Organizational Management in the Non-Profit Performing Arts:
Exploring New Models of Structure, Management, and Leadership.
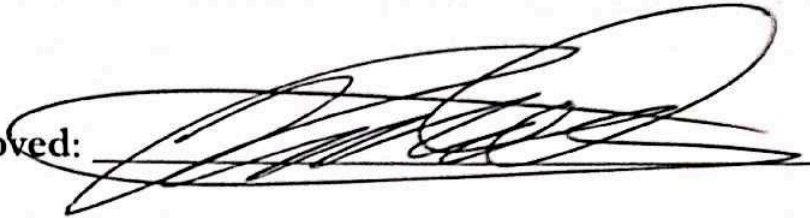
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Abstract

Arts organizations today face many changes and challenges. A tense economic and political climate, resource concerns, and a rapidly changing technological environment often complicate the leadership and management process. Without looking to one or multiple effective approaches to organizational management and strategic decision-making, performing arts organizations will continue to struggle to adapt to the challenges facing them. Most non-profit performing arts organizations operating today are managed under a dual leadership structure. This model, though not without some inherent benefits, is often argued as being innately problematic, causing internal tension among managers and staff and stagnating the strategic decision-making and planning process. Additionally, the role of artistic director, a position that has traditionally been separated from administrative duties, must be examined in order to understand the aesthetic requirements of non-profit performing arts organizations. It would be beneficial for organizations of this nature to look to alternative methods of organizational management in order to more effectively manage internal complexities as well as the challenges and changes that manifest externally. Foundations, however, must first be put properly into place by evaluating the well being of the individuals within the organization. This paper looks at models drawn from the for-profit, public, and creative sectors and their possible application to organizational non-profit performing arts.

Key Words

Résumé

EDUCATION
2011   University of Oregon, Eugene, OR
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2005   San Francisco State University, San Francisco, CA
Bachelor of Music, Vocal Performance

WORK EXPERIENCE
Current   University of Oregon
Assistant to Arts and Healthcare Initiative & Doctoral Research Assistant

2009-2010   Eugene Opera
Communication Outreach Associate
- Responsible for maintaining, and implementing DonorPerfect software.
- Assisting organization with all marketing aspects, including social and guerilla marketing.
- Managing special events.
- Handling donor outreach and correspondence.
- Spearheaded annual direct mail campaign and restructured donor benefits.

2008-2009   Santa Barbara Choral Society
Associate Director of Development
- Worked with the Board of the Choral Society to create their first ever patron retention program.
- Assisted the Music Director in artistic planning elements, hiring soloists, creating itineraries and contracts.
- Maintained and restructured multiple mailing lists.
- Planned Patron and Fundraising events bringing in several large level donations.
- Assisted with concert organization and production.
- Created and designed development brochure.

2008   New West Symphony
Assistant to the Executive Director
- Assisted in Major Gift's officer in data entry and management.
- Organized major fundraising events and yearly concert calendar.
- Prepared artist contracts and set rehearsal and appearance schedule.
- Organized travel and accommodations for local and international visiting artists.

2007-2008   San Francisco State University, School of Music and Dance
Administrative Coordinator and Minor Adviser
- Constructed and maintained database for all students and faculty.
- Managed student and faculty affairs including registration, scheduling, grading, and event management.
- Coordinated concert production efforts.
- Handled minor website maintenance.

EVENT PLANNING/ FREELANCE
2006/2007   SFSU Opera
Gala Event Director and Co-Founder

- Coordinated all aspects of the first and second concert gala and fundraiser.
- Delegated tasks to volunteers and trained them in aspects of fundraising and reception planning.
- Handled all event marketing and advertising.
- Solicited many donations including cash and goods for the reception.
- Implemented the foundation and plans for future opera fundraising events.

2007   International Center for the Arts
Assistant to the Director for the March 2007 Doc Film Institute WWII Festival
- Involved in the planning and coordination of three-day documentary festival, including theater events and receptions.

2007   School of Music and Dance
Hospitality Events Organizer for The American College Dance Festival
- Coordinated and executed all hospitality events including closing gala for over 400 participants.
- Instrumental in attaining cash donations and event sponsors.

GRADUATE TEACHING & RESEARCH FELLOW
2010/2011   University of Oregon
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INTERNSHIP
2010   Oregon Bach Festival
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Current   Cascadia Concert Opera, Eugene, OR
Director of Marketing and Interim Director of Development
- Manage website and all media/technology components. Manage all social media.
- Handle all print and marketing including all graphic design work.
- Created all donor solicitation materials.

CONFERENCES ATTENDED
2007   National Arts Marketing Conference, San Francisco, CA
2010   Performing Arts Managers Conference, Seattle, WA
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2009/2010   Arts Administration Department Conference Travel Award
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- Excellent computer skills: MS Word, Outlook, Excel, FileMaker and PowerPoint, also very familiar with both PC and Macintosh operating systems.
- Knowledge of Adobe Premium Design Suite: Dreamweaver, InDesign, Illustrator, Photoshop, and Acrobat.
- Basic knowledge of Spanish, Italian, French, German, and Latin.

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Introduction and Methodology

The non-profit performing arts world is looking for answers. Today's arts and culture headlines and blog topics are often focused on one of two things – arts organizations across the country that are closing their doors, or how to not be one of the arts organizations across the country that are closing their doors. These difficult times have been predicted, in multiple arenas, as early as the 1960's when Baumol and Bowen (1966) wrote *Performing Arts—The Economic Dilemma.* They asserted that an earnings gap would accrue as a result of the cost of artistic labor increasing over time faster than earned revenue. In 2001, McCarthy, Brooks, Lowell, and Zakaras wrote that the rapid expansion of digital technologies would bring "unpredictable consequences for the future of the live performing arts" (p. iv). In addition, they warned that the upcoming years would present tremendous challenges to the performing arts as competition for resources and funding would make for an uncertain future (McCarthy et al., 2001). Though properly warned, the non-profit performing arts have little control over the changes that are occurring politically, economically, and technologically in society. They do, however, have control over their internal organizational management. As the future predicted by Baumol & Bowen and McCarthy et al. becomes the present, non-profit performing arts organizations must look to expand their ideas of management, leadership, and organizational structure in order to sustain the industry.

This intention of this study is to look at the difficulties that are affecting non-profit performing arts organizations systemically. Through an in-depth examination of primarily recent literature, analysis of the current environment, and knowledge gained from two capstone-related courses, I explored several questions:

i. What are the primary external challenges facing the leadership and management of non-profit performing arts organizations today?

ii.   What are the key problem areas, in regard to organizational management, where non-profit

performing arts organizations are unable to provide effective leadership, management, and

strategic decision-making?

iii.   Finally, how might non-profit performing arts organizations use organizational models from

the for-profit, public, or other areas of the creative sector to help better manage the

aforementioned challenges?

Due to the nature of these questions, qualitative research was conducted. The goal of this study was

rooted in gaining a better understanding of the current sociological and environmental context, and

to possibly arrive at outcomes that recognize the need for further exploration into specific areas of

this research capstone. By using a question-driven perspective, I was able to explore both qualitative

and quantitative data in order to gain a more in-depth understanding, and represent a broad

community like the non-profit performing arts (O'Leary, 2010).

Section I – External Challenges

Today, performing arts organizations face many changes and challenges. A tense economic and political climate, resource concerns, and a rapidly changing technological environment often complicate the leadership and management process that many of these organizations have in place. Kushner and Cohen (2011) note, "the arts are viewed as coexisting in ecology with other powerful forces in society… population growth and diversity, multiple public policy changes, the global environment, changes in peoples' access to and use of technology"(p. 81). The notion that the arts, specifically non-profit performing arts organizations, coexist with these tremendous societal forces seems overly optimistic. It appears instead that the arts are fighting against, or being acted upon by these outside powers. This is most likely due to the fact that the organizational management within these organizations does not allow them to look beyond what is happening internally, and they are often unprepared for the changes that occur externally.

In discussing the arts sector, Cray, Inglis, and Freeman (2007) note, "the pressure for visible change will impact most heavily on the leaders of such organizations. Because they represent the organization to its external stakeholders, and serve as a link between the organizations environment and its employees" (p. 296). Non-profit arts organizations however, need more than just evidence of problems and suggestions for change. Ultimately they need real solutions and the tools and resources for the implementation of these solutions. This first section looks to explain the ways the economy, politics, other resources, and technology are presently affecting these organizations.

Economic Climate

The non-profit performing arts operate in an environment of uncertainty. Regardless of the current economic climate, many performing arts organizations work under tremendous financial strain. The "'cost disease' of growing financial pressures and an ever widening gap between income

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and expenses" as described by Baumol and Bowen in the 1960's continues to plague these organizations today (Kotler & Scheff, 1997, p. 11). The non-profit performing arts often rely on government subsidies or default to raising ticket prices in order to balance this financial deficit. Neither of these methods is consistent, and they both offer as many problems as they do benefits.

The United States government offers little financial support for the arts. During times of economic trouble, many state and federal agencies are forced to significantly cut funding to the arts or even eliminate it all together. Raising ticket prices has its downfalls as well. According to Kaiser (2010), "we have priced so many people out of our performances that we are considered irrelevant by many" (para. 7).

Wyzomirski (2002) describes the financial support system for the arts as having "four distinct sources: private contributions (individuals, corporations, and foundations); direct government funds; earned income; and investment and endowment funds" (p. 222). For many non-profit performing arts organizations financial support is often limited to private contributions, direct government funding, and earned income - none of which is necessarily secure or reliable. Today, these funds are often heavily impacted, and the economic climate only exacerbates the financial problems that non-profit performing arts already face. The current economic situation in the United States has caused many government agencies, individuals, and private corporations to withdraw or greatly minimize their financial support of the arts.

Government funding for the arts in particular has been weakening in the United States since the culture wars of the 1980s. According to McCarthy et al. (2001), in 1997 federal funding for the arts had been on a steady decline of almost fifty percent. This has resulted in a shift of funding from the federal to the state level. Federal funding at that time contributed to only about five percent of the income for performing arts organizations. This model of increased funding at the state level while federal funding remained moderately level was actually beneficial to arts organizations for a

time. However, in the early 2000's state level funding for the arts dropped dramatically and has since not fully recovered. According to more recent data, "inflation-adjusted dollars per capita, funding from local, state, and federal sources has decreased by 31 percent since 1986" (Han, 2010, para. 5).

Funding for the arts is an extremely volatile system. Because they are frequently seen as being dispensable, they arts are at the mercy of the local, federal, and even global economy. Often times when budget cuts are being made the arts sector is the first to feel the pressure. This is the case, not only in regard to public funders of the arts, but also with individuals, foundations and corporations in the private sector. Giving patterns from the private sector are closely related to the economy. Many of the largest private supporters of the arts have been severely hit during this most recent economic turmoil, resulting in a significant decrease of funding from private foundations as well as from the corporate community (Kushner & Cohen, 2010).

Individual giving trends are more complicated to analyze than others. According to the *National Arts Index 2009: An Annual Measure of the Vitality of Arts and Culture in the United States*, "total private giving increased in current dollars most years since 1998, but the effects of inflation have reduced the benefits of that increase" (Kushner & Cohen, 2010, p. 31). These statistics remain relatively the same in the most current *National Arts Index 2010: An Annual Measure of the Vitality of the Arts*, in which the authors note that, "while the arts dollars have increased, the share of private sector giving to the arts has fallen from 4.9 percent to 4.0 percent over the past decade, matching its lowest point"(Kushner & Cohen, 2011, p. 32). Many non-profit performing arts organizations have claimed over the last couple years that they have seen an increase in individual giving even while corporate and government contributions diminish. This might in fact be the case, however, the reality of what is really occurring is not necessarily being recognized. If all the giving to the arts is adjusted for inflation we find that overall contributions have declined considerably since the 1990's.

Political Concerns

Political challenges closely mirror economic. Like the economy, government and politics play an essential role in the future of the performing arts. Decisions to reduce federal and state funding for the arts are most often the result of political controversies or agendas. Due to the fact that arts support fluctuates at both the state and the federal levels, it is impossible to establish a consistent position as to their importance. Additionally, not all political parties place the same importance on funding the arts. Fluctuation in support can also occur based on executive and legislative administrations. Just this year, the House of Representatives passed an appropriations bill (H.R.1) cutting 20.6 million dollars in federal funding to the National Endowment for the Arts for 2012.

Non-profit performing arts organizations need political support at the local and federal levels that goes beyond financial. McCarthy, Ondaatje, & Novak (2007) argue that a combination of factors including the "rapid growth of the arts sector, cutbacks in local government funding, and public skepticism about government programs and higher taxes has created a new political environment for the arts" (p. 2). In this new political climate, the arts are unable to argue their intrinsic values. Instead, the sector has turned to advocating for the economic and educational significance of the arts. Both arguments are valid, however, they don't promote unification within the sector. This fractioning of goals is seen not only in the sector as a whole but within individual organizations. Political division, especially at the local or community level, can have a significant impact on the leadership of the local performing arts organizations. The reverse case is also true. Fragmentation among regional corporate and governmental leaders creates an environment where the arts can easily become insignificant. In order to achieve a clear vision regarding the future of the arts, there must be clear leadership and management. Without it, leaders of non-profit performing

arts organizations are unable to be at the forefront of arts advocacy, because of the constant demands of their own organization.

The Competition for Resources

In addition to the deficiency of financial resources, non-profit performing arts organizations are both lacking in and competing for resources like leisure time, audience members, technology, and education. The field currently is also lacking managers and leaders that have received formalized specific training in arts administration and management. In addition, the disbursement of, and access to resources within the sector is uneven. Specifically in urban cities like Philadelphia, divisions within the arts community are occurring and creating an imbalance. As a result, a competitive environment is occurring among arts organizations (McCarthy et al. 2007).

The use and availability of leisure time in the United States has been constantly changing over the past century. McCarthy et al. (2007) state that, "fragmentation of leisure time and growing competition from an expanding entertainment industry are posing obstacles to increased participation in the arts" (p. 1). Leisure time for Americans is being reduced and restraints on time are affecting participation in cultural activities. Additionally, options on how to spend leisure time have increased. Non-profit performing arts organizations are often competing with other community cultural and entertainment options in addition to those being offered through other media like television and the Internet.

This competition for leisure time directly affects participation in the arts, specifically audience participation in the non-profit performing arts like classical music, opera, non-musical plays and ballet. Participation in these areas is significantly lower than that of the visual arts, historic sites, and literature (NEA, 2008, p. 18). Many performing arts organizations in communities are competing for audience members and finding it more difficult to attract those willing to make a long-term commitment to the organization. In addition, individual ticket buyers are now more likely

to purchase tickets at the last minute and even less likely to sign up for subscription packages. This gives organizations less of a connection with audience members, not to mention making it much more difficult to budget for revenue from ticket sales.

The lack of arts education for younger generations can also account for the changes in audience participation as well as a general lack of interest from an adolescent demographic. Evidence shows that those exposed to arts education in their youth are more likely to participate in the arts as an adult. The deficiency of arts education is directly related to the decline in audience numbers who participate in the arts whether through live performances or through electronic media. In fact, education in general has a large impact on performing arts organizations. As the education levels of individuals rises so does their participation in arts events. However, all numbers in regard to live participation have begun to decline across the board (NEA, 2008). This could be the result of the decline in education, specifically arts education, in the United States. Or, it might also be reflective of the rise of technology and participatory culture. Though event attendance numbers are down, according to the *Survey of Public Participation in the Arts* (NEA, 2008), participation in the arts through electronic media is on the rise.

Technology

Technology is perhaps the most rapidly changing, and some would say complicated, issue facing non-profit performing arts organizations today, and the arts sector often finds itself at a distinct disadvantage. Regardless, technology directly effects audience participation and may serve as the key to revitalizing the industry. *Audience 2.0: How Technology Influences Arts Participation* (NEA, 2010) reports that, "people who engage with art through media technologies attend live performances or arts exhibits at two to three times the rate of non-media arts participants"(p. 7). According to the National Endowment for the Arts (2010) over fifty percent of all Americans participated in the arts through a broad range of electronic media. Additionally, participation

through electronic media was shown to affect live participation positively and is associated with higher rates of live participation.

Not only does technology strongly influence participation, but it also impacts organizational effectiveness. Technology can help organizations manage scarce resources more efficiently, expand their strategic goals, and cut overhead costs. Many organizations however still have limited technical expertise within their organizations and remain unaware of the tools available to them. Those in non-profit performing arts organizations remain resistant to change and do not have the strong leadership support needed to affect changes in attitude (NPower, 2006).

While many of the large flagship performing arts organizations have the financial resources to invest in state of the art technology, many of the mid-size and smaller organization do not have the same capabilities. It is true that massive organizations like the Metropolitan Opera have the technology, and other resources to broadcast performances in high definition to movie theatres across the globe. However, mid-size and small non-profit performing arts organizations also have the capabilities to use innovative technology. The rise of participatory culture allows virtually anyone to be a distributer and consumer of art. Through social media, video, web 2.0 tools, and other web-based applications organizations have a way to re-connect with current audience members as well as attract a much larger and more diverse audience base. The technology behind many of these things is not inherently difficult and training can be easily found. Publications like *NPower's Technology Guide for Nonprofit Leaders: A Mission Support Tool for Arts and Culture* (NPower, 2006) were created specifically for that purpose, and show that the real key to successful implementation is leadership and strategic planning.

The Overall Impact

Baumol and Bowen (1966) began their study *On the Performing Arts: The Anatomy of Their Economic Problems* with the following statement: "Romanticism long ago fixed in our minds the idea

that there is something inevitable about the association between artistic achievement and poverty" (p. 495). The sustainability of non-profit performing arts organizations in this country has long been under question. If their instability has been and continues to be evident under normal constraints, how can these organizations be expected to survive during times of crisis? In addition, how can we expect them to thrive or even maintain in a rapidly changing world? Knowledge of the instability of these organizations has been evident for decades, as demonstrated by the Baumol and Bowen study written almost forty-five years ago. Yet, non-profit performing arts organizations have made relatively few changes to their organizational and financial infrastructure in order to attempt to remedy this volatility.

According to Noteboom (2003), "While the broad economic challenges faced by orchestras cannot be attributed to poor governance, it is an inescapable fact that they can only be met successfully with good governance" (p. 1). This is no different for other non-profit performing arts organizations in the same situation. Without accepting one or more distinctive approaches to organizational management, leadership, and decision-making, these organizations will continue to struggle to adapt to the challenges facing them. In order for them to more effectively manage internal complexities as well as the challenges and changes that manifest externally, non-profit performing arts organizations will have to not only look to the integration of alternative methods of organizational management, but also, actually start to implement these methods. In 2001, McCarthy et al. forecast the extreme pressures that will be placed on those organizations that fall in the mid-size range and are outside of a major metropolitan area. He states:

> Likely reductions in demand, rising costs, and static or even declining funding streams will
> force many of these institutions either to become larger and more prestigious—which many
> will lack the resources to do-or to become smaller and more community-oriented, using local
> talent to keep costs down and adapting programming to local audiences. Still others will

simply close their doors, unable to reconcile conflicts among their various stakeholders. (Summary xxiii).

This has since proven itself to be the reality that these organizations are facing today.

Regardless of the method, technology will need to play a vital role in integrating any new plan. *NPower's Technology Guide for Nonprofit Leaders: A Mission Support Tool for Arts and Culture* (NPower, 2006) emphasizes that, "technology that isn't integrated into strategic planning can be a burden rather than a solution" (p. 9). Attention and adaptation to technology is no longer an option. It is just as essential to the survival of non-profit performing arts organizations as education and revenue are. This is a realization that many industries have already made.

Currently there is research in abundance that points to a need for change, but does not necessarily provide the means and ways to achieve this change. The non-profit performing arts world is left without the proper tools for implication, that combined with scarce resources and waning public support creates a very stagnant environment. As Cray, Inglis, and Freeman (2007) explain:

> As pressure to adopt more managerialist approaches increases, arts organizations and their leaders have little guidance on how to proceed. Ideological attacks on corporatist procedures will avail little without viable alternatives to propose. Much of the sparse literature in arts management is framed in terms of "best practice" based on a few isolated cases. A more systematic approach is needed, one that uses existing concepts and models to understand precisely how arts organizations operate. (p. 312).

When for-profit business realized that new approaches were needed in order for their corporations to succeed, they looked to the arts community to guide them. According to Harvey Seifter (2004), business leaders have begun to hire artists, realizing that they provide valuable insights that can't necessarily be found in the corporate world. These enterprises became conscious of the fact that

they were lacking in creative insight, by integrating artists; the initiative was taken to remedy the situation.

The non-profit performing arts must re-think their roles not only in a volatile climate but also in times of stability. There is no one solution. Currently, performing arts organizations of all sizes, budgets, missions; situated in a variance of locations follow relatively the same organizational model. These organizations, for the benefit of the sector as whole, should take significant steps to remedy the long tradition of instability. Possible ways of doing this can be found in the for-profit community, the public sector, and through emerging models of cultural entrepreneurship. They key is for arts entities to be aware of the changes that are happening around them and situate themselves to be proactive as opposed to reactive.

Section II - Current Practices in Organizational Management

Most non-profit performing arts organizations operating today are managed under a dual leadership structure. This model, though not without some inherent benefits, is often argued as being innately problematic, causing internal tension among managers and staff and stagnating the strategic decision-making and planning process. This structure of organizational management is most often mandated due to the lack of leaders that possess the experience and skills that meet both the artistic and administrative leadership needs of the organizations. It has a great affect on the way non-profit performing arts organizations operate.

If it is in fact the case that the design for the majority of these organization must logistically include a dual-leadership structure, this research looks to identify some of the associated factors that might cause this structure to be ineffective. One of the key actors that make up the dual leadership structure is the artistic director (AD). The goals of the AD in present day non-profit performing arts organizations often complicate the decision making process between aesthetic and administrative needs. Performing arts organizations are inherently complex institutions, described by Chong (2001) as a multiple managerial commitment to the aspects of excellence, artistic integrity, accessibility, audience development, accountability, and cost effectiveness. When inefficient management or leadership convolutes this managerial process, the institution is unable to effectively manage itself, making it unable to respond to external challenges. Multiple problems occur when non-profit performing arts organizations are unable to find a clear strategy for managing their organization, or when they lack the ability to evaluate the health and direction of the sector as a whole. In addition, an ineffective organizational model puts non-profit performing arts organization at an even greater disadvantage when it comes to navigating the current financial landscape.

Defining Leadership and Management

The differences between leadership and management are not always easy to define. Used often, these words speak to two moderately separate skill sets, and to what should be, two different roles within and organization. As described by Schermerhorn (1986), "leadership is the manager's use of power to influence the behavior of others" (as cited in Byrnes, 2003, p. 160). This does not mean that a leader is not a manager and vice versa, it simply means that the terms are not synonymous with each other. Both leadership and management are complex concepts and have an exorbitant amount of theories dedicated to defining their many facets.

In the world of non-profit performing arts, many of the applied leadership and management theories have been traditionally adapted from the business or the non-profit and public management sector. Byrnes (2003) describes the manager's core responsibility as "to help the organization to organize human and material resources (and) to help the organization achieve its stated goals and objectives" (p. 6). He continues that there are many different types of managers and levels involved in supervision. In regard to leadership, he classifies it as part of the management process. He states that being able to lead is a core attribute that any effective arts manager must possess (Byrnes, 2003). Rainy (2001) agrees that it is common for "some people to interpret leadership as one of the functions of management" (p. 158). However, he notes that others feel that leadership should be the primary function and should not necessarily be so closely related to the functions of management. He notes, "that in this usage, leadership involves the crucial functions of championing goals and values, setting direction, and inspiring, while management involves housekeeping functions, such as watching the budget and making sure that the work gets done" (p. 158).

In the case of most non-profit performing arts organizations Rainy's (2001) former definition is most likely the one that is being applied. However, the role of the board of directors in many organizations is often categorized as a solely leadership role and certain members of the staff

act as managers or as both leaders and managers. Often times boards are not inherently gifted with leadership skills and then must in turn be led themselves. Herman and Heimovics (2005) contend that one of the suggested strategies to be used by effective executive leaders is to provide leadership that is board–centered. The executive leadership must be applied not only to other members of the staff but to the board as well. This in a sense implies that effective non-profit executives *manage* their staff and *lead* their board.

Dual Leadership

As shown, the complexities surrounding leadership and management in the non-profit performing arts can be immense. The tension often occurring around these multifarious issues is exasperated when the organizational management in place is not effective. The organizational model most often seen in non-profit performing arts organizations is some form of a dual leadership structure (Figure. 1). Dual leadership is most often described as "a formal arrangement in which two people have equal rank at the top of an organizational hierarchy" (de Voogt, 2006, p. 17).
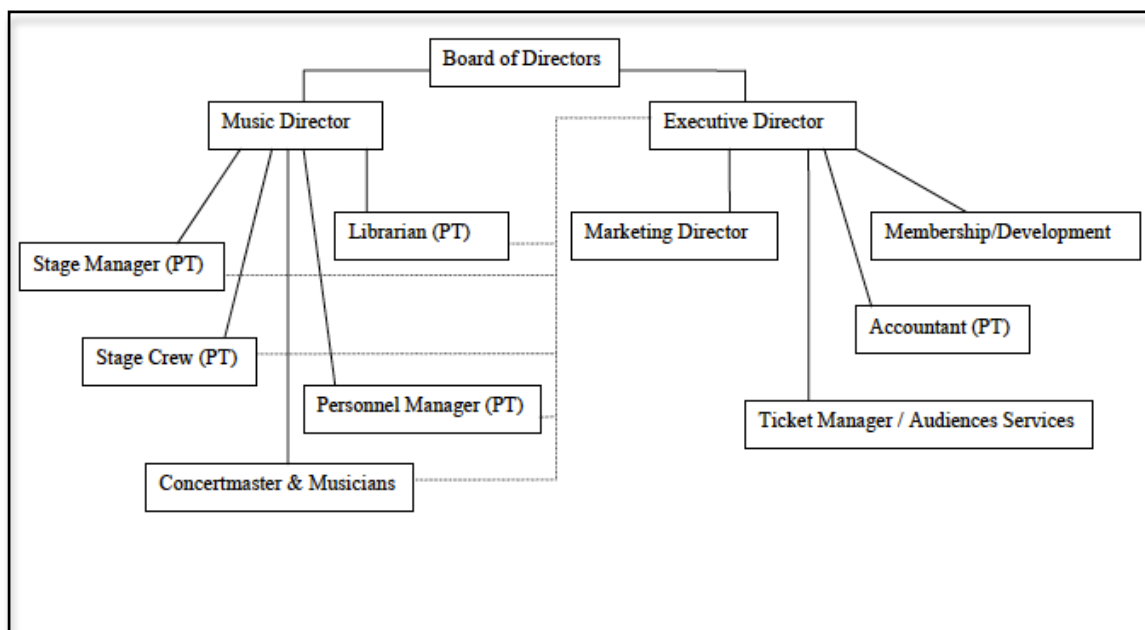

Figure 1. *Sample Mid-Size Orchestral Organizational Chart*. League of American Orchestras (2011).

Most commonly in the non-profit performing arts world, the split in leadership occurs between the artistic professionals and administrative professionals. Hommes and deVoogt (2006) explain that the reason for this division is that few individuals possess the qualities that are needed to manage both entities. In describing both sides of the dissection, Byrnes (2003) believes that the functionality is most comparable to the human brain. He states, "a division or barrier must (not) be erected between these two roles…(instead) communicate with each other with each side continues to do what it does best. (p. 18). Auvinen (2001) illustrates how they ultimately operate individually, creating an "artistic-economic dichotomy" (p. 3). Auvinen's case study found that the manager of an opera house, for example, must balance the following three types of forces:

> The artistic forces not dealt with directly by his or her organization, the socio-economic forces influencing his organization in the form of the board of directors (or the equivalent) and the audience (or box office), and the organizational or managerial forces (even though in this the managing director can provide a great deal of assistance). (p. 3).

Within those forces an overlapping of certain objectives may occur. The difficulties lie in prioritizing objectives within each of these forces and then making the final decision that benefits the entire organization as a whole. Along those same lines, Cray, Inglis, and Freeman (2007), contend that arts organizations often face difficulties with leadership due to a bifurcated organizational structure, "because of the need to balance aesthetic considerations with ensuring the viability of the organization" (p. 298). As is illustrated in Figure. 1, the music director and the executive director essentially manage their own teams. What is not always apparent is to what extent interaction or overlapping is occurring between the two teams at any given level within the organization. The channels of communication are convoluted, and processes like strategic decision making, for example, for the organization as a whole, suffer. It is not the intention of this paper to deny the necessity of operating under a dual leadership structure, or undermine the inherent

benefits. Instead, only to assess the model while simultaneously inquiring if organizations would benefit from creating a management structure, contained within a dual leadership model that focuses on minimizing the division between artistic and administrative sides.

Within the non-profit performing arts sector there are a multitude of different models of dual leadership that exist. However, it is difficult to identify the model or organizational structure that is considered to be part of a best practice and why. It can be inferred that the dual leadership model is most widely installed in non-profit performing arts organizations of all sizes, due to the lack of suitable alternative models. Much has been said regarding the dilemma surrounding the issues of leadership and management in the sector. Reid and Karambayya (2009) argue that there are positive and negative outcomes associated with dual leadership and they attempt to identify how arts organizations can manage dual leadership more effectively. They focus on the tensions and conflicts that are created in this type of leadership model and how it affects the entire organization. It has been observed that tension is most often found in situations where leaders are chosen separately by a higher authority, like the board of directors, as apposed to choosing to divide the labor among each other (Reid, 2007). In the case of many arts organizations, the board of directors is often responsible for hiring both the artistic and the administrative directors. Depending on how these leaders are chosen, their compatibility with each other or other members of the organization might be overlooked. According to Reid (2007), the factors often associated with compatibility in a dual leadership situation are power status differences, for example, their experience in the field and with the organization and their connection with the board. Another aspect deals with level of trust occurring between the executive or administrative leader and the artistic leader. The final factor discussed by Reid (2007) is organizational effectiveness, or the state of the organization overall in regard to issues like planning, financial health, and external relations.

A successful dual leadership relationship is influenced by a number of issues occurring both within the organization and externally. The most significant being the three major governing bodies of a non-profit organization, the board of directors, the artistic director, and the executive or administrative director. In analyzing the relationships between these three entities it is clear that it cannot be done from a business or managerial perspective alone. There is a large psychological component that must be integrated into the study of the dual leadership model. Much of the functionality relies on the stability between the personal relationships, and often conflict and tension arises when emotional or personal feelings become involved. These issues, of course, can be present in any type of organization. However, according to Reid and Karambayya (2009) this behavior "is particularly important to the field of creative organizations where conflicts of values, sensibilities and personal tastes dominate the organization" (p. 1100). When personal relationships between both leaders are positive and the lines of communication are open, then the dual leadership model tends to function. It can also work well in certain times of crisis management as a problem-solving tool. This arrangement works best when the equal rank is temporary for the duration of a specific project or problem (de Voogt, 2006).

The Role of the Artistic Director

This position of the artistic director in non-profit performing arts organizations largely contributes to the unique organizational structure needed to properly run these organizations. In most cases the AD's primary identity is that of an artist. In addition to their role as the AD, in many small to mid size organizations, they are often the orchestra conductor, the stage director, or the choreographer, among other titles. The role of the music director is an especially complex one, and the actual job description varies greatly among non-profit performing arts organizations of different discipline, structure, and size. Glynn (2006), in her chapter examining the role of the music director, found that the elements associated with the bifurcated structure also highly affect the individual job.

The artistic director has historically played the most influential role in the evolution of arts organizations. Byrnes (2003) notes that "for more that 2,000 years, the artist-manager has been the person who created and arranged the meeting of artist and public" (p. 18). Byrnes (2003) continues, that through the evolution of the arts into institutions, the artist-manager position was split into separate roles. The AD, as opposed to artist-manager, remains in control of the art and the artists; however, it is now within a much larger and complex structure. According to Cray et al. (2007) the role of the AD has traditionally been the dominant one, "and it is essential that the artistic direction of the organization enhances his or her reputation among peers" (p. 298). Artistic directors can also bring notoriety to a non-profit performing arts organization as they often have notable performance careers before assuming the AD position. This celebrity often puts the AD in a dominant position within the organization. For many organizations, the hierarchy created adds tension and complicates the strategic decision making process. Further complicating matters, the artistic director is often employed simultaneously by more than one arts organization, and their involvement with any given organization is on a part time basis. Many times the AD does not even reside in the same city as the organization. Regardless, Glynn (2006) asserts that the AD plays a pivotal role in managing the decisions made between aesthetics and administration.

The decisions being made concerning aesthetics versus administration are some of the most difficult within these organizations. As mentioned previously, it is often over these points that the strategic decision making process breaks down. This can be a result of several factors - poor leadership, poor management, or a tense relationship between both leaders. The strategic decision making failures might also be a reflection of the limitations of the artistic director. Additionally, the priorities and what qualifies as organizational effectiveness are different for the AD. To the AD, the organization is effective if it achieves a level of artistic excellence, or if the specific artists they desire have been brought into the organization. Whereas the executive director will most likely measure

organizational effectiveness by the financial state of the organization or by the amount of audience members and donors. This dichotomy is a result of the organizational design or structure and the way information is disseminated across the different channels within the design (Figure. 2). Kushner & Poole (1996) write, "organization design and design implementation are core management responsibilities in any organization because they can have enormous consequences for organizational effectiveness" (p. 120). The key priorities of each leader in a non-profit performing arts organization often head in different directions, towards what each perceives is the good of the organization. If constant communication and strategy are not occurring, the organization is unable to be truly effective in achieving the majority of its priorities.
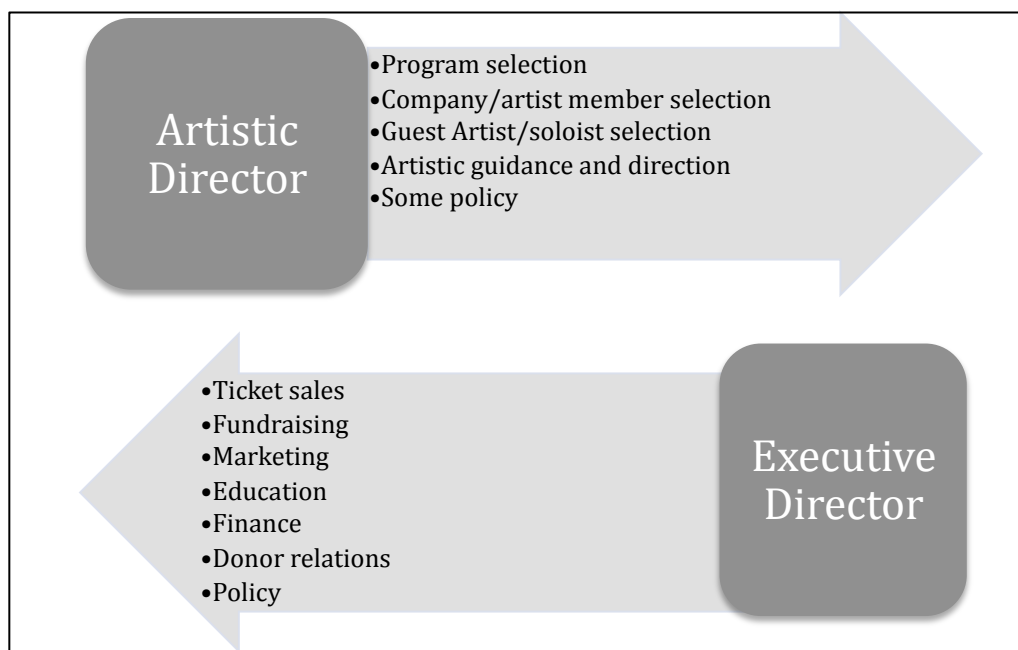

Figure 2. *Key Priorities and Responsibilities of Leaders in Non-profit Performing Arts Organizations*

As previously stated, the role of the AD is especially complicated in non-profit performing arts organization whose primary art is classical music. The AD of a symphony orchestra or an opera, for example, is almost always first and foremost the conductor of the orchestra. Mintzberg

(1998) found that the job description for the AD of a symphony typically includes, "selecting the program, determining how the pieces are played, choosing guest artists, staffing the orchestra, and managing some external relations" (p. 141). These decisions are often made independently of the administrative side of the organization; occurring as a result of tension that exists between the two leaders, the often part-time or split-time status of the AD, or the natural linear flow of management. The artistic director of a symphony is often described as being the liaison between the orchestra and the board of directors (Glynn, 2006). This implies that the executive director or administrative team is not included in the discourse. Glynn (2006) also notes, "the role of the music director…can potentially integrate or mediate conflict arising from the two disparate elements of artistry and administration, or potentially exacerbate such conflict" (pp. 61-62). It is the task of selecting the program that is potentially the most problematic area. Much of the success of the administrative side of the organization can be contingent upon the programming selections for each season. Programming decisions should ideally include input from all the major administrative departments. Straddling this precipice is often a concern of the AD or conductor, and it is a struggle to remain focused on music, their true profession, while performing management tasks (Mintzberg, 1998).

The Financial Landscape

Another difficulty that non-profit performing arts organizations face is that they aren't easily categorized into any given sector. The majority are set up as 501(c)(3) non-profit organizations which allows them to maintain a tax-free status, and provides several other benefits, including tax breaks for donors, and various discount opportunities. However, this status also puts non-profit performing arts organizations into a larger generalized category that includes educational, charity based, and religious organizations. As earlier explained, the majority of income for non-profit performing arts organizations comes from private contributions, government funding, and ticket sales or other earned income. This is the same for an organization that focuses on disease

prevention or eliminating domestic abuse, for example, excluding the ticket sales. Essentially, non-profit performing arts organizations are raising income in the same way a socially based non-profit does or a religious organization does. Competing for the same financial resources as socially, educational, or religious based non-profit organizations can put those dedicated to the arts and culture at a disadvantage. Cherbo, Vogel, & Wyszomirski (2008) note, "The arts are not high on the list of preferred areas of support among individuals, foundations, and corporations. Education and health are favored, and among individuals, religion is the preferred charitable area" (p. 20). In addition, there are an enormous variety of arts and culture organizations that are competing for support from those that do typically give to the sector.

An environment of competition as opposed to collaboration has been created, especially in regard to funding and other resources. The arts are struggling, among the other 501 (c)(3) model organizations, to find their voice and convey their importance to the greater community. In turn, however, the non-profit performing arts organizations are not equipped to compete with the arts and culture organizations in the commercial or for-profit sector. As Ivey (2005) states, "the (non-profit) sector has grown bigger without getting richer" (para. 16). Not only are organizations not getting any richer, their product is not gaining popularity, a realization that has been contributed to numerous factors like the lack of arts education and the changing preferences in how people spend their leisure time. The expansion in the sector has also created a system that is too big to survive on giving alone, yet without the means to support themselves simply by selling product. Ivey (2005) argues that the support system in place for the non-profit arts that is detrimental. Today, many non-profit performing arts organizations that have continued to follow this financial model are finding themselves struggling or even closing their doors. The changes that need to occur do not lie solely with the organizations themselves, but also with donors, foundations and the government. Donor funding patterns must be in alignment with programs that build audience demand. The current

financial structure of many organizations is outdated and causes capital to be misappropriated, leaving non-profit performing arts organizations in a constant state of financial distress (Thomas, Christopher, & Sidford, 2011).

It is difficult for the internal financial management of non-profit performing arts organization to seem stable, when the entire landscape is not. Chong (2000) notes, "Efficient management structures, not least of all at the level of the board of trustees, can help to secure financial stability. Revenue enhancement, which often means diversifying the revenue structure, is necessary" (p. 239). The current revenue structure is not sufficient. It does not allow non-profit performing arts to diversify themselves nor does it allow their stakeholders to earn enough income.

Section III- Exploring Alternative Models

This section looks specifically at some of the alternative ways non-profit performing arts organizations can effectively manage aspects of their businesses. It is not an in depth analysis of these systems, but more of a general look at the landscape, specifically in regard to many of the concerns that have been addressed previously in this research. There is no one solution to the challenges mentioned, but what is important to note are the opportunities that are available. Gowdy, Hildebrand, La Piana, and Mendes Campos (2009) write, "for the nonprofit sector to survive and thrive, everyone — nonprofits, funders and capacity builders alike — must become futurists" (p. 4). Different avenues do need to be explored, but it is not always easy to determine effectiveness in these organizations. According to Noteboom (2003), "Nonprofits do not measure success by the bottom line; their success frequently cannot be objectively measured at all. Evaluating success in nonprofits usually involves a subjective assessment of programs and whether the organization's mission is being achieved" (p. 3). It is important for non-profit performing arts organization to maintain their mission, however, the mission might also be in need of adjusting as priorities within the organization change.

Certain methods and models might be found to be applicable in their entirety, while others contain specific aspects that will serve as a guide to change. One of the key facets of organizational effectiveness lies within the leaders, managers, and employees. The approach to organizational management should not simply be theoretical but also philosophical and psychological.

Maslow's Hierarchy

Before discussing the application of alternative organizational models, it is important to discuss the psychological, in addition to the structural, factors that influence organizational effectiveness. Probably one of the most widely used tools used to discuss psychology and

motivation in all types of organizations is Abraham Maslow's Hierarchy of Needs (Figure. 3).

Maslow explains, "motivation is driven by particular needs at particular times, from the most

pressing to the least pressing" (as cited in Kotler & Scheff, 1997, p.77). The base of the hierarchy

pyramid consists of those innate needs that pertain to all individuals, such as the need of food and

water. Whereas the top of the pyramid contains the needs associated with self-actualization. Kotler

& Scheff (1997) describe this as "a level of maturity at which a person is beyond striving, beyond

basic psychological fear, (and) beyond a need to demonstrate who he or she is" (p. 78). According

to Maslow, this is the area where people experience their peak. Peak experiences are

"transcendental moments when everything just seems to fit together perfectly" (Conley, 2007, p. 9).

A person who is experiencing a state of self-actualization is realizing their full potential. To what

this potential is specifically applied to is different for each individual.

SELF - ACTUALIZATION
Needs met through achievment and self-realization

EGO
Needs met through achievement, recognition, self-esteem, power

SOCIAL/BELONGING
Needs met through love and belonging

SAFETY
Needs met through security, shelter, stabiltiy
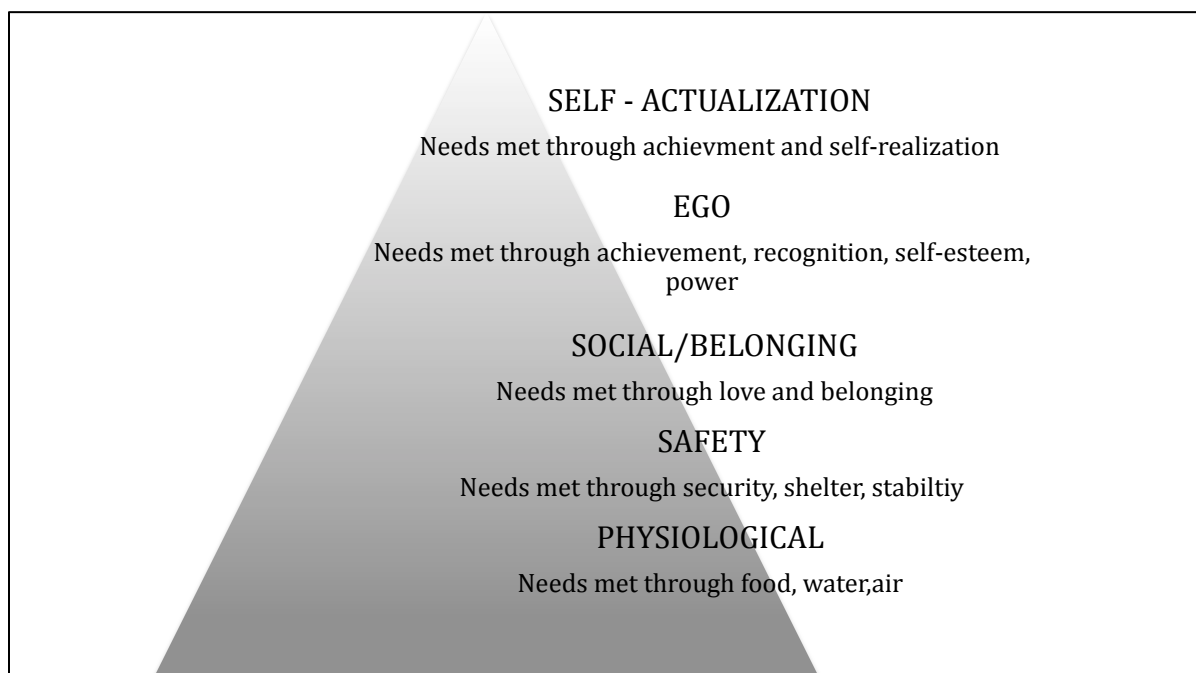
PHYSIOLOGICAL
Needs met through food, water,air

Figure 3. Maslow's Hierarchy of Needs as adapted from Maslow, A. H. (1970). *Motivation and personality*. New York: Harper & Row.

Maslow's hierarchy is often applied not only to individuals but also to organizations; after all, the core of any organization is made up of people. Many organizations look to Maslow's theories when attempting to develop or improve their organizational culture. The Hierarchy of Needs can also be applied to specific internal issues, such as ethics. Maslow's theories of explaining why individuals are motivated to act can be used as a model when creating an example for ethical practices in non-profit organizations (Strickland & Vaughan, 2008). Maslow was particularly interested in how his concepts applied to individual motivation in the workplace. Companies often become caught up with deficits or the things that are lacking in their organizations. Those wanting to reach a state of self-actualization need to not focus so much on the negative or even simply on the mundane basic needs, but instead focus on the organization and the individuals aspirations (Conley, 2007). As a result of Maslow's influence, many business leaders believe that applying Maslow's principals can be used to enlighten the workplace and create a more productive and effective environment.

There are aspects derived from Maslow that can be applied to multiple characteristics of non-profit performing arts organizations. His theories have and continue to influence the foundations of many of the top organizations in the corporate world. As Conley (2007) writes:

> Maslow's message struck a chord with many business leaders. In essence, he said that with humans, there's a qualitative difference between not being sick and feeling healthy or truly alive. This idea could be applied to companies, most of which fall into the middle ground of not sick but not truly alive. (p. 12).

Non-profit performing arts organizations definitely fall into this category often residing south of the middle ground. The intention of this section of my research is to argue that structural adaptations and changes are a leap in the right direction; however, they are not always going to be enough to change organizational effectiveness. To continue with Conley's illness analogy, it is often found in

medicine that you cannot simply treat the illness; you must attend to the entire individual. It is the same for struggling non-profit organizations. It is not usually enough to simply fix the short-term problems; instead the entire organization must be looked at during any diagnosis and incorporated in all treatment options. This is particularly crucial when dealing with the human aspect of non-profit performing arts organizations. For example, Maslow's Hierarchy might apply to the problems associated with the dual leadership structure. His philosophies that are directly related to management and leadership provide an excellent foundation for organizational culture, particularly one rooted in creativity and innovation. Organizations will most likely face extreme difficulties in trying to implement new ideas if employees suffer from low morale brought on by stressful work environments, low pay, and ineffective leadership and management. Thus, in order for any of the organizational models presented to be effective the needs of the individuals within the organization must first be attended to. In addition, in order to best avoid internal resistance to change, there must be relevant benefits to employees inherent in any organizational transformations.

Financial Models and Cross-Sector Collaboration

The L³C Model

One of the up and coming financial models that non-profit performing arts organizations are beginning to look at is the Low Income Limited Liability Corporation (L^3C) model. The L^3C model has the potential to be financially rewarding as it is managed like a business "and is profitable, but its primary aim is to provide a social benefit… it can attract various types of investors, as well as accept foundation funds in the form of program-related investments, mission-related investments, loans and guarantees" (Gowdy et al., 2009, p. 16). The L^3C model is currently being applied mostly to social organizations but has possible application to the arts. Americans for Community Development (n.d.), explain:

The L^{3}C embodies the operating efficiencies of a for-profit company along with a reduced

regulatory structure. As an LLC (Limited Liability Corporation), it can bring together

foundations, trusts, endowment funds, pension funds, individuals, corporations, other for-

profits and government entities into an organization designed to achieve social objectives

while also operating according to for-profit metrics. (The concept of the L^{3}C. para. 1).

For organizations that are able to offer a dual mission or goal orientation, the L^{3}C model holds great

potential in that it offers the chance to bring in more investment capital (Galpin & Bell, 2010).

There are limitations with the L^{3}C model; one being that at this time it is not yet a legal structure in

the majority of states. In addition, because it is still a new system, regulatory practices are not fully

set up and there is still scrutiny from the IRS in regard to compliance. Also, many foundations are

still hesitant to contribute to organizations that do not fall within the 501(c)(3) status.

Change Capital

Change Capital is a term used by the Nonprofit Finance Fund (NFF), which aims to create a

system of managing capital in arts organizations with the goal of achieving greater financial stability

(Thomas et al., 2011). As revenue sources dwindle, innovative financial management is becoming

increasingly necessary for non-profit performing arts organizations. These organizations must also

find new revenue streams. Carroll and Stater (2009) found, "that organizations with more

diversified revenue portfolios have lower levels of revenue volatility over time, which implies that

diversification is a viable strategy for organizational stability" (p. 962). However, diversifying

revenue alone is not enough given the often-problematic internal financial structure. Non-profit

performing arts organizations must assess their internal financial structure and understand the

differences between operating revenue and capital. Thomas et al. (2011) note that, "current practice

and accounting rules tend to ignore the distinction (between capital and revenue). The result can be

both an insufficiency of recurring revenue to cover ongoing costs and insufficient capital to plan for

and achieve a durable future"(p.7). The authors additionally assert that non-profit arts organizations suffer from a mis-capitalization of revenue. They state that not only is the funding less than adequate, but the actual organizational management of unrestricted revenue contributes to financial instability. All of which creates major problems in cash flow. The NFF's change capital initiative looks to change the way both arts donors and arts organizations think about their financial practices. Like the L³Cmodel, change capital is structured to "move toward an investment approach to funding and financing arts organizations" (Thomas et al., 2011, p. 7). The NFF explains:

> All invested capital, regardless of its specific application, should contribute to a more appropriately aligned capital structure. A healthy capital structure is critical to enabling arts organizations to pursue innovation and experimentation, manage risk, respond to the unexpected, and make critical investments in revenue-generating activity. (Thomas et al., 2011, p. 11).

The principles behind change capital and the L³C model require leaders in the non-profit performing arts to understand these and other financial concepts. Ideally, leaders of non-profit performing arts organizations should already be knowledgeable about revenue management, capital, and other areas of financial management. It can be assumed that organizations of any kind that do not use best practices in financial management will eventually face fiscal difficulties and jeopardize the sustainability of their organization. Additionally, a lack of financial understanding will only make it more difficult to cope with the volatile external financial landscape.

Project Based Models

Fiscal Sponsorship

Fiscal sponsorship is described as when, "a nonprofit organization…agrees to provide administrative services and oversight to, and assume legal and financial responsibility for, the activities of groups or individuals engaged in work that furthers the fiscal sponsor's mission"

(National Network of Fiscal Sponsors, n.d.). Fiscal sponsorship organizations dedicated to the arts often support one-time or ongoing projects by individual artists or organizations. Arts based fiscal sponsors also support artists and arts organizations that do not have 501(c)(3) status and therefore cannot qualify for funding from grants or many foundations, nor allow tax deductions for individual donors. Fiscal sponsorship offers non-profit performing arts organizations the opportunity to create an organizational structure that best fits their needs, especially if those needs are project-based.

Fractured Atlas (FA) is an example of an Arts Service Organization using fiscal sponsorship as an organizational model to support individual artists, projects, and certain arts organizations. As described by Ulaby (2009), "Fractured Atlas boasts a $4.5 million budget and supports 7,500 arts organizations and individual artists nationwide. It helps with low-cost health insurance, fiscal sponsorship, professional development, technical assistance and liability insurance." (para. 3). Fractured Atlas has also become a leader among Arts Service Organizations in "the use of technology to address challenges facing the arts community, share information and resources, and empower arts organizations with practical tools for managing their operations" (https://www.fracturedatlas.org, 2010), allowing them to keep overhead costs low and increase efficiency. In addition, they have created a for-profit subsidiary group that provides IT consulting to non-profit and governmental agencies.

FA's business model is built on a hybrid between traditional non-profit and for-profit organizational structures. Their earned income is generated through membership dues (much like other Arts Service Organizations), as well as program fees, and fiscal sponsorship. The goal behind this is to allow members, who are primarily artists and small arts organizations, the time and freedom to actually create and not be overburdened by certain administrative components, like fundraising. FA, a non-profit 501(c)(3), provides the infrastructure to take donations on the artist or

organization's behalf, helps create vibrant fundraising campaigns, and even accepts gifts-in-kind. In addition, Fractured Atlas provides opportunities for members to purchase health insurance and liability insurance, and they offer learning and networking through online learning environments and communities. FA also calls for a new infrastructure relating to funding that focuses on opportunities and possibilities for connection and collaboration between the non-profit and the for-profit organizational models. Ivey (2005) states, "if every arts leader is basically engaged in the same juggling act, simultaneously pursuing artistry, financial success, and some sense of the public interest--how have we come to have an approach to analysis and intervention that serves only the nonprofit part of America's complicated arts system" (p. 2)? Policymaking and funding decisions should be isolated from decisions regarding aesthetics or curation. FA gives artists and arts organizations an individual voice, and attempts to showcase their differences, creating an overall system in which arts of any kind can thrive.

Crowdfunding

Changes in technology have brought an abundance of opportunities to non-profit performing arts organizations. One particular opportunity that is making headway, is the use of crowdfunding to fund individual projects. Oomen and Aroyo (2011) define crowdfunding as a "collective cooperation of people who pool their money and other resources together to support efforts initiated by others" (p. 3). Crowdfunding allows artists and arts organizations to solicit funding for a specific project using various social online networks and blogs (Lambert & Schwienbacher, 2011). Most of the projects funded in this manner have a clear beginning and end date. Some examples range from raising tour funds for chorale organizations, creating open source libraries of music or literature, and funding individual theatre productions. Crowdfunding gives donors or supporters the opportunity to know exactly how their dollars are being spent, and often times, contributing to these projects comes with reward opportunities and a sense of being a

shareholder in the project. Supporters are also able to contribute without having to make a long-term commitment.

Crowdfunding grew out of crowdsourcing, where the public is asked for their input or to share ideas about a certain project. Both create and interactive and participatory environment that is far different from the traditional donation processes of many non-profit performing arts organzitaons. "Crowd-funders make voluntary financial contributions with or without the expectation of receiving compensation. This can take various forms, including cash, bonds, stocks, pre-ordering of products…this can (also) be accompanied by voting rights or other active involvement" (Lambert & Schwienbacher, 2011, p. 5). Through various platforms like Kickstarter or Fundable, organizations have the potential to raise revenue for specific projects that speak to individuals throughout the world. In addition to individual project funding, crowdfunding promotes co-creation and collaboration backing. Many of the projects include multiple organizations or artists that are looking to pool not only their financial resources, but talent, administration, and venue as well.

Crowdfunding does not always guarantee success, project budgets and timelines must be clearly thought out and projects successfully broadcasted through the right online channels or take the risk of receiving no funding at all. Platforms like Kickstarter have an "all or nothing" policy when it comes to raising project revenue. Only those projects that meet their projected goal receive funding, there is no partial payment option. Another limitation is the general technology barrier that is still present in many demographics. Crowdfunding is an example of a tool that might be applied to certain projects within a non-profit performing arts organization. It allows the public to engage through a feeling of connectedness and membership, "users benefit from mutual recognition (and) a more profound way of engagement" (Oomen & Aroyo, 2011, p. 18).

Leadership Models and Organizational Strategy

Creative Approach

An innovative or creative approach to change is occurring artistically within many non-profit arts organizations today. The administrative side, however, also has the opportunity to collaboratively approach changes in organizational management the same way. Hewison, Holdenm & Jones (2010) discuss how the Royal Shakespeare Company (RSC) approached the need for change within their organization by using the concept of the ensemble. Faced with many of the external and internal challenges described in this study, the RSC needed to find a way to make significant improvements in organizational structure, leadership, and overall morale. They chose to implement an ensemble principle, broadly applied to management, and "thought of not only as a way of doing or as a management tool, but as a way of being, based on a set of moral principles that guide leadership decisions and administrative actions" (Hewison et al., 2010, p. 46).

Using the general principles of cooperation, altruism, trust, empathetic curiosity, imagination, compassion, tolerance and forgiveness, humility, magnanimity, love, rapport, and patience, the RSC made several major changes to their organizational structure. These changes included improved management structure, organizational communication, and integrated learning and training (Hewison et al., 2010). By documenting the entire process the RSC was able to measure their progress and observations, allowing the organization to look at both objective outcomes and emotional or behavioral outcomes. Overall, creative approaches are more closely aligned with Maslow's theories. They focus on working conditions, management and leadership skills, collaboration, as well as connection with the greater community.

Leadership and Management Theories

Two key components to the success of any organizational model are leadership and management. Given the nature of the non-profit performing arts and the structure of the dual

leadership model, steps must be taken to alleviate tension and mitigate conflict. In regard to influencing institutional maturity or change, Cray et al. (2007) note that there are four basic styles relevant to arts organizations: charismatic leadership, transactional leadership, transformational leadership, and participatory leadership. The authors assert that all four leadership styles may be used in arts organizations depending on the size, scope, and current stability situation. Regardless, leadership in non-profit performing arts organizations must constantly be attended to. "Models discussed are appropriate in some circumstances, but no single leadership style will be successful in all situations. Given the dynamic environment that most arts organizations face, shifts in appropriate leadership styles will likely be necessary" (Cray et al., 2007, p. 310). Assessing effective leadership is often avoided in non-profit arts organization due to lack of knowledge and understanding, expertise, and time. Leadership and management theory dedicated to the arts and culture sector is a valuable resource to those leaders in the field that are looking to make changes in their organization.

Management and leadership theories are also being applied specifically to conflict caused by problems in the dual leadership structure. Especially relevant are those pertaining to proper hiring practices that should be followed by all non-profit performing arts boards. Reid and Karambayya (2009) explain that there are several types of conflict that can arise from the dual leadership structure: task-oriented, process-oriented, and emotionally-oriented. The authors note, "the conflict dynamics found in creative organizations help shed light on the behavioural impact of organizational paradoxes" (p. 1095). The key finding of Reid and Karambayya's (2009) study focused around the importance of hiring. It is essential that effective leadership practices extend beyond the executive and artistic directors to board of directors. Additionally, "Boards may want to recruit members who understand and can manage conflict. Lessons might be learned about active participation by trusted Board members in conflict management, supporting relationship stability within the leadership duo" (Reid & Karambayya, 2009, p. 1097).

Effective management practices directly relate to effective organizational practices. The creative field offers many challenges to the traditional theories of leadership and management due to the emotional and behavioral idiosyncrasies of the sector. Kushner and Poole (1996) write, "Multiple influence configurations contribute to effectiveness, but failure to adopt a configuration, that is, to settle the division of influence, reduces effectiveness" (p. 132). With that being said, perhaps the most important step for non-profit performing arts organizations is to actually have a leadership and management theory in place, with awareness and flexibility towards the needs of the organization.

Conclusion

From this research I have drawn several conclusions in addition to recommendations for further research. There is a significant need to continue this important dialogue regarding the future of non-profit performing arts organizations. It would seem as though the situation for these organizations is going to get significantly more demanding in the coming years. The inability to adapt in such situations might prove to be catastrophic. Non-profit performing arts organizations need to be better equipped to handle external challenges. The core strategy involved in being able to achieve this lies within their organizational model, and how effectively they perform the tasks of management and leadership. Change is occurring at such a rapid pace, that without foundations in place that exercise effective organizational management, non-profit performing arts organizations will not be able to keep up. In addition, much will depend on how they balance the long-term goals with the short-term goals of the organization as well as how they navigate the financial and technological landscape. Currently, many of these organizations are ill equipped to structurally handle the external challenges as described in this research, and more importantly their leaders are as well.

There are steps that can be taken to help eliminate the problems inherent in the dual leadership structure. Many of which can be derived from good leadership practices and from hiring practices found in the for-profit world. The key factor to a good working relationship is often the board of directors, as it is their responsibility to hire both the artistic director and the executive director. Many business partnerships are constructed as two people who have willingly chosen to work together. However, in the non-profit performing arts world this partnership is often mandated. Boards need to take relationship dynamics and leadership styles into consideration when hiring, among other factors. Additionally, decisions between the artistic and the administrative side

will continue to create potential obstacles for growth, especially if innovations on the artistic side continue to exceed those on the administrative side.

Facets drawn from for-profit, public, and creative sector models have application to multiple aspects of the non-profit performing arts. Again, there is no one solution and no one size-fits all approach. The key is evolution. The non-profit performing arts sector has grown in size but not necessarily in scope and definitively not in financial success. Many have outgrown the organizational model that is currently being used across the spectrum of non-profit performing arts organizations regardless of size, budget, and location. It is essential that emerging leaders in the arts management field are aware of the permutations that will be necessary to secure the future for arts organizations dedicated to the performing arts. Especially those interested in starting their own organization - the lack of resources and saturated sector must be navigated using knowledge of new and hybrid models, and innovation must be applied both artistically and organizationally.

Further research into the actual application of these processes would continue to benefit these organizations. Findings from trial organizations will allow other organizations seeking change to see the inherent benefits and limitations associated with some of these new models. It is important to note that non-profit performing arts organizations must also take responsibility for educating those involved on a regular basis. The field would also benefit from further inquiry as to best practices for avoiding organizational stagnation and increasing and modernizing employee skills-sets. Additionally, very little research exists on many of these new models, avenues for further research would include both qualitative and quantitative studies on all models mentioned in this study. Finally, organizations looking for answers need more than just theoretical research, they need the actual steps or tools needed to create change and begin on a path towards sustaining their organization.

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