

# Theater Management Knowledge Base

Paper



*Reprinted with permission. Educational use only. Do not copy or distribute.*

## MISSION TOUCHSTONE FOR TUBULENT TIMES

*By Management Consultants for the Arts  
Reprinted by permission*

A modern dance company came perilously close to giving its last performance. At fault was neither a sudden exodus of talent nor a financial crisis. The problem lay in its strategic plan – a plan that, ironically, had succeeded beyond every hope and expectation.

This plan marked a departure for the company, whose sole mission was centered on the work of its founder. Although she had always created the choreography, music, lighting, and costumes herself, she enthusiastically endorsed the plan, which for the first time called for collaborations with other artists. Collaborations, it was believed, would generate more touring dates and, thus, increase funding and exposure for the dancers.

It worked. The company secured more touring dates – and more funding – than ever before. The plan seems to be a resounding success. Yet by the tour's conclusion, the company was on the verge of disbanding. Why?

Because in formulating its plan, the dance company had neglected what mattered most: the art of the founder herself. Trustee leadership and the principal had not fully considered how collaboration would impact her work. By the end of the tour, she was disheartened and frustrated. If the company had to depend on collaboration to prosper, she reasoned, it was closing time.

## THE PRIMACY OF MISSION

In moving away from its basic mission (in this instance, to showcase the principal's singular work), this dance company typifies an increasing number of U.S. cultural institutions. Leaders of museums, theater groups, orchestras, performing arts centers, and other cultural institutions are making decisions based on financial, community, or political imperatives and not on what should be the overarching consideration: mission. In the process, they are losing sight of their organization's reason for existence, straying from its founding principles.

This type of management can erode the overall quality of decisions, holding back a successful organization from even greater achievement – the best person for a key job goes unsought, a marketing plan is aimed at the wrong audience, the organization chart promotes "command and control" not "create and cooperate." In the worst case, such decisions can lead to outright failure, measured financially or, as with this dance company, artistically.

Simply saying that mission should be the foundation of a cultural organization is, of course, a familiar admonishment. It would be a rare museum, theater or dance company that did not have some statement of purpose chiseled somewhere in its bylaws.

Yet mission must be far more than a foundation – supportive, but buried and out of sight. It must be the touchstone for every decision. It must be faithfully revisited each time action is taken, in decisions concerning long-range strategy or day-to-day operations, whether the organization is embroiled in crisis or relishing success.

This notion may strike some as self-evident, but it is regularly sidestepped in practice. This is not always a deliberate oversight on the part of board, management, or staff. More often, they simply do not consider mission relevant to running a fiscally sound organization. Yet, in its absence, other imperatives fill the void.

## SHOULD THE "BOTTOM LINE" BE ON TOP?

The most common imperative involves money. The economic recession of 2008 left many cultural groups gasping to stay afloat. In such an environment, it is easy to mistake solvency for mission accomplished. While sound business practices are, of course, needed in cultural organizations, fiscal goals are not ends in themselves.

Consider the experience of a major museum. It had a significant endowment, which had reliably paid operating expenses for years. But when the economy weakened, the endowment's earnings could no longer keep up with these costs, let alone cover needed capital improvements and renovations.

Compounding the problem, the museum's staff was disgruntled. They felt shackled, constrained from improving the way the collection was exhibited and interpreted. Innovative programs, they felt, were crucial to boosting attendance, which had been steadily shrinking.

Their repeated requests for funds had been turned down by the museum's CEO (formerly the controller of a corporation), who arguably saw fiscal management as his first priority. For their part, the

trustees were satisfied with his actions. They equated a strong bottom line with a strong, thriving museum.

By letting the CEO make decisions based on financial goals, not mission, the trustees wound up with a museum whose staff was discouraged, professionally frustrated and threatening to unionize, and whose audience had virtually disappeared, leaving dim prospects for new fund raising campaigns.

## **WHEN BIGGER IS BITTER**

Similarly, some organizations express faith in the "bigger is better" syndrome. They cling to the belief that growth is an intrinsically worthy goal and that, conversely, consolidation is tantamount to failure. A symphony orchestra in a Southwestern city demonstrates this kind of thinking. The orchestra was under enormous financial stress. It had lost attendance, was deeply in debt, was drawing down its endowment, had consulted a bankruptcy attorney, and was prepared to close within the year. In their attempt to find a solution, the trustees took a greater role in all aspects of the orchestra's operation.

Despite the financial crisis, the board remained obsessed with size. It was intent upon selling enough seats to remain a "major" orchestra (at that time, nationally classified by size of budget). With this as the overriding goal, the trustees proposed to boost ticket sales by increasing the number of concerts. Yet they paid no attention to the kind of music the orchestra performed, an obvious issue that would have surfaced had they re-examined their mission. If the standard fare of Western European classical music could not draw enough people to begin with, would more of the same bring audiences back?

A variation of "bigger is better" is the "edifice complex." The proliferation of large performing arts centers is a prevalent example. Based on the sheer numbers of such centers mired in financial woes or emphasizing Broadway touring productions over local resident professional companies, it is evident that, in most cases, more thought has gone into the buildings than in what programming should or could go in them.

A major university built an impressive performance hall. Even in the planning stages, the founders had no concrete idea of what to put in it, aside from some vague hope of someday presenting the Chicago Symphony Orchestra. Consequently, there was no clear sense of mission to guide the architect. The hall was not targeted for any particular use or audience and was therefore ideally suited for none.

When the hall was completed, an executive director was hired to literally fit performances into it. This was not easy. Presenting the Chicago Symphony, for example, would have required a huge subsidy, given the hall's actual seating capacity.

In short, what the founders thought would be nice theoretically never made much sense. Their goals were never tied to a clear mission. As a result, the facility lost money in its first year of operation, more the second.

The tantalizing prospect of moving into a splendid new facility has caused more than one organization to run aground. A regional theater company was invited to become the prime tenant in a glorious old movie palace. Despite the fact that the facility needed renovation to the tune of \$7 million, the group jumped at the opportunity. A fund raising campaign netted only \$5 million.

Strapped with debt, the group soon realized that it had not grown sufficiently in size, audience, or artistic accomplishment to service such a cavernous building.

Had it based its original decision on the state of its work – rather the splendor of a building – chances are it would have politely declined the offer or negotiated a more favorable arrangement.

## **A CASE FOR FIDELITY, NOT FANATICISM**

If cleaving to mission makes so much sense – and can prevent such calamities – why do some bristle at the notion? Possibly it's because they think it means absolutism: pursuing the program at all costs, even if no one comes, even if it rings up big debts.

Their fears may be illustrated by a theater group we'll call the Angry British Playwrights Company. As its name suggests, the company's artistic mission is to stage the latest and angriest plays of this admittedly narrow genre.

Soon after performances begin, the initially curious crowds give way to a few (very few) devotees. Revenue evaporates with the audience. Faced with inevitable demise, should the company forge ahead under the banner of artistic mission until it broke and shuttered? Or should it "sell out" and find less angry plays to perform. Neither option makes much sense.

If, in fact, the company's leadership is absolutely clear that its mission is to stage such unpopular plays, they should remain faithful to that mission. That is, by definition, why the company exists. But at the same time, and in the interests of survival, reason dictates that they lower their expectations about the size of audience and the support that can attract.

This notion of "downsizing" in the interest of mission frightens some people, especially "institution maintainers." Like the trustees of the Southwest city's orchestra, these individuals are preoccupied with size and status.

"If we follow mission alone," they cry, "we would become an insignificant group, smaller than the opera and the ballet." For them, the arts are set pieces for larger social agendas.

A more enlightened approach was taken by that orchestra in the end. Realizing that the underlying source of their trouble was really programming, the trustees and new staff leadership re-examined the mission and pondered the unique aspects of their orchestra and community. One was the large Hispanic population. Plans were developed to include more Latin American influence in programming and to recruit more Hispanic performers. The city's temperate climate also favored such events as open-air concerts. Gradually, the audiences grew and the orchestra's long-term prospects improved. And, although presented as a hypothetical example, The Angry British Playwrights Company, remaining true to its mission and having held on all these years, would see its audiences expand with a resurgent interest in the work of these playwrights.

## **THE TOUCHSTONE IN OPERATION**

In this way, the touchstone of mission is felt in every quarter of the cultural organization. There can be no exceptions.

Marketing plans, for example, must be related to the organization's purpose. Again, this sounds self-evident, but the field is replete with marketing campaigns that generated first-time, but one-time, increases because they had nothing to do with the organization's actual work.

In staffing, mission would dictate that the best candidate for any job is one who would respond positively to the work. A public television station needed a business manager. Management's first impulse was to go after a competent "numbers" person. But after thinking about the station's basic mission, management found a candidate who possessed both an MBA and a desire to work in a cultural organization. "I never wanted financial figures to be ends in themselves," she said.

Even in support positions, mission should be the first consideration. A photography center in need of a receptionist initially sought only a person with good clerical skills. But then it was pointed out that the receptionist was often the only person on hand to interact with visitors, who typically ask many questions about photography and the exhibitions. Management realized that the receptionist had a major impact on the way the public interacts with the art. So, instead of a clerical worker, a photographer was found who could also handle clerical duties.

Strategic planning offers a final example. Planning based in mission steers the organization toward goals that matter most. This is particularly important in difficult times. Organizations with such plans weather crises with more ease. If cuts are needed, they have a clearer sense of what is truly important. They are prepared to deal with the unexpected in a rational way that doesn't compromise what they want to do.

In the opening example of the modern dance company, the collaboration nearly derailed the group, even though it met all of its financial objectives. Fortunately, the company was saved by a new plan, one that clearly furthered the founder's artistry, which was really what the group was all about.

## **WHY NOW, MORE THAN EVER**

All of the foregoing can be summarized this way: Before any decision is made, before any action is taken, ask, "How will this affect our mission?"

Due to the pressures created during the 2008 economic recession, circumstances urgently signal a return to this basic tenet. Cultural organizations of all sizes and in every quarter of the arts are under extreme and unexpected stress. Fiscally, they are squeezed by reduced and redirected public funding and an unsettled climate for private philanthropy. Others struggle with the question of pluralism and whether they are relevant to their communities.

It is especially in such uncertain times that a cultural organization should return to and rely on its mission. Mission provides an organization with a point of reference, a constant, a guide to appropriate action. It promotes organizational harmony by stimulating the creative senses of both the organization and its people. Above all else, a clear sense of mission can rejuvenate and inspire by helping board and staff remember what the organization is all about, reconsider why it was founded, envision what it can be in the future, and prepare for better times.