilities. We are cutting a new path, and showing people the benefits of programming without a full

exhibition or performance hall. Our field needs to move beyond the focus on fixed facilities as the hallmarks of ‘real institutions’ and become more flexible about how we think about the kinds of spaces that can nurture art.”

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### TREY MCINTYRE PROJECT

In 2008 Trey McIntyre Project (TMP) was a successful national summer touring company. Having met with critical acclaim and growing demand from national and international presenters, TMP began looking for a place to settle as a permanent company. Bypassing major U.S. dance centers like San Francisco and New York, TMP’s choice was Boise, Idaho. This decision confounded many in the dance world. Boise had a small arts philanthropy community and a very small audience base for contemporary dance. “The people we knew literally laughed at us,” says John Michael Schert, the company’s Executive Director. Yet the choice of Boise was not random. The company used a set of metrics to assess where it could make the biggest difference on the way people feel, think and live.

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“We are very clear about our mission and why it matters,” explains Schert. “We ask ourselves every day, ‘Why are we doing this?’ We do this because we believe the role of art and artists is to change lives. We want to inspire an entire city to be much more creative, to aspire to more. We couldn’t be integrated into a larger community the way that we can be in Boise.”

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TMP knew it would need to invest in growing local dance audiences and building a local base of financial support in Boise. It also knew that it would take a long time, and would require

proving their relevance to individuals, businesses, funders, and city leaders. Being a new entrant into a relatively small market could stimulate some feelings of resentment among existing nonprofit arts organizations who are competing for the same resources and audiences. But TMP didn’t buy this idea of a zero sum game, and believed that there was more capacity to support the arts in Boise than was currently being cultivated. So TMP committed itself to identifying entirely new donors and audiences, rather than approaching “the usual suspects” in the community.



To convince Boise to make a commitment to it, TMP first made a passionate commitment to Boise. TMP spends much of the year touring nationally and internationally, and aggressively promotes Boise everywhere it goes. Rather than expecting the people of Boise to suddenly buy tickets, TMP went out to them. It performs in schools, businesses, hospitals, and outdoor spaces around the city. Schert says, “The era where people would sit passively in a dark hall for hours and watch the stage is gone. Today, dance has to be everywhere.” And yet TMP has succeeded in drawing people to its stage as well. Tickets for a 2010 TMP performance in its local 2,000 seat theater sold out immediately, and scalpers were selling tickets for four times the \$50 admission price. Schert credits this success to the company’s commitment to creating high quality art that makes an emotional connection with audience members. TMP is also deeply committed to supporting its dancers, who are more highly paid than other dance companies of its size and receive full health care benefits.

The company has effectively begun to cultivate a base of local support, which now makes up 25% of its \$2 million budget. Eighty percent of the company’s locally contributed income comes

from individuals, businesses, and foundations that did not previously support the arts. TMP is the artist in residence at St. Luke's Children's Hospital. In 2010, the City of Boise named TMP its first Economic Development Cultural Ambassador. This prize came with an award of \$25,000, the largest the city had ever given to an arts organization. A local bar has named drinks after the company's dancers and donates a portion of the sale of the drinks to the company. Much of the community's support for the company is in-kind donations. Among other things, dancers get free YMCA memberships; free haircuts; free M.R.I's, X-rays, and orthopedic surgery; free hotel accommodations for guests; and a free education at Boise State University.

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### **OREGON SHAKESPEARE FESTIVAL**

Since its founding in 1935, the Oregon Shakespeare Festival (OSF) has nurtured a close relationship with the city of Ashland, Oregon and surrounding southern Oregon communities. OSF's location in the rural Rogue Valley makes it critical that the organization and city work together to promote Ashland as a destination for theatre, art, culture, and recreation. While most of OSF's audiences travel from large urban areas such as San Francisco, California and Portland, Oregon, attendance by residents in the Rogue Valley has remained consistently around 12-14% of total attendance. In recent years OSF has sought to communicate more openly with local audiences in order to more actively engage returning audiences and invite new audience members.

Annual open houses enable local residents to get-behind-the-scenes and visit the costume and scene shops, and family day previews and performances promote multi-generational learning and fun four times a year. Annual or biannual Town Hall meetings offer time for OSF staff and locals to discuss the upcoming season, programs, and any concerns or questions. As part of its commitment to the inclusion of diverse people, ideas, cultures, and traditions; OSF organizes CultureFest, a celebration of multi-ethnic cultures. Continued extensive and consistent work in local schools has heightened teachers' and students' view of OSF as a learning resource.

The benefits of this relationship were made tangible this summer when the main supporting beam in OSF's main indoor theater cracked in mid-season and alternative plans had to be created over night.

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“The community completely rallied to this emergency,” says Rauch, “and amazing things happened. The Parks Department acted in two days to authorize our use of a downtown park, and expedited all the attendant permits and contracts. The business community stepped up, and many, many local residents called or came over to see if there was anything they could do. Of course, no one in town wanted to see this important economic resource threatened, but the overwhelming tenor of the responses was one of neighborliness and good will. We had an unimaginably difficult and exhausting summer, but we feel wonderfully affirmed by the people of Ashland and we are inexpressibly grateful to them.”

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## LITERARY ARTS

When he joined Literary Arts in Portland in March of 2009 as its new Executive Director, the Board wanted Andrew Proctor to write a strategic plan immediately. Instead, Proctor undertook a consultative research project to investigate the history of the organization and its operating landscape. This due diligence paid off. Armed with an understanding of its current audience and trends facing the literary arts, Proctor and the Board were able to make some well-informed decisions about the next evolution of the organization. The main strategic decision that they made was to do less, but do it better. This meant “right-sizing” its programs to suit the capacity of the organization and its environment; putting resources towards the things that will have the greatest impact; and viewing technology not as competition for its offerings, but as a tool to enhance them.

In contrast to the growth paradigm of many of its nonprofit peers, Literary Arts shrunk the size of its lecture series from six to five lectures. Proctor explains,

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“In a time when everyone is obsessed with offering people more choices and more options, we decided to offer fewer. Most arts and lecture series’ have so many programs, they are overwhelming. We needed to do something others couldn’t do so we would stand out, and guarantee both our audiences and our artists a high quality experience. When you come to our series, you know you are getting something amazing even if you don’t recognize the authors.”

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Literary Arts offers people a limited menu of offerings they can’t get anywhere else. Proctor says, “Leadership is about making choices, and that is what we do for our audiences. Our mantra is: Is anyone else doing it? Is it high quality? Is it meaningful? Are people able to thoughtfully engage with it? Anything that doesn’t fit those criteria, we don’t do. We are pruning the tree.” This pruning also applies to the organization’s Writers in the Schools program, which went from having three residences in every school to having two. Proctor emphasizes, “This doesn’t mean we took resources away from the program, we still serve every high school in the Portland Public Schools District, we just reallocated resources to where they would be most effective.”

While it is programming less, Literary Arts is deepening its programs and its relationship with its audience. Proctor says, “When you are smaller, you can focus more on quality. You can walk the halls, and really get to know your audience. You can develop a dialogue with your audience and build trust. You can ask them what they want... and then actually do it.” Its lecture series now functions like a mini writer-in-residency model. Now instead of a quick visit to Portland, each writer’s two-day trip includes a school visit, a writing workshop, a lecture, a pre-show interview on the radio, and a live broadcast on the radio. Proctor is unabashedly dedicated to this model. He acknowledges, “There are some writers who won’t make this commitment...and so they can’t come.” Literary Arts has increased the cost of its most expensive subscriptions by 10% in order to subsidize some cheaper seats, so that it can truly serve the whole community. And for those who still can’t make it because of cost or distance, or simply would prefer to listen elsewhere, Literary Arts broadcasts all of its lectures on the radio for free.



As another aspect of its strategy, Literary Arts is working to make its various programs mutually reinforcing. For example, the high school students that it serves desperately need help with college essay writing, as many are the first in their families to go to college. So, Literary Arts trained its college-educated subscribers, a population that is passionate about literacy and education, as volunteer tutors. For the first time, this has created a cross-audience between its lecture series and its education program.

This focus and clarity has already yielded positive results for Literary Arts. The lecture series had 2,100 subscribers in 2011, a record for the organization, and the largest of any lecture series in the country. It has seen about a 10% growth in just the last six months in its contributed income from individuals. In a recent survey, a full 40% of its subscribers said they would subscribe next year even if they did not know any of the names of the authors, a remarkable indicator of the trust the organization has built in its brand.

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### TOWN HALL SEATTLE

Some organizations have relevance and responsiveness in their genetic code. Wier Harman from Town Hall in Seattle says, “Our commitment to being accessible and responsive to the issues of the time pre-dates this particular cultural and economic moment. Inexpensive ticket prices and rental rates means that it is easy for people to access our programs and be a part of our calendar. We are all about stoking a community conversation and addressing the big political, cultural, and economic questions of our day. There is a big difference philosophically in the way that we are oriented from your typical arts organization. Most arts organizations have artistic leadership, a creative voice that they want to direct outwards. We are conceived more like a mirror that reflects out what is directed at it. We provide an infrastructure through which people can bring their own ideas to life.”

Harman credits Town Hall’s success in the current operating environment, in part, to this “organization as infrastructure” model. In the last year it has seen increases in its membership,

its audience, and the number and level of contributions. But he also acknowledges that this approach wouldn’t work for every organization. Town Hall’s mission is to listen and respond to what matters to the community. This is an adaptive quality that many organizations are seeking to develop at this moment in time, and, Harman says, it does require doing things differently,

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“The way you do things has to relax. You can’t be as concerned about the way that programs in your space reflect on your brand. You can’t be as concerned about the way that programs in your space reflect on your brand. You have to have very low production threshold, where you can recoup even with smaller audiences— this means containing your fixed costs to open the doors. If you self produce, you have to leave more dates open for the community to use your space. But, in exchange, you get a community mandate for your existence.”

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### SUN VALLEY CENTER FOR THE ARTS

The Sun Valley Center for the Arts, located in Ketchum, Idaho, is re-conceiving the way it thinks about itself and its role in the community. Twenty-five years ago, Ketchum was a summer resort town, and Sun Valley was the only cultural game in town. Now, Ketchum is a year-round community of 22,000 people, and many more cultural offerings have sprung up to serve this growing community of residents. In light of this proliferation of offerings and a changing

community, Sun Valley has been challenged to rethink its mission and how it can be uniquely relevant at this moment in time. Kristin Poole, Sun Valley's Co- Executive Director and Artistic Director, says, "There is no magic button. It is about listening. It is about paying attention to how the community is evolving and how we can be responsive to that. We are interested in being of and for this community, rather than just 'serving' this community. We aren't delivering art because it is good for people and a nice thing. We believe that the arts are helping connect people, that they are necessary for our humanity and our understanding of our world."

Sun Valley has adjusted its programming to reduce duplication and fill gaps. So, for example, it has cut back on its chamber music program because there are now a number of other organizations doing this. Instead, it is focusing on addressing needs it has identified in areas such as presenting world music and the humanities and supporting emerging artists. In everything that it does, Sun Valley's focus is on what is relevant and accessible to the community of Ketchum. Poole says, "You can't just present the highest quality work by the highest quality artists. You have to make it accessible to the community, invite them in to the conversation. We as a staff are interested in many topics, but when programming things we always question, 'How is this relevant to the people and the life in this town?'" Sometimes this means throwing a kegger. When Sun Valley presented the fine woodwork of George Nakoshima they wanted to reach the town's construction workers and craftsmen, but these weren't people who were used to attending art exhibits.

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So Sun Valley bought a keg of beer and invited the guys to come in after work. Poole says, "They were down on their knees examining his work. It was the most engaged audience we could have hoped for."

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Sun Valley is also bringing the cultural community together to share resources and collaborate as civic partners. Poole says, "It was a big shift from just thinking about our needs alone to thinking about all the arts organizations here, the strength of the whole and the way we serve the broader community." This means taking part in shaping the future life of the community beyond the arts alone. Poole says, "We are invested in the future and the fabric of this community. We are building a thoughtful citizenry through the arts. We want to live in a community where people are engaged with one another and the issues of our time. That extends to thinking about how do we help build governments and communities that allow that conversation to really flourish. What sets Ketchum apart is that people come here because there is an extraordinarily rich and deep cultural life."

Throughout all of this, Sun Valley has recognized that more is not necessarily better. Rather than expanding the number of programs it offers, Sun Valley seeks to deepen and expand its audiences and impact. Poole says, "Now when we plan for the future, we don't talk about more, we talk about better." This also reflects the organization's realism about what size organization its environment will support. It doesn't intend to grow its budget, but it is being more thoughtful about where it is putting its resources. Many of the metrics that Sun Valley uses to measure its success are qualitative: "Is our audience continuing to grow and learn with us? Are we having a long term relationship with them? Are people more inspired?"

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#### **ICICLE CREEK CENTER FOR THE ARTS**

In 2009, when Sheila Hughes became Executive Director of Icicle Creek Center for the Arts, in Leavenworth, Washington, the organization was a boutique operation, funded primarily by one individual and serving a devoted but small group of classical music lovers. The recession revealed how fragile both the artistic program and business operation were, and Hughes was hired to help re-invent its future. "Essentially, we had to start from scratch," says Hughes. "We gathered as much information as we could. We had lots of conversations with the community, with donors,




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“We are forming a bridge between intensive educational experiences and public experiences,” says Hughes, “by diversifying the ways that people can interact with the arts, with artists and with each other.”

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audiences, local businesses and other arts organizations. ‘What can Icicle be?’ ‘What do we want to be?’” The organization needed to find its animating purpose. As Hughes says,

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“It’s not enough to say, ‘We want to survive.’ We have to be able to answer the question, ‘Why?’”

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Icicle outlined three alternative models, informed by financial forecasting, market research and community input. After debate, the Board chose to diversify and broaden the program and audience while keeping quality at the core of the vision. The goal is to be relevant to people who appreciate excellence in a variety of lively arts. To that end, Icicle now programs world music, bluegrass and other non-European musical forms and has launched a literary series. It has added workshops and residencies and is doing more family and school programming. The Burning Word Poetry Festival at Icicle gathered over 100 working poets. The Fiddle Festival brought dozens of families to Icicle for a week, with a barn dance open to the public at the end of the program. Icicle is also pursuing partnerships with other cultural organizations locally and in Seattle, collaborating and testing new ideas.

Icicle took a risk, and it appears that it is paying off – audiences are increasing, artistic reviews are positive, and other revenue is growing. But it has not been easy. “Almost everything about our organization has had to change. The board to start, but staff as well. Our base of support, and our audience. The way we do business – from budgeting and accounting to marketing and programming. This has been extremely difficult, as many people wanted to see the situation improve without making any shifts, which of course is impossible. But we marshaled facts all along the way, and that helped everyone see the same picture and make the tough decisions that are beginning to bear exciting results now.”

**PERSEVERANCE THEATRE**

Alaska has not been impacted by the recession to the extent that other states have. Though Perseverance Theatre has maintained high attendance, its long-term fiscal picture in 2008 looked bleak. “No matter how we looked at the future, we were headed for a collision,” according





to Artistic Director Art Rotch. Production costs were rising every year, and the Juneau market of 30,000 was saturated. In a wildly successful year, the company brought in 25% of its revenue from ticket sales. The forecast for foundation funding, its primary source of revenue, was discouraging due to the recession's impact on foundation budgets. Most critically, cash flow problems were placing a strain on the organization's ability to think long-term. Rotch says, "When I was hired the Board asked me what I was good at. I said, 'Telling the truth.' And I said I didn't know what would work, but what Perseverance was doing then would definitely not."

Perseverance began by addressing the structural problems that were causing its cash flow issues. To reduce expenses, Perseverance liquidated a rental property, didn't fill a vacant position, scaled back programs, and replaced a full-time financial position with a partnership with a CPA firm. It also committed to "honest budgeting," overhauling its balance sheet and projecting revenue much more conservatively. The Board set financial goals and would not approve budgets that did not meet the goal. These cuts allowed Perseverance to scale back its budget from \$1.1 million to \$850,000 in fiscal year 2011. The theater ended the year with a surplus, no longer struggles with cash flow, and is working on building its working capital to 25%-50% of its budget. "What we've done is unusual in the theater field," says Rotch. "Many of our peers think it's impossible. But it is not impossible. It just means being realistic and making hard choices."

Getting a handle on the cash flow issues gave Perseverance space to think more creatively about its mission and business model. After considerable market research and analysis of its mission, "to produce theater by and for Alaskans," the company is pursuing a plan to regularly transfer its shows to Anchorage for a second run and build a second audience base. This strategy seeks to leverage production costs and increase earned revenue through accessing the much larger Anchorage market. The goal is to increase earned revenue from 30% to 50% of Perseverance's budget, thereby reducing its dependence on foundation dollars.

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"It's a risk," says Rotch, "but an extremely well informed one. And our experience with successfully managing the previous changes gives us confidence in our likelihood of success."

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#### **ARCHIE BRAY FOUNDATION FOR THE CERAMIC ARTS**

The Archie Bray Foundation for the Ceramic Arts is located in Helena, Montana, and is recognized internationally as one of the foremost centers in the field of ceramic art. The center offers extended residencies to clay artists, as well as a range of classes, workshops, exhibits, and other educational programs.

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"The Bray succeeds by being very focused, not trying to do too much or do something for everyone," says Director Steven Young Lee, a ceramic artist and alumnus of the Bray residencies himself.

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"We concentrate on offering the top quality services and support for artists, and staying current with evolving contemporary ceramic practices, including new state-of-the-art kilns. We want to have the world's best ceramics artists at the center, and provide them with an environment that encourages their creativity and innovation. This intensive focus, which we refined in a strategic planning process about five years ago, keeps us from being pulled in too many directions and helps us make almost every decision. Happily, it is also enabling us to improve our programs,

increase our revenue, and – through artists’ word of mouth — raise our visibility and stature in our field.”



One example illustrates the ways in which the Bray keeps its singular commitment to artists in focus in all its decision-making. “As you might imagine with a 26-acre campus containing buildings that are over 60 years old, and also a place that fires multiple kilns every day, we spend a huge amount of our budget on energy bills,” says Lee. “In our effort to find savings, we partnered with local energy consultants and did a thorough analysis of our facilities and systems. Initially, we had considered investing funds in solar panels and other energy-generating mechanisms, but found that conservation efforts were the most effective way to reduce our costs. This included increasing insulation, replacing inefficient lighting and heaters, and making a campus-wide effort to reduce energy use.

“Additionally, we decided to replace many of our old kilns with more efficient and advanced models. It was one of the most expensive options we could have chosen, but it was the choice that gave us a triple return. First and foremost, it improves our services to artists and students, which aligns with our mission. But it also lowers our costs and enhances our environmental responsibility all at once. Our artists are delighted, and have been taking advantage of not only the lower costs of firing, but also the new capabilities of the advanced technology. Through all of our efforts, we’ve reduced our carbon footprint as well as our utility bill by 5% three consecutive years.”

## IDAHO SHAKESPEARE COMPANY

When Charles Fee, Artistic Director of the Idaho Shakespeare Festival in Boise, accepted an invitation to lead the Great Lakes Theater Festival in Cleveland, it was to manage the company’s last season and a merger with the Cleveland Playhouse. By the time he arrived in Cleveland, however, the merger talks had fallen through and Great Lakes was in something of a predicament. Fee needed a quick solution in order to re-balance a fragile company and give it long-term prospects. He decided to bring shows from Boise to Cleveland and incorporate several of Cleveland’s lead actors into the shows. The first season was a stunning success. So much so, in fact, that Great Lakes and Idaho Shakespeare have been sharing Fee, actors, production staff, and many marketing and education strategies since 2002. In Idaho, it is seen as a Boise company; in Ohio, it is seen as a Cleveland company. In 2009, the Lake Tahoe Shakespeare Festival joined the partnership.

To date, the companies have shared close to 40 productions. Currently, 80% of each of Cleveland’s and Boise’s seasons are seen in both cities. This unconventional collaboration saves each company up to \$200,000 a year. The money saved from sharing production costs is invested directly in the artistic product, which results in a higher quality production for all three locations. Despite the conventional theater bias toward wanting an exclusive “world premiere,” Managing Director Mark Hofflund argues that the quality of the productions benefits from the longer “gestation time,” and getting a chance to do plays more than once. It seems that audiences agree—ticket revenue increased in all three locations by 17% this year alone. Contributions are also increasing.



The shape of the partnership is still evolving, and none of the participants is completely sure where it is going or whether there will be further integration of the administrative structures of the organizations, which are still separate. Hofflund says,

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“So long as this works for Charlie, the artists, and the communities, we’ll keep going. At some point we might even add a fourth company into the model, who knows? Maybe this artistic Medusa will add another head.”

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“An interesting by-product of our commitment to being more community-centered is that Portland Center Stage is now a much happier place to work than it was six years ago. Our strategic plan calls for us to become a more holistic culture internally, and we’ve taken this goal very seriously – and very unseriously. We’re a lot more fun now. We’re attracting more creative people, and they are taking the lead in making all aspects of our work better.”

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#### **PORTLAND CENTER STAGE**

Portland Center Stage (PCS) has a vision. Artistic Director Chris Coleman says, “We want to be engaged with the conversations going on in the city. We want to be eclectic, adventuresome, to lean forward and enable great theater to work its magic – helping people see the world in new ways and opening possibilities for change.” That vision emerged from an extended planning process the theater undertook while preparing for a new space; with input from staff, board, donors, and audience members. “When we set about to design a new building for the theater, we wanted it to help us reinvent our relationship with the community.” PCS built its theater in a renovated Armory, which has now become an important community gathering place, open 10 am to midnight, six days a week. “The building is its own hub of activity, which places the theater that goes on here in a different, and more welcoming context. And because so many different kinds of people and organizations use it as a gathering place, it connects us to multiple conversations in the community. On a daily basis, this informs decisions we make about what to put on stage and who we want to work with.

“Our board is an important part of our transformation, and there is a lot more interaction between board and staff than there was previously. We haven’t solved all our problems by any means, and we still face some serious challenges. But we’re seeing younger and more diverse audiences, an increase in donations and subscriptions, and better financial results year to year. And we’ve created a sense of excitement that is engaging the creativity and the leadership capacity of the entire staff, our board, and all our partners.”

## Appendix 1: Interviewees

Cynthia Addam, The Collins Foundation  
Torrie Allen, Anchorage Opera  
Steve Bass, Oregon Public Broadcasting  
Stefano Catalani, Bellevue Arts Museum  
Jessica Case, Seattle Foundation  
Chris Coleman, Portland Center Stage  
Susan Coliton, Paul G. Allen Family Foundation  
Lane Czaplinski, On the Boards  
Eloise Damrosch, Regional Arts and Culture Council  
Julie Decker, Anchorage Art Museum  
Andy Fife, Shunpike  
Arlynn Fishbaugh, Montana Arts Council  
Anne Focke, independent consultant  
Asia Freeman, Bunnell Street Arts Center  
Victoria Frey, Portland Institute for Contemporary Art  
Christopher Gillem, MJ Murdock Charitable Trust  
Wier Harman, Town Hall Mark Hofflund, Idaho Shakespeare Festival  
Sheila Hughes, Icicle Creek Center for the Arts  
Sandra Jackson-Dumont, Seattle Art Museum  
Jim Kelly, 4Culture  
Vincent Kitch, The Office of Arts & Cultural Affairs, Seattle  
Steven Young Lee, Archie Bray Foundation for the Ceramic Arts  
Ed Marquand, Mighty Tieton  
Catherine Martin, U.S. Bank  
Jim McDonald, Paul G. Allen Family Foundation  
Fidelma McGinn, Artist Trust  
Dennis McMillian, The Foraker Group  
Laura Millin, Missoula Art Museum  
Ed Noonan, Myrna Loy Center  
Kristin Poole, Sun Valley Center For The Arts  
Andrew Proctor, Literary Arts  
Charlie Rathbun, 4Culture  
Bill Rauch, Oregon Shakespeare Festival  
Martha Richards, James F. and Marion L. Miller Foundation  
Art Rotch, Perseverance Theatre  
Carlo Scandiuzzi, A Contemporary Theatre  
John Michael Schert, Trey McIntyre Project  
Jayson Smart, Rasmuson Foundation  
Beth Takekawa, Wing Luke Museum of the Asian Pacific American Experience  
George Thorn, Co-Director, Arts Action Research  
Jim Tune, ArtsFund  
William Vesneski, Paul G. Allen Family Foundation  
Huong Vu, The Boeing Company  
Sarah Wilke, On the Boards

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<sup>1</sup> For the purposes of this paper, we consider nonprofit cultural organizations to include museums, performing arts centers, theater, dance and music groups, literary organizations and related nonprofit organizations focused on the arts and culture. The Pacific Northwest region is defined as the Paul G. Allen Family Foundation's grantmaking region: Alaska, Idaho, Montana, Oregon and Washington.

<sup>2</sup> Interviewees are included in Appendix 1.

<sup>3</sup> <http://www.heliconcollab.net/files/BRIGHT%20SPOTS%20AND%20HARD%20BARGAINS-Helicon%20Collaborative.pdf>

<sup>4</sup> In our first round of interviews, the quality of artistic work was not mentioned frequently. This was striking, because quality is typically the starting point of any conversation about leadership in the cultural sector. We raised the issue in our focus group meetings and follow up interviews with cultural leaders. Our collective analysis was that high quality work is an unspoken prerequisite for brightness. And yet, organizations that are creating high quality artistic work are not bright spots unless they are performing well in other key areas. Our reviewers also suggested that to over-emphasize artistic quality as a determinant of brightness limits the usefulness of these findings for other sectors, and for cultural organizations whose animating purpose might focus on more than the arts.

<sup>5</sup> National Endowment for the Arts. Survey of Public Participation in the Arts. 2008.

## Credits

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Photo by Vic Roberts

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Courtesy of Perseverance Theatre  
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Page 13 (bottom right)  
Photo by Gia Goodrich  
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This paper was written by Alexis Frasz and Holly Sidford, based on research they conducted in Fall 2011. Substantial input was provided by Sue Coliton and Jim McDonald of the Paul G. Allen Family Foundation and the bright spot organization leaders



## A Discussion Guide

Our hope is that this paper will spark discussions about what is working in this environment, and how those skills can be further developed within the sector. This paper can be used as a tool for self-reflection on both organizational and individual levels. Is your organization embodying these principles? And where are you, as a leader, advancing these practices?

Here are some questions that might jump-start a process of self-inquiry. We encourage you to engage your board, staff and stakeholders in figuring out how to use the findings of this research in your work, and to generate your own questions and ideas about “brightness” in the cultural sector. We’d love to hear your reactions to this framework, or any ways that you use it. Email us at [brightspots@heliconcollab.net](mailto:brightspots@heliconcollab.net) or sign up for updates on Bright Spots webinars, workshops and releases at [www.heliconcollab.net](http://www.heliconcollab.net)

### **A** ANIMATING PURPOSE

They have a clear purpose and a compelling vision, delivered through distinctive, relevant, high quality programs that excite people.

**What is our animating purpose? What is the evidence that it is relevant at this moment and in this community? Are there ways that we should adapt to be more relevant?**

**Who is it that we seek to engage through our work? How do we know that we are having the impact we desire?**

**Is everything that we are doing essential to our core purpose? If not, what can we stop doing?**

**What would our community lose if we were to go out of business tomorrow?**

### **D** DEEPLY ENGAGED WITH COMMUNITY

They operate in and of their communities; they possess a deep understanding of their interconnectedness with others and their role as civic leaders.

**How are we involved with the issues that are most important to our greater community?**

**How do we exercise civic leadership? Who do we work with in making this a better community?**

**How do we interact with the other cultural organizations and artists in our community? Do we see them as partners, or competitors?**

**Are there ways that we can strengthen the cultural ecology as a whole in our region?**

### **E** EVALUATION AND ANALYSIS

They are sponges for information and are brutally realistic in assessing their circumstances, and yet they see possibilities where others don't.

**Have we assessed (and adjusted if necessary) our business model in light of current trends in funding and consumer behavior?**

**Have we collected demographic and psychographic information about our current audience? How often do we ask them what they think and want? And after we've asked, do we act on what we've learned?**



What are the right qualitative and quantitative measures to track our success? Are we collecting this information and using it?

Do we view new technology or changes in the way people produce and consume culture as threatening? Or do we see it as an opportunity to rethink how we deliver our mission and engage people?

Are our budget projections well-informed? If we are predicting revenue or audience growth, what facts are we using to back that up? Are we budgeting for surpluses, and only increasing fixed expenses if we have similar increases in reliable revenue?

Do we invite different perspectives to the table in analyzing trends and developing strategies?

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**P PLASTICITY**

They are nimble and flexible about how they realize their mission, and very little about the organizational form is too precious to change.

Would it be possible to do less and be more effective?

How much do we identify ourselves with our organizational structure, our building, or our flagship program? How would we achieve our mission if we didn't have these things?

What "unthinkable" idea might invigorate our business model (e.g. moving a dance company to Idaho, giving up a building, broadcasting lectures on the radio for free, drastically reducing staff, etc.) What would it mean for us to do it?

If we were to start our organization from scratch today, what would it look like?

**T TRANSPARENT LEADERSHIP**

They distribute authority and responsibility across the organization and practice transparent decision-making.

Does the whole staff and board feel invested in and responsible for the success of the organization?

Does everyone have a clear role and way to contribute to the organization's success?

Do good ideas come from all areas and level of the organization? Are they embraced on the basis of their merit, no matter where they originate?

Are decisions made transparently and fairly?

Is there a spirit of trust and openness within the organization, and between the organization and the outside?

The Paul G. Allen Family Foundation is dedicated to transforming lives and strengthening communities by fostering innovation, creating knowledge and promoting social progress.

[www.pgafamilyfoundation.org](http://www.pgafamilyfoundation.org)

Helicon Collaborative works with artists, cultural organizations, foundations and other creative enterprises to strengthen the role of art and culture in communities.