SURVEY OF THE LOCAL NONPROFIT ARTS CLIMATE
AND INTERNAL ASSESSMENT

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SURVEY OF THE LOCAL NONPROFIT ARTS CLIMATE
AND INTERNAL ASSESSMENT

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This piece is dedicated to those who supported me financially and emotionally through this tumultuous scholarly journey. Special thanks to my Grandmother Bernadine Palkovic, Kathryn M. Palkovic-Horn, Hal A. Horn, Deborah Lynn Horn, Jeremy Taylor and all of my family and friends for making this possible.
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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>INTRODUCTION</td>
</tr>
<tr>
<td>II.</td>
<td>SITUATION ANALYSIS</td>
</tr>
<tr>
<td>III.</td>
<td>METHODOLOGY &amp; SURVEY DESIGN</td>
</tr>
<tr>
<td></td>
<td>Internet Medium</td>
</tr>
<tr>
<td></td>
<td>Arts Related Questions</td>
</tr>
<tr>
<td></td>
<td>CNE Related Questions</td>
</tr>
<tr>
<td>IV.</td>
<td>SURVEY ANALYSES &amp; SUGGESTIONS</td>
</tr>
<tr>
<td></td>
<td>Arts Related Responses</td>
</tr>
<tr>
<td></td>
<td>CNE Related Responses</td>
</tr>
<tr>
<td>V.</td>
<td>SUMMARY</td>
</tr>
<tr>
<td></td>
<td>REFERENCES</td>
</tr>
<tr>
<td></td>
<td>APPENDICES</td>
</tr>
<tr>
<td></td>
<td>APPENDIX A. IRB FORM</td>
</tr>
<tr>
<td></td>
<td>APPENDIX B. SURVEY QUESTIONS</td>
</tr>
<tr>
<td></td>
<td>APPENDIX C. SURVEY SOLICITATION LETTER</td>
</tr>
<tr>
<td></td>
<td>APPENDIX D. SURVEY RESPONSES</td>
</tr>
<tr>
<td></td>
<td>APPENDIX E. DRUCKER EXPLANATION</td>
</tr>
</tbody>
</table>
CHAPTER I

INTRODUCTION

Center for Nonprofit Excellence (CNE) is a 501(c)(3) nonprofit organization in Akron, Ohio, that exists to help nonprofit organizations achieve their missions through effective management. This organization provides a Nonprofit Resource Center which includes a library, website, and technical assistance services to help staff from the nonprofit sector through confidential advice and council; professional development training for boards and staff; and CNE Solutions, a consulting service designed to assist individual nonprofit organizations in resolving organizational issues from board training to executive transition management.

The author was initially interested in investigating the administrative state of arts organizations in the greater Akron area with the purpose of expanding CNE’s arts customer base. He quickly realized that nonprofit arts organizations in the Akron area, like many other nonprofit organizations in Northeast Ohio, were having significant difficulty staying in business. This realization was based on the closures and administrative restructuring of multiple Akron area arts and culture organizations. This research was continued in an attempt to discover if the inability of the arts organizations to sustain as viable nonprofits could be addressed by CNE and, if so, ho
When contacting CNE for advice, arts administrators often responded with resistance to staff advisement. For example, one performing arts organization argued that nonprofit best practices did not apply to them. The organization subsequently went out of business. Such conversations lead CNE to believe that perceptions may exist in the arts community that act as barriers to assisting arts organizations.

In order to overcome barriers perceived by arts administrators, the author researched, designed, and administered a customer survey to assist CNE in better understanding and providing maximized value to Akron area nonprofit arts organizations. Upon completion of the survey, the author interpreted and reported the results of the survey and made suggestions to the President and CEO of CNE. These were used to assess and appropriately satisfy the needs of CNE’s arts customers related to capacity building in their organizations.

Survey participants were nonprofit arts administrators identified from CNE’s database of 501(c)(3) exempt and non-exempt nonprofit arts and culture organizations. This list was developed through research of area arts nonprofit organizations, as well as CNE’s existing customer database and subscribers to CNE’s e-newsletter. In addition, other arts administrators were solicited through the Northeast Ohio Performing Arts List - an internet-based arts bulletin. This process was intended to assist CNE in the development of a more comprehensive contact database, as well as to ensure a representative sample.

The research and analysis of responses gathered will illustrate perceptions of arts customers or potential customers of CNE. The author then interpreted the responses,
with insight from CNE’s professional staff, for the purpose of directing CNE’s lines of
business and development of market penetration in arts and culture organizations.

This research follows five Chapters which are defined as Introduction; Situation
Analysis; Methodology & Survey Design; Survey Analyses & Suggestions; and
Summary. Preliminary information was gathered by CNE’s support staff, as well as from
resources of the Ohio Arts Council, the Community Partnership for Arts and Culture, and
the Foundation Center. An internet survey tool, SurveyMonkey, was used to assess the
perceptions of arts administrators and their awareness of CNE’s programs in the arts
arena. The survey was administered to arts administrators in the Akron area and results
were analyzed via the survey tool.

In this thesis the author will discuss the design, administration, and analysis of the
responses of arts administrators to the survey. The thesis concludes with a summary of
the results and suggestions to CNE’s President and CEO, Elaine M. Woloshyn.
CHAPTER II

SITUATION ANALYSIS

Recent research by many regional and state-wide arts advocacy groups suggests that arts organizations in Northeast Ohio have been experiencing significant change in the audience culture as audience appreciation appears to be evolving from traditional art to entertainment (CPAC Survey 32). The following examples are from research that illustrates the ways in which arts organizations may be in need of additional managerial improvement to deal with this change. The incidences of arts organizations within the area, as well as CNE’s experience responding to arts administrators were taken into account when evaluating the need for further research. This preliminary information was collected prior to administering the survey in order to gain an understanding of the difficulties arts organizations currently face and to maximize the effectiveness of the survey.

A Survey of Arts and Culture Consumers in Northeast Ohio has been utilized at CNE to guide the development of strategies to address challenges faced by local nonprofit arts organizations. This study is utilized due to its inclusion of data about Akron arts organizations and contiguous counties with which CNE works. It was published in 2002 by the Community Partnership for Arts and Culture (CPAC) based in Cleveland, Ohio. It documented the need for improvements in accessibility by
eliminating barriers that prevent audience participation in the arts, in order to continue to preserve, present and build appreciation for arts (CPAC Arts & Culture Plan 3). These measures entail reaching audiences through whatever methods get them to participate, ensuring that their experience is enjoyable, and that the audience member retains a positive and memorable recollection of the event. The purposes of these measures are to ensure repeat participation, enhanced donations to the organizations, and relationship building that will sustain organizational ability to continue to do business. These measures have proven difficult for nonprofits to manage in an effective and efficient manner.

Recently, CPAC issued further recommendations related to the problems identified in the earlier study through a program called “CultureADD” (cpacbiz.org, Apr 2-2007). CultureADD (Access, Diagnose, Develop) is an online business practice performance assessment and diagnostic tool for arts and culture organizations interested in exploring the effectiveness of their operations. The two pieces of research indicated above were conducted by Cypress Research Group, a northeast Ohio-based organization with a reputation for expertise in thorough and comprehensive market research, and commissioned by CPAC. The findings are summarized and available for purchase on CPAC’s website (Business Practices: For Organizations).

Additional research that indicated the need for study and investigation in arts management was published by the Foundation Center, Cleveland, in 2002. Arts Funding IV: An Update on Foundation Trends, by Steven Lawrence documents patterns of Foundation giving in recent years. The message from the Foundation Center was that there had been a significant increase in grant dollars distributed to the arts between 1998...
and 2001. However, the amounts given after this period, at least in the performing arts, had been spread thin due to the decline in giving to arts organizations, especially in between 2004 and 2005 (Giving USA 25).

Giving USA 2006 was published in the wake of the attacks on September 11, 2001, the tsunami disaster, and hurricanes Rita and Katrina. The funding given to help victims and communities after these disasters was not shown to further reduce the donor dollars available to arts organizations. In fact, giving increased to arts as a result of disaster-related giving in the US by .2% (Giving USA 25).

Since 2002, CNE has received over 800 requests for technical assistance for information that addresses issues such as starting nonprofit organizations, fundraising, board training and other nonprofit management and operation issues (Griffin). CNE uses the term ‘technical assistance’ to describe services designed to respond to these requests. A majority of these calls are from the Northeast Ohio region. These callers are usually addressed by Susan M. Griffin, Knowledge Manager, who has over thirty years experience in starting successful nonprofits often in the role of the executive. Her experience includes starting the Hospice of the Western Reserve in Cleveland and she currently manages the Nonprofit Resource Center at CNE. During these calls, Susan and other CNE staff members have responded to arts administrators that have been fairly resistant to advice given in the area of financial management practice. At times, these administrators have argued that the advice offered regarding best practices does not apply to the arts. Others have hung up in the middle of these conversations. Whether this is due to the arts administrators’ lack of understanding and disregard for financial practices, CNE’s lack of understanding of the arts structure, or other reasons remains unclear.
Over the course of CNE’s five-year history, some of the organizations who remained resistant to advice went out of business. Others continued to stay in business but continued to experience financial distress. Those that made diligent efforts to take the advice showed at least some improvement. Because CNE is an intermediary organization, it has proven very difficult to measure if these results were directly related to its services. What CNE has measured through customer evaluations, is that programs have often met or exceeded objectives set by CNE and administrator expectations.

Questions as to whether arts and culture organizations are able to meet the financial and social responsibilities of being a 501(c)(3) nonprofit organization also are apparent through the closing for extended periods of time and administrative restructuring of Hale Farm and Village, and the demise of the Ohio Ballet. Evidence in other arts organizations of lack of adequate financial resources and lack of research based understanding in customer interaction are available. Organizations devoted to encouraging the benefits of collaboration within the sector, such as the Akron Area Arts Alliance, have also gained CNE’s attention. These factors have led CNE to want more information on the nature of the problems affecting local nonprofit arts organizations.
CHAPTER III

METHODOLOGY & SURVEY DESIGN

In order to gather information from arts administrators that would help CNE improve its understanding of arts organizations, the author chose to do a survey. This survey was designed to assess the context in which arts administrators do business, the nature of their administrative structure and their awareness of CNE’s programs and perceptions of value to these programs.

The information necessary was mostly of a qualitative nature, assessing perceptions and feelings. Qualitative data is most often gathered through focus groups due to the need for conversational interaction. Complex thoughts and feelings are difficult to gather via a questionnaire. However, the cost of a focus group was prohibitive. Instead, the author chose to do an internet survey that effectively gathered information from arts administrators for guiding CNE’s lines of business.

Internet Medium

The internet survey tool (SurveyMonkey) was chosen due to its data manipulation abilities, cost, and the fact that it is user friendly. This software gives the user the ability
to ask various kinds of questions, such as multiple choice, true/false, scaled evaluations, and open ended. A list of the questions asked of participants is located in APPENDIX B of this thesis.

This web-based medium was cost effective for CNE, as a subscription to Survey Monkey costs approximately $20 a month. Factors in the selection of this survey instrument included the facts that Internet surveys do not require postage, and they generate a similar return to that of direct mail. Pat Cirillo, President of Cypress Research Group, offered advice that substantiated the above information during the Marketing Research 101 training session offered in 2006 at CNE. SurveyMonkey provides the ability to create and choose the types of questions to ask, offer the survey via e-mail, calculate statistical data, view survey responses, and monitor the progress of the survey. An example of a SurveyMonkey page is available on their website http://www.surveymonkey.com.

The survey was sent to the list of administrators via e-mail. An electronically signed letter from Elaine M. Woloshyn, President & CEO of CNE, introduced the survey and gave the participants assurance that their input was valuable. The surveys were addressed to the arts administrators and were formatted similarly to an official CNE e-newsletter with a hyperlink that directed participants to the survey. A copy of this e-mail has been attached as APPENDIX C of this document.

Individuals solicited for the survey were affiliated with 501(c)(3) exempt or nonexempt nonprofits with missions in the area of arts and culture. Other participants were also solicited via advertising on the Northeast Ohio Performing Arts List, CNE’s website www.cfnpe.org, and an internal e-mail and database list which includes current
Akron area arts administrators. The list of participants sampled for the survey, undisclosed due to the privacy policy of CNE, has been developed over the last five years through grass roots research of area nonprofit organizations, information available on Guidestar.org, MelissaData.com, as well as customers that have attended CNE events and those who subscribe to CNE’s e-newsletter. More than one person from a single organization had the opportunity to respond and participants were encouraged to forward the survey to other arts administrators.

As an incentive to respond, participants were offered a small rebate on CNE Professional Development training sessions if they completed the survey. This rebate was also designed to encourage attendance of CNE training events and promote the organization.

A sixteen-question survey was developed for the purpose of encouraging survey participants to respond and provide as much information as possible with the least effort on their part. Again, Pat Cirillo noted that the shorter and more user-friendly the survey, the more likely a survey is to attain a representative sample and elicit accurate responses. (Cirillo). “The longer the survey, the less likely people are to fill it in,” (Brinckerhoff 138). These expert opinions were important in determining the length of the survey.

The questions were carefully developed to gather the most useful information from the arts community to provide information to satisfy the interests of CNE and survey participants. Questions were designed with sensitivity to survey participants through brevity and the order of questions. By first asking questions relating to their arts interests and, once engaged in the survey, asking about their awareness of CNE and its
programs, this method of gathering information was hoped to support completion of the survey.

Arts Related Questions

The survey began with questions asking about the participant's contact information and status within the organization. Respondents were then asked for information about the missions of their organizations, competitive advantages and how they define themselves as unique, and their potential dilemmas in managing their double bottom line.

For example, asking, “Do you see any major differences between arts organizations and other nonprofit organizations that warrant special consideration when dealing with organizational issues?” tested CNE’s belief that arts organizations usually perceive themselves as unique in administrative structure when compared to other human service nonprofits.

Questions in this section elicited both quantitative information as well as qualitative narratives. For example, in the final question participants were given an opportunity to offer personal insight regarding any issues that might be affecting their organizations or sector at large.

One resource used by the author to develop questions to assess these arts organizations was a strategic assessment tool developed by the Drucker Foundation. This assessment tool is explained in further detail in APPENDIX F. Drucker’s tool assesses the managerial balance between financial stability (money) and the capability to deliver
the social purpose of the organization (mission). This balance is often referred to as the “double bottom line.” This assessment tool is a theoretical construct developed by the late management guru Peter Drucker. Known for his teachings in both for-profit and not-for-profit management, he suggests that people ask the following five questions of nonprofit organizations (Drucker & Hesselbein).

“What is the organization’s mission?”

“Who is/are your primary and supporting customers?”

“What do your customers value?”

“What are your desired results?”

“How do you plan to achieve this?”

These questions were designed to elicit responses that reveal the presence or absence of effective planning for nonprofit operations. In order to effectively assess these organizations the questions were introduced into the survey.

Nonprofit businesses function in an ever-changing culture. Therefore, the environmental context was evaluated by asking organizations for their IRS 501(c)(3) tax-exempt status; a description of an organizational competitive advantage as indicated earlier in both quantitative and qualitative measures; and whether or not the survey participant was aware of a struggle to manage artistic credibility while remaining financially solvent within their organization.

Participants were also asked if the organization had a competitive advantage and, if so, to describe the advantage. This question was developed to assess whether or not the
organization has a viable strategic plan and if it would be able to achieve the desired results of the Drucker Assessment. The questions were developed based on the knowledge that financial resources available to nonprofits in the Akron area are limited.

CNE Related Questions

Question fourteen of the survey listed CNE’s major categories of service including a brief description of each. Participants were asked to evaluate the likelihood of their use of each service. Question fifteen asked participants to indicate the awareness of these services in order to evaluate the effectiveness of CNE’s current marketing methods.

Through these questions, CNE wanted to determine if the majority of arts administrators believe that their organizations are exempt from financial or managerial accountability, or if they feel excluded from the programmatic offerings of CNE due to the lack of relevance to their structure. If this is the case, CNE was interested in identifying perceived barriers in providing services to these potential customers.

Two questions were designed to determine preferences for communication with these customers of CNE. First, participants were asked to indicate how they wish to be contacted. Second, they were asked to rank the likelihood that they would use CNE’s services. This is useful in targeting CNE’s customers in response to their values.

Ultimately, over 200 individuals were contacted. The response rate, which was 9.5% of the sample, surpassed the five percent minimum respondent rate considered
statistically significant (Cirillo). Considering the return for direct mail is in the zero to one percent range, the return still exceeded the author’s expectations.

The survey was designed to gain a greater understanding of the Akron area’s arts organizations in order for CNE to better provide capacity building services to these customers. This was done through a brief and participant-friendly survey, gathering an adequate sample and strategic questioning. The responses are summarized and analyzed by the author in CHAPTER IV.
CHAPTER IV

SURVEY ANALYSES & SUGGESTIONS

The sixteen-question survey elicited results from twenty-nine arts administrators. Participants were asked to respond to various questions to give CNE some insight as to their perceptions toward, and context of, the Akron area’s arts organizations. The responses to these questions, given in detail in APPENDIX D, are interpreted in the following analyses. These analyses are organized into the following two areas: Arts related responses and CNE related responses. In this chapter the author will identify problems indicated by the survey participants and offer potential solutions to improve CNE’s relations and programming to better serve and satisfy CNE’s arts customers.

Arts Related Responses

Although 47.8% of participants indicated that they did not feel that arts organizations in the Akron area struggle to manage artistic credibility while remaining financially solvent, a significant number of them indicated this was the case. As their major issues, participants indicated a lack of adequate financial support, costly products and services, difficulty recruiting and maintaining a volunteer base, and limited cost-effective media coverage. In addition, participants indicated issues such as the values of
administrators in the arts arena failing to evolve with the changing environments in a timely manner and changing audience demographics.

One participant articulated this difficulty of money and mission delivery as, “the eternal dilemma of art vs. commerce. In other words, does a theater do an annual production of a very popular (and populist) work like say ‘A Christmas Carol’ in order to financially save the organization?” The following response reiterated this idea: “What sells isn’t always the best art.” Another reason for financial difficulties was expressed by responses that indicated a perception that “there are too many nonprofits in general. They are all asking the same people and foundations for money.” The continuing increase in demand for CNE assistance supports this opinion.

Finance has traditionally caused much conflict, as participants surveyed here expressed, with the issue of art versus commerce. One participant even indicated that these items, “artistic credibility and financial solvency are not mutually exclusive. You can be both – it’s just a matter of choice and making decisions based on facts and data rather than perhaps just emotion.” This double bottom line of social purpose art and financial accountability is what distinguishes 501(c)(3) nonprofit arts organizations from private artists and for-profit corporations.

Arts organizations must balance the social value of the art that they provide in addition to artistic merit. Generally, social value is measured in financial sustainability and community support. Art, however, is more enigmatic and difficult to measure. This message must be constantly and clearly communicated. The dilemma of nonprofit arts organizations comes when the art is valued but not financially supported, a common
problem with other nonprofits as indicated by CNE’s Director of Administration, Gigi A. Woodruff, and these services are often unappreciated until they are no longer available.

The need for financial support for operating expenses and costly products was also expressed by participants when asked to identify issues they felt were critical to the sector. This sentiment was reiterated by participants when asked, “Do you see any major differences between arts organizations and other nonprofit organizations that warrant special consideration when dealing with organizational issues?” The majority of participants responded positively to this statement. Although constant financial challenges may not be exclusive to arts, differences specifically cited included the expense of creative art pieces and performances, and the limitations placed on organizations by administrative leadership and the specificity of the artistic vision, which in some cases limits potential audiences.

Museums, for instance, “hold core assets – the art – in trust for the community both present and future as well as providing ‘service’ – exhibitions and educational and cultural programming.” An example that may not be exclusive to the arts was expressed by participants who said, “Most people will support a not for profit [sic] if it’s related to disability or charity services, but they think art can support itself.” “The arts may be viewed by some as a ‘luxury’; a non-essential thread in the fabric of our community. Healthcare, social concerns, education and faith all trump the arts when it comes to funding.”

Survey responses, as well as preliminary research, indicated a need for greater and more dependable financial resources. Current fundraising programs offered by CNE would be of assistance to these arts organizations, if only they would be used. However,
a management support organization such as CNE, must overcome barriers and resistance from arts organizations in order to achieve this level of mission delivery.

One barrier that must be eliminated by CNE is the perception held by some arts administrators that there is no urgent need for them to be financially solvent. As one participant put it, “we are not financially solvent, and in some respects, don’t ‘need’ to be.” Clearly, this is not the case. In order for a nonprofit to continue to deliver mission there must be financial resources available. As Susan M. Griffin, Knowledge Manager of CNE, said in a nonprofit workshop on budgeting, “it’s just like your personal finances, you wouldn’t expect to begin the year without money in the bank.” The issue exposed here is a fundamental misunderstanding, even among people working in the sector, of the term “nonprofit.” Nonprofits can and should retain a positive fund balance. This allows organizations to continue to deliver their missions.

As a leader in the nonprofit arena, CNE must continue to communicate the idea of nonprofit sustainability in a language that is clear to its customers in order to communicate the urgency for financial solvency. Viable nonprofit arts organizations deliver valuable social purpose missions. However, as the only nonprofit management support organization in Ohio, CNE is in a position to take a more aggressive and vocal role in redefining the financial expectations of 501(c)(3) nonprofit organizations.

An incentive to this effort may be to publicly reward and endorse those organizations that accomplish certain financial and programmatic goals. This might encourage these organizations to develop more clearly defined programs, fiscal integrity, and a public seal of approval that could strategically enhance the position of these organizations in their field.
Volunteers have been, for many years, a valuable asset to the functions of nonprofit arts organizations. Community theaters utilize voluntary human resources to deliver their missions through performances, administrative functions, and community outreach. The “lack of volunteers and burnout,” and the “need for younger volunteers,” were also indicated by participants as issues that are affecting arts organizations.

“What is your organization’s mission?” was a question that 20% of participants skipped. Many others offered responses that were altered from what the organization might post in marketing material. Others used colloquialisms and communicated in language that was effective, but not necessarily that which one would find on the organization’s website. These responses may be the result of a diverse group of individuals working in the sector with diverse communication styles. Another possibility is that administrators are communicating in terms that are self originated rather than organizationally originated. It is unclear whether this is because these administrators were not involved in the development of the mission-related goals, or if some organizations may not have planned any of their mission-related goals, or if the people administering the work have little understanding of the necessity of these goals.

Participants also offered information as to their competitive advantages. These responses can be narrowed down to three areas: unique program offerings; community involvement; and at least one participant mentioned the organization’s endowment fund. Arts organizations had difficulty articulating these competitive advantages, but felt strongly that their organization was special and had value. Answers to this survey question illuminate an issue related to the effectiveness of an organization’s mission delivery. The information communicated from within an organization gives audience
members and donors—stakeholders—reasons for participating, as well as forming in these people expectations of the programming. An inconsistency between the message communicated by the organization and the experience of the audience may cause tension and discourage future participation. Miscommunications of this sort can be either unintentional or intentional. Whatever the cause, a consistent message is essential for an organization to meet its mission effectively, and to build comfortable and fruitful relationships with its stakeholders.

When consulting with an arts organization, CNE can assist by guiding these organizations through a brainstorming process to discuss the mission and vision of the organization and to develop value propositions. Value propositions offer arts administrators, especially fundraisers and marketing staff, a language through which to communicate a consistent message with their audiences and donors. Many professionals find a value proposition to be the key to a successful business. The process used to articulate value propositions can also help administrators remain knowledgeable about their goals and consistently answer the question, “why is the organization important?” Articulating, communicating and clarifying goals of the organization can be very helpful to delivering the mission of a nonprofit arts organization.

Existing CNE marketing training programs tend to get a positive attendance rate. In 2006, CNE offered a session directly focused on managing message and media. As the need to plan and develop strategic communications among arts organizations remains, the demand for these trainings also remains among the best of CNE’s training sessions in the past year. However, to increase the attendance by arts organizations, CNE may need to customize marketing material specifically to arts organizations.
Recent policy changes in the media coverage of the arts, such as the Akron Beacon Journal’s recent elimination of arts listings, has resulted in increasingly limited cost-effective media exposure. While many participants had difficulty defining their missions, one thing was clear: all of the participants valued art. Although the definition of art varied among these individuals, it appeared most participants understood the importance of financial support and media coverage.

Along with nonprofit growth, lack of adequate financial contributions, and declining volunteer resources, organizations are struggling to provide experiences for their audiences that some survey participants feel are artistically gratifying.

With the retirement of many baby boomers rapidly approaching, succession planning is a topic of particular interest in the nonprofit sector. Many of these people are holding executive and management positions. Transition to the next generation of leaders in arts administration is a serious concern as this generation leaves the field.

CNE must look at area arts organizations, especially those administrative individuals providing the forum for the artistic experience, as its primary customers because these are the people that decide whether or not to use CNE’s services. Although these administrators may not be the actual service providers (i.e. artists), they usually have the authority over, or a significant role in, the selection of the kind of programming and allocation of resources.

While assessing the arts participants and their affiliated organizations by way of a strategic assessment, participants were asked to offer their contact information. All participants responded to this question at least in part and were added or updated on
CNE’s customer database. The participants were asked to indicate name, organization address, e-mail address, phone and fax number.

These organizations provide the forum for art to be displayed and offer social value. Arts audiences, although these are CNE’s supporting customers, must be assessed in consultation just as with any other nonprofit. The audiences are the people whose lives are changed indirectly by CNE’s Services, but directly from the services provided by the arts organizations. Because without these audiences there would be no social purpose to the delivery of art, they must be the focus of facilitations when consulting with arts organizations.

Audience development was also indicated by some participants as an issue that affected an organization’s ability to become sustainable. The succession of audiences appears to be following with the model of the succession of administrators. “The graying of audiences,” indicated by one participant, may be linked to the thought expressed by another participant that exposed the dilemma of “wanting to grow, but not being able to move beyond what was done before.” From the responses, it appears to the author that arts audiences are divided into two general demographic categories with divergent values: young and mature.

The challenge expressed by participants is in retaining mature audiences while building young audiences. In times when funds are limited and the values and taste for arts experiences are radically different, as illustrated by participants, accommodating both groups to ensure a sustainable organization is difficult. According to some participants, mature audiences appear to look toward more traditional, culturally-oriented, or historical
art while young audiences tend to look to a more casual, controversial, or heightened sensory experience.

The dilemma of such diverse audiences is compounded by the fact that while the mature demographic has a higher capability of providing critical contributions or financial support to organizations, organizations must always address the need to build young audiences to secure long-term organizational sustainability. As one participant noted, “The arts seem to be associated with a more ‘well-heeled’ demographic and young people feel uncomfortable being in the minority. Often their lifestyle seems so casual and their choice of entertainment is not culturally-oriented.” Surely, it would prove challenging for an arts organization to accommodate groups that are so exclusive from one another in times of such financial strain.

The inability of arts organizations to retain young audiences may be a direct result of the lack of culture building programs available to current audiences. To build culture for younger audiences long-term, arts administrators may look to school-age education programs, which many have done. Arts education at a young age has been proven to be effective in creating adults who become arts appreciators and audiences. Similar data, like that from the Cleveland Partnership for Arts and Culture studies in recent years, reiterates the fact that education is a key component to this kind of culture building (CPAC Arts & Culture Plan 14).

One entrepreneurial arts organization in Akron is trying to offer arts programming with an emphasis on programming in edgy, less commercial theater. Its mission is particularly attractive to young and more adventuresome audiences. Although its mission is clear and its product held in high critical regard, it struggles in a difficult financial
environment. To avoid the pitfalls of other nonprofit arts organizations, the development of strategic goals, policies to develop a diverse board, resource development plan, as well as the use of management support resources and administrators, could be advised.

To prepare for the aging of audiences, CNE may choose to develop a consulting product aimed at “succession marketing,” a term the author has coined to communicate a marketing plan that prepares organizations for the next five to fifteen years. Succession marketing assesses the changing demographics and evolution of audience values, then explains to nonprofits how to best manage and prioritize programming accordingly. In the near future, it may be useful to employ a split marketing model to accommodate both young and mature groups. Additionally, organizations must realize that values change as a demographic group ages. The way to speak effectively to young audiences today will not be the way to reach them in five years. The intent of succession marketing is to satisfy aging audiences while building audiences of young people who will eventually arrive at more financially secure situations. It is possible that being successful will necessitate programming that is different for each group as well as marketing strategies that communicate with these audiences in different, more appealing ways.

Two influential factors cited in The McCarthy/Jinnet Behavioral Model of Arts Participation were audience motivation and barriers. Appealing to the values of the young and mature audiences, as well as the generation following, increases motivation for arts participation and decreases barriers. This study also noted that increased participation in the arts encourages the financial and social health of a nonprofit arts organization, therefore building capacity (McCarthy).
CNE Related Responses

CNE’s customer communications were evaluated through a series of questions designed to accumulate data through which the author could evaluate which medium – e-mail, phone, fax or direct mail - was preferred by our customer. In addition, CNE could gain understanding of the level of awareness to CNE’s programmatic offerings to arts organizations. Responses were assimilated to compile the following analyses.

Participants were asked how they wish to be contacted and many responded to be contacted via e-mail. Marketing research explains that the survey method tends to indicate the preferred method of communication (e.g. people who are successfully surveyed via telephone often prefer to be contacted via phone). The majority of participants with a response rate of 85.7% indicated that e-mail was the best way to contact them, followed by contact by telephone with a response rate of only 23.8%. This is good news for CNE, as e-mail has become a major method of advertising.

A more effective database editing system would be ideal to target these potential clients. By ensuring the accuracy of CNE’s customer database content and increasing the number of potential customers, a larger pool of customers will be aware of services which, according to Pat Cirillo, is more likely to get a higher response rate.

CNE must effectively communicate to potential customers the value of capacity building services in order for them to realize the need for CNE services. A more aggressive and/or more personal approach may be necessary to deliver our missions and achieve the market penetration desired.
Programs at CNE were rated on two scales: most visible to least visible; and most likely to least likely used. The major lines of business that were evaluated include Professional Development Training, Resource Center, CNE Solutions (CNE’s consulting services), Technical Assistance, Subsidy & Scholarship.

Professional Development Training was identified as the program most visible and most likely to be used. The Resource Library was considered, by survey participants, as somewhat visible and somewhat likely to be used. CNE’s newest product line, CNE Solutions, was considered somewhat visible, but somewhat unlikely to be used. Technical Assistance was considered somewhat visible; but, again, somewhat unlikely to be used. CNE’s ability to subsidize the cost of Professional Development Training and/or Consulting Services, identified in the survey under the category of Subsidy & Scholarship, was not even somewhat visible to participants and voted very unlikely to be used.

Currently, CNE offers few services directed specifically toward arts organizations. Current offerings which are available to arts organizations are Professional Development Training, Nonprofit Resource Center, CNE Solutions Consulting Services, Technical Assistance, and Subsidy/Scholarships. The analysis of research data accumulated through this study was helpful in identifying and providing solutions for improving these services.

Although many of these services could provide valuable assistance, many of these are underutilized due to perceived barriers. Professional Development Training was rated the most visible and likely used program and should remain available as both a method of delivering services and a marketing tool. Arts administrators surveyed were most aware
of CNE’s training, and that perception could be used to CNE’s advantage to remind customers of CNE’s work.

The Resource Center services, on the other hand, appeared less fulfilling to the urgent needs of survey participants. These services are utilized most frequently when customers—either the organization or the administrator—are in urgent need (i.e. if an administrator is uncomfortable with his or her skill level in an area, or needs to accomplish a specific task such as designing a website or planning a fundraising campaign, the person is more likely to contact CNE for resources and assistance). Those surveyed indicated a preference for user friendly, self-service resources such as those available on the website, to more person-to-person resources. Current website offerings include many resources and links to resources that appear to be sufficient for the kind of return on mission delivery CNE wants to attain from this service, at present. Should the demand increase, the resources available must as well. It appears that resources currently available are appropriate to the demand and short-term growth of the Resource Center.

The term “Technical Assistance” appears to mean very little to CNE’s customers. Although CNE responds to many phone calls for information, it is apparent that the customer doesn’t refer to their inquiry as technical assistance. This term is used within CNE to refer to any managerial service available to clients. There appears to be confusion about this term among potential customers. The likelihood of use indicated was low, possibly due to the fact that many participants could not identify this product on the survey or the language used may not have effectively communicated this service. To help overcome this disconnect, CNE markets its Technical Assistance by asking, “How can we help?” Other reasons participants may have indicated the likelihood of use to be
low could be due to perceived, human barriers. Lack of confidence in pre-existing knowledge, fear of the implications of the information, as well as being given advice that is contradictory to pre-existing feelings may deter customers.

To welcome arts organizations into the culture of CNE, it is essential to minimize the perception of exclusivity. It may be useful to introduce existing offerings to potential clients as new services through an e-mail or direct mail piece administered specifically for arts organizations. The use of language such as Nonprofit Hotline or Helpline in marketing material may make this “technical assistance” service more understandable and minimize barriers by clarifying the product/service description.

For organizations with annual operating budgets of $500,000 or less, CNE, offers subsidies or scholarships for all of the above services. These funds are available through a grant from the Johns S. and James L. Knight Foundation. Unfortunately, this “free money” was identified by respondents as the service least likely to be used. This is unfortunate considering the majority of participants worked for organizations with operating budgets below $500,000 and identified funding as their biggest issue. The terms “subsidy” or “scholarship” appear to be cultural deterrents or barriers due to the perception of large quantities of paper work to be filed prior to a laborious judgment process with the possibility of rejection. The dollar value of this service may also be unclear to potential customers, as it fluctuates with the cost of service being purchased. The subsidy, which covers 50% of the cost of qualifying services to qualifying organizations, may be perceived as a coupon to customers rather than a financial contribution to their managerial support. In fact, this process requires very little information and is fairly easy to access. Due to misconceptions and language used to
communicate this value added service, customers seldom utilize this offering and CNE loses income through lower training attendance.

A possible solution to this issue is to send out brief, clear e-mail invitations for upcoming programs and a scholarship “easy button” that clear information about the subsidy program and allows participants a one-click registration option. CNE would follow-up for further information.

When participants were asked how likely their organization might use CNE’s existing services, responses indicated that the majority were most likely to attend Nonprofit Professional Development Workshops (Training Sessions). This likelihood was followed by Access to books, articles, internet resources (Resource Center). Free 1-on-1 consultation on nonprofit management and governance (Technical Assistance) was less likely to be used. A majority of participants indicated scholarship assistance for training programs as the least likely used CNE service.

The information gathered through the results of this survey offered information on how arts administrators view and manage their double bottom line; allowed CNE to better assess the values and perspectives of arts customers and the context of doing business as a nonprofit arts organization; and illustrated customer awareness of CNE and its products and services. All of the above responses were used to identify problems and offer solutions for better serving arts organizations.
CHAPTER V

SUMMARY

Prior to creating and administering this survey, the author research non-profit management theory and survey techniques. Ultimately a survey was designed, and distributed to arts administrators in the Akron area. The survey, endorsed by CNE’s President & CEO Elaine M. Woloshyn and administered via e-mail asked questions that gathered information to offer an academically significant piece of research for profiling CNE’s customers.

Responses were analyzed in order to assess the perceptions of arts administrators in relation to the field of non-profit management, and in relationship to services offered by the Center for Nonprofit Excellence. The goal of the research was to provide information to CNE relative to creating programs and delivering services to non-profit arts organization in the greater Akron area. A significant sample was returned and insight was gained. The results indicated the need for CNE to offer services in the areas of Resource Development via Financial Support, Human Resources, Marketing and Audience Development. Other issues of Succession Planning and Nonprofit growth were also indicated as major issues.
Increasing competition among arts organizations for audiences and resources such as grants, foundations, and individual donations has arts organizations compromising their missions to make ends meet. Organizations also are currently experiencing difficulty in attracting younger audiences. Again, due to lack of adequate funding, arts instruction in local schools is not effectively building a climate for the arts in Northeast Ohio, leaving nonprofits to add costly outreach programs which many organizations are ill-equipped to provide. Bridging the age gap in arts and entertainment through satisfying the dual audiences is essential for the long term success of arts organizations in this time of transition.

With the supply for arts funding lower than the need required for arts organizations to remain viable, arts organizations risk financial hardships and even going out of business. In turn, the community risks minimal options for adequate arts and culture experiences. Without CNE’s efforts, this may spell continual economic decline and disaster for nonprofit arts organizations in the Akron area.

The problems indicated need to be addressed for CNE to better serve arts organizations. The implication of this information entails CNE evaluating which organizations to help, how to help, and at what cost this help can be provided.

The process discussed herein was intended to formulate questions, survey nonprofit arts administrators and gather their thoughts and opinions to be analyzed with professional insight and existing research. This process was necessary in order to guide CNE in determining its next steps in assisting its arts market to achieve their missions through effective management.
The information collected was interpreted to demonstrate that the amount of nonprofit resources necessary for success is far exceeding available resources. In order for many of these organizations to continue to deliver their missions in a satisfying manner to their customers, arts administrators must aggressively evaluate opportunities to utilize each dollar, human resource and support resources like those available through CNE.

CNE may assist these arts nonprofits by communicating a more succinct and universally understood message regarding their offerings to their customer database of targeted arts administrators. In addition, CNE may consider an effort to minimize perceived barriers so that customers that are aware of and in need of capacity building services are no longer hesitant to initiate contact. Finally, more aggressive attempts to initiate contact with arts administrators that have the authority to use organizational funds to pay for management support services could be made by CNE staff to increase mission delivery.

The survey previously addressed was an effort to assist CNE in serving its arts customers through insight of nonprofit arts administrators in the Akron area. This document described the process from preliminary data, survey design and method, survey results, analysis, and suggestions. Upon completion the information was shared with CNE’s CEO to direct future lines of business.
REFERENCES


APPENDIX A

IRB FORM

SEP 08 2006
The University of Akron Institutional Review Board

Registration Form

Please complete this form if you propose to conduct a project that involves interaction/interaction with or
collection of information about human individuals that meets one or more of the criteria below.

IRB review is not required because:
☐ The project does not meet the Common Rule definition of research.
☒ All data/specimens are about/from deceased individuals.
☒ Results will be shared only with the client or stakeholder(s) for private use for evaluation of an established program or
for other non-research purposes.
☐ The project utilizes only data from secondary sources that are not individually identifiable.
☒ The project is an internal evaluation intended for quality control of ongoing program only.
☒ The project involves only oral history activities, such as open ended interviews, that ONLY document a specific event
or the experiences of individuals without intent to draw conclusions, generalize findings, or influence policy or
practice.

Project Title: A Survey of the Summit County Nonprofit Arts Climate

Principal Investigator (PI): Chase A. Horn
PI Department: Dance, Theatre and Arts Administration
PI Phone & email: 330-475-3525
Co-Investigators (list all co-investigators):
Faculty Advisor (if PI is a student): Durand Pope

Provide below a brief description of the purpose of this study and the type and source of the information on
individuals that you will use.

This project will survey the Summit County nonprofit administrative arts climate in order to assess and suggest
programming for the Center for Nonprofit Excellence, a Nonprofit Management Support Organization in Akron.

Investigator's Assurance

I certify that the information provided in this Registration Form is complete and accurate, I understand that as Principal
Investigator, I have ultimate responsibility for the ethical conduct of this project.

Principal Investigator: Chase A. Horn  Date: 9/1/06

Faculty Advisor's Assurance

I certify that the student is knowledgeable about the regulations and policies governing the research and has sufficient
training and experience to conduct this particular study.

Faculty Advisor:  Date: 9/1/06

Please mail this form to the IRB, c/o ORSEP, 302 Buchtel Common, Akron, OH 44325-1102.
Hand delivery: Polsky Building, Suite 284

Excluded from IRB Review

Date: 9/5/06

11/05

IRB Chair/Designee

36
APPENDIX B

SURVEY QUESTIONS

1. Please enter your contact information.
   a. Name
   b. Address
   c. Phone
   d. E-mail
   e. Fax

2. Please indicate your role within the organization.
   a. Executive Director/CEO
   b. Managing Director
   c. Artistic Director/Staff
   d. Marketing
   e. Fundraising/Resource Development
   f. Box Office
   g. Volunteer
   h. Board Member
   i. Other
3. What is the mission of your organization?

4. What is your 501(c)(3) status?
   a. 501(c)(3) Tax-exempt
   b. 501(c)(3) Pending
   c. Non-exempt Nonprofit
   d. For profit
   e. Unknown

5. Do you feel your organization has a competitive advantage over other local arts organizations?
   a. Yes
   b. No
   c. Maybe

6. Please describe your organization’s competitive advantage.

7. Do you find your organization struggles to manage artistic credibility while remaining financially solvent?
   a. Yes
   b. No
   c. Maybe
8. To what do you attribute this dilemma?

9. Do you see any major differences between arts organizations and other nonprofit organizations that warrant special consideration when dealing with organizational issues?
   a. Yes
   b. No
   c. Maybe

10. If so, please describe.

11. Does your organization seek advice or assistance on your nonprofit organizational issues from any of the following organizations?
   a. Ohio Art Council
   b. Akron Area Arts Alliance
   c. Center for Nonprofit Excellence
   d. Other

12. Where else do you seek information and resources for your nonprofit arts issues?

13. Did you know CNE offers the following services? (Yes or No)
a. Free 1-on-1 consult on nonprofit management and governance (Technical Assistance)

b. Access to books, articles, internet resources (Resource Center)

c. Customized services to address organizational issues including board development, strategic planning, financial resource management (CNE Solutions)

d. Payment Assistance for training programs for Summit County-based organizations with annual operating budgets less than $500,000 (Training Scholarship or CNE Solutions Subsidy)

14. How likely is your organization to use the following services? (Very likely, Somewhat likely, Not sure, Somewhat Unlikely)

a. Free 1-on-1 consult on nonprofit management and governance (Technical Assistance)

b. Access to books, articles, internet resources (Resource Center)

c. Customized services to address organizational issues including board development, strategic planning, financial resource management (CNE Solutions)

d. Payment Assistance for training programs for Summit County-based organizations with annual operating budgets less than $500,000 (Training Scholarship or CNE Solutions Subsidy)
15. Please describe any issues that may be affecting you and/or your industry as YOU see it!

16. Which is the best way to contact you?
   a. Phone
   b. E-mail
   c. Fax
Dear Colleague:

The Center for Nonprofit Excellence (CNE) is requesting your assistance in a brief (5 minute) internet survey to help us understand the unique issues affecting nonprofit arts professionals in the Akron area.

Because of our work with a number of area arts organizations, and the internship of a young professional finishing a Master’s Degree in Arts Administration, CNE is aware of the significance of the arts in Akron. With your assistance, CNE can better understand how to contribute to a thriving arts sector.

The Center for Nonprofit Excellence is a nonprofit organization that was created to help other nonprofits achieve their missions through effective management. CNE offers a variety of services including a resource center with information on nonprofit management and governance; professional training for staff and board members; and customized consulting services such as strategic planning, executive coaching, board development, and financial resource management.

As a thank you for your participation today, and in honor of our 5th anniversary, we would like to offer you $5 off the cost of any 2006-2007 CNE training sessions for up to 5 sessions - a $25 value. You can register for the training programs online at www.cfnpe.org. When you are finished with this survey, you will be redirected to our website. You then select "Training for Boards and Staff" on the navigation bar to view the program descriptions and you can choose the 5 sessions you prefer. This offer will be available until October 20, 2006. We hope you will take advantage of this opportunity to further your professional development.

We invite you to pass this survey on to your peers in the field of Nonprofit Arts Administration and share this opportunity.

Thank you. We appreciate your insight!

Elaine M. Woloshyn, President & CEO
Center for Nonprofit Excellence

Take the Survey!!! http://www.surveymonkey.com/s.asp?u=985692653204
Question 1: Please enter your contact information.

- Name - 100% Response, 29 Respondents
- Organization Name - 93.1%, 27 Respondents
- Address - 100%, 29 Respondents
- Phone - 93.1%, 27 Respondents
- E-mail - 96.6%, 28 Respondents
- Fax - 79.3%, 23 Respondents
- Total Respondents 29 Respondents
- (skipped this question) 0 Respondents

Question 2: Please indicate your role within the organization.

- Executive Director/CEO - 34.5%, 10 Respondents
- Managing Director - 10.3%, 3 Respondents
- Artistic Director/Staff - 17.2%, 5 Respondents
• Marketing - 10.3%, 3 Respondents
• Fundraising/Resource Development - 10.3%, 3 Respondents
• Box Office - 6.9%, 2 Respondents
• Volunteer - 3.4%, 1 Respondent
• Board Member - 6.9%, 2 Respondents
• Other - 13.8%, 4 Respondents
• 29 Total Respondents

Question 3: What is the mission of your organization?

• The organization is a non-profit educational, volunteer organization founded in 1947. It is our mission to educate and enrich the lives of school age children in the greater Akron community by providing access to live high quality performing arts experiences. It is our vision to become the leading provider of access to fine live performing arts experiences for school age children.

• Bringing the best quality music to the Greater Akron area.

• The organization is a regional non-profit organization dedicated to presenting, promoting, and teaching arts in the Chagrin Valley.

• The organization and its dedicated volunteers offer vital performing arts resources for the people of Northeastern Ohio. We create exciting and thought-provoking shows with impressive production values. Through educational programs and volunteer opportunities for people of all ages and backgrounds, we serve the theater community, our patrons and our volunteers.
• Encouraging youth, through the arts, to pursue lifestyles of excellence.

• To enrich lives through modern art

• Dance Performance in liturgical and secular settings; The integration of mind, body and spirit through movement education in a wide variety of settings (schools, churches, mental health centers, etc.)

• The organization offers educational opportunities that develop and nurture artistic expression while informing, entertaining and strengthening our community

• The mission of the organization is to enrich lives through modern art.

• The mission of the organization is to present professional theater created by Ohio artists for the entertainment and enrichment of our diverse community.

• Preserve and interpret the culture and traditions of people in Ohio’s 19th century Western Reserve, and foster a greater understanding of our shared past

• The mission of the organization is: To be a volunteer-based, professionally directed theater that serves the community by engaging, educating, entertaining and enriching the quality of life for northeast Ohioans.

• To provide the greater Akron community with the finest quality symphonic, choral and related musical fine arts possible; to educate the public; to promote and develop the musical fine arts in the Greater Akron area.

• promote active interest and strengthened appreciation of the fine and applied arts within the community for individuals of all ages.

• The mission of the organization, as a volunteer-managed non-profit classical music organization, is to provide a premier concert series for the community, a
comprehensive educational and scholarship program for young people, and performing and listening opportunities for its members and guests.

- To provide the Greater Akron community with the finest quality symphonic and choral music and related musical fine arts commensurate with the level of financial support and the abilities of available talent; to educate the local public with respect to classical and contemporary music as may be performed by a modern symphony orchestra and chorus so that they may be experienced, better understood, and appreciated by the broadest community segment and largest possible number of people; to promote the further development of the musical fine arts in the Greater Akron area by extending special support to worthy local individual artists and musical projects.

- Education

- The organization is dedicated to the preservation, restoration and interpretation of the F.A. Seiberling family legacy.

- Magic under the stars. To put our audiences and renters front-row center through first-class, unique experiences.

- To promote opportunities for participation in and appreciation of the arts in the City of Green and the greater community

- To enrich lives through modern art.

- As conservators of wildlife our purpose is to provide an enlightening and affordable animal experience that is fun for families of our community.

- The organization is a volunteer-based, professionally staffed theatre dedicated to producing shows that stimulate, enhance and uplift the quality of life for both its
audiences and volunteers. The organization also offers instruction in theatrical and performing arts for all ages through production experience, classes, workshops, special programming and outreach activities. Volunteers work side by side with professionals in order to maintain the highest standards of production, encourage individual creativity and enhance understanding and appreciation of live theatre.

- To preserve one of the most important American Country Estates to endure from the Industrial Age, and share its most significant attributes -- history, architecture, horticulture, and preservation -- with the public in a meaningful and relevant manner.

Question 4: What is your 501(c)(3) status?

- 501(c)(3) Tax-exempt - 88.5, 23 respondents
- 501(c)(3) Pending - 3.8%, 1 respondent
- Non-exempt Nonprofit – 3.8%, 1 respondent
- For profit – 3.8%, 1 respondent
- Unknown – 0%, 0 respondents
- Total Respondents 26
- 3 Respondents skipped this question

Question 5: Do you feel your organization has a competitive advantage over other local arts organizations?
• Yes - 56%, 14 respondents
• No - 16%, 4 respondents
• Maybe - 28%, 7 respondents
• Total Respondents 25
• 4 Respondents skipped this question

Question 6: Please describe your organization's competitive advantage.

• Our programs & teaching touch all ages in the valley from school children to senior citizens and from neophytes to professional artists.
• We have a very well maintained physical plant with state-of-the-art equipment and materials. In our community, we are able to foster a good profile and promote goodwill due in part to our maturity (72 years in operation).
• The organization is unique in that there is no other residence arts program with intense performing arts training for the purpose of developing our youth's leadership skills and to provide them with alternatives to gangs, drugs and other destructive behavior that surround their daily lives.
• New exceptional building; organization been around a long time
• The organization has been fortunate to be relatively financially stable, even in unstable times, in a way that some of the other arts organizations might not have. We have a collegial board that believes in our mission. We have an endowment that provides a great deal of support for operations. Our new building is making
international architecture and art news, and will be a world-class building in which to display our collection of world-class art.

- We are the only fully professional theater in the area that uses only Ohio artists. This gives us much greater flexibility in capitalizing on successful shows.
- Unique programming opportunities as well as definitive niche within specialized professional development.
- This is the place where you friends and neighbors hone their acting skills. You may see on stage, your bank teller, grocery store checker or, perhaps, your teacher.
- We have the finest professional musicians available in our area and are out in the community with a wide range of educational and outreach programs, in addition to a regular concert performance schedule. On the down side, with a large symphony orchestra, our costs are greater than most other arts organizations.
- We have dedicated volunteers, exhibits of high quality, and instructors who are respected in the art community.
- We are the only organization bringing in the world's most-renowned classical music artists in concerts & at affordable prices. We also make all of our concerts available to any student & at no cost. Master classes and residencies are arranged when scheduling permits. We offer a scholarship program to college students, awarding nearly $30,000 each year.
- We have a large and active board of directors with a strong sense of fiscal responsibility and a vision for the organization.
- New, state of the art, dance building.
• We are currently the only locally producing professional theatre company in Downtown Akron.

• The organization is nationally recognized, accredited by the American Association of Museums, has a broad-based membership, a very significant volunteer force, and a significant endowment. Management staff is professionally strong with considerable experience and credentials. The organization is noted on a national level for its expertise in the fields of architecture, historic preservation, history of the Industrial Age and horticulture.

• Established reputation. Unique and grandiose atmosphere. Historical significance.

• We offer art classes in collaboration with our local schools, utilizing their buildings to conduct art classes for students and adults. Reduced travel time encourages busy local families to take advantage of art classes they may have otherwise opted not to take.

• Flexibility of being small, but large enough to raise money and have adequate promotion for activities. Reputation for having exciting, innovative but accessible exhibitions. Reputation for sound fiscal management.

• We offer an experience with over 700 animals that nobody else in Summit County offers.

• 1) 75 years of continuous production in the community 2) Reputation for high production values 3) Beautiful facility 4) Excellent staff

• Our Product is unique, best in the region, and truly great. 2. Our Service is at industry standards - respectful, courteous, and responsive 3. Our Price is honest and comparable to other similar experiences 4. Our Access is convenient with minimal hassles 5. Our Experience transforms our guests -- they lose a sense of time when
they visit. Our senior staff is extremely talented and been together for almost ten years. Our management staff is extremely bright and enthusiastic. We know our business well and are not afraid to change when needed. We still have enormous potential. The community loves us.

Question 7: Do you find your organization struggles to manage artistic credibility while remaining financially solvent?

- Yes - 43.5%, 10 Respondents
- No - 47.8%, 11 Respondents
- Maybe - 8.7%, 2 Respondents
- Total Respondents 23
- 6 Respondents skipped this question

Question 8: To what do you attribute this dilemma?

- Shrinking contribution dollars.
- The eternal dilemma of art versus commerce. In other words, does a theater do an annual production of a very popular (and populist) work like, say, "A Christmas Carol" in order to financially save the organization? This is just one example.
- Because our target audience is inner-city African American youth and because of the economic strain or our entire community, we work very hard to keep the registration
fee at a minimum. Though our artistic credibility is excellent, we could offer an even
greater artistic experience if our funding and resource base were to increase.

- Because of our liturgical focus, and the part-time status of most company members,
we are not financially solvent, and in some respects, don't "need" to be. However,
because spirituality is suspect and since most churches, schools, etc. don't have a lot
of money, it is difficult to find venues for our concert work.

- Wanting to grow, but not being able to move beyond what was done before.

- I think this is a challenge for all arts organizations - from our standpoint, how to be
true to our mission while showing historically and artistically significant art that the
public may find to be unpopular or controversial.

- What sells isn't always the best art.

- Recent determination to remain fiscally responsible while reevaluating public
programming to ensure success.

- Our actors, designers, crew members and telephone people are all volunteers.

- There is always a balance between the ultimate "wish list" for guest artists, etc. and
budgetary considerations. However, the organization has historically done a good job
of doing this within the bounds of a balanced budget.

- We manage to have artistic credibility, and are somewhat financially solvent, but that
changes from year to year. An endowment would create more stability.

- The artist fees are escalating & the audience is graying.

- Arts funding and economy
• Given my previous comments, I don't believe that "artistic credibility" is an issue. Financial strength, however, is for the organization as for all other cultural nonprofits, a considerable challenge.

• Never enough funding available. No help from the City even though they tout us as a local treasure, they don't provide a penny of support towards our operating expenses.

• In the past the artistic and business arms of the organization did not always communicate well.

• This is not a dilemma. Artistic credibility and financial solvency are not mutually exclusive. You can be both -- it’s a matter of choice and making decisions based on facts and data rather than perhaps just emotion.

Question 9: Do you see any major differences between arts organizations and other nonprofit organizations that warrant special consideration when dealing with organizational issues?

• Yes - 47.6%, 10 respondents
• No - 23.8%, 5 respondents
• Maybe - 28.6%, 6 respondents
• Total Respondents 21
• (skipped this question) 8
Question 10: If so, please describe.

- Looking at only the arts organizations in the valley
- I would say that arts organizations are very different from social-service agencies.
- For our organization, we use the arts to make a positive impact on the lives of today's youth. So, we are more than mere entertainment. Our goal is to use the arts as a way to develop good character and discipline in our youth. Nevertheless, arts must be presented and so venue, space, timing are some of the crucial issues that may not effect other nonprofit organizations.
- We often need to maintain standards that are not understood by public or funders
- Many nonprofit organizations that provide services to the disadvantaged receive government support and have to be very focused on meeting government requirements. Arts organizations may receive government grants but not as frequently.
- Other nonprofits tend to have small readily defined communities which they serve. These communities are typically characterized by socio-economic deficits, medical issues, or behavioral issues. As such their case for need is much more easily seen and quantified than is the case with arts organizations
- In our business, the organization is always a "two-column" affair. There is the business side of the organization, with executive director, professional staff and board members; and the artistic side, which has its own hierarchy.
- Most people will support a not for profit if it’s related to disability or charity services, but they think that art can support itself.
• I'm not sure what you are asking. However, most non-profits struggle to remain solvent, have a viable mission and make a difference in the community.

• Arts organizations must work to retain staff with expertise in the specific arts area of the organization. Too often arts organizations focus all energy and resources on funding and marketing, to the point of neglecting the artistic reason for their existence.

• The arts are viewed by some as a "luxury"; a non-essential thread in the fabric of our community. Often the salability of the arts is challenging within the context of nonprofits at large. Healthcare, social concerns, education and faith all trump the arts when it comes to funding.

• I'm sorry, I'm not understanding this question.

• Art museums are very different than social service non-profits. We hold core assets -- the art -- in trust for the community both present and future as well as providing "service" -- exhibitions and educational and cultural programming.

• There are too many nonprofits in general. They are all asking the same people and foundations for money. The Greater Akron Community can not support the current number of Nonprofits. So the market economy will start to weed out which ones will survive and which ones will not. We have already seen this happen with the Ohio Ballet and the loss of several very talented Executive Directors from significant community assets such as the Akron Symphony and E.J. Thomas.

Question 11: Does your organization seek advice or assistance on your nonprofit organizational issues from any of the following organizations?
• Ohio Arts Council – 50%, 10 respondents
• Akron Area Arts Alliance - 40%, 8 respondents
• Center for Nonprofit Excellence - 70%, 14 respondents
• Other - 50%, 10 respondents
• Total Respondents 20
• 9 Respondents skipped this question

Question 11 – Other Responses:

• Board members
• Mandel School
• Internet sources and peers
• consultants
• BVU
• American Association of Museums
• Board members
• Ohio Arts Presenters Network
• Specialized consultants.
• None of the above

Question 12: Where else do you seek information and resources for your nonprofit arts issues?
• I am short of knowledge in this area!


• Private consultants, Urban League, books and articles.

• colleagues

• The Cleveland Foundation

• Other art museums.

• Our board of trustees.

• I'm sure that there are other places, but I would not have access to that information--executive director would.

• Current literature related to the arts and nonprofit organizations, networking, communicate with professionals in the for profit sector,

• Outside consultants

Question 13: Did you know CNE offers the following services?

Free 1-on-1 consult on nonprofit management and governance (Technical Assistance)

• Yes 52%, 11 Respondents

• No 48%, 10 Respondents

• 21 Response Total

Access to books, articles, internet resources (Resource Center)

• Yes 62%, 13 Respondents
• No 38%, 8 Respondents
• 21 Response Total

Nonprofit Professional Development Workshops (Training Sessions)

• Yes 95%, 20 Respondents
• No 5%, 1 Respondent
• 21 Response Total

Customized services to address organizational issues including board development, strategic planning, financial resource management (CNE Solutions)

• Yes 65%, 13 Respondents
• No 35%, 7 Respondents
• 20 Response Total

Payment Assistance for training programs for Summit County-based organizations with annual operating budgets less than $500,000 (Training Scholarship or CNE Solutions Subsidy)

• Yes 43%, 9 Respondents
• No 57%, 12 Respondents
• Total Respondents 21
• 8 Respondents skipped this question
Question 14: How likely is your organization to use the following services?

Free 1-on-1 consult on nonprofit management and governance (Technical Assistance)

- Very Likely 24%, 5 Respondents
- Somewhat Likely 24%, 5 Respondents
- Not Sure 14%, 3 Respondents
- Somewhat Unlikely 38%, 8 Respondents

Access to books, articles, internet resources (Resource Center)

- Very Likely 33%, 7 Respondents
- Somewhat Likely 38%, 8 Respondents
- Not Sure 10%, 2 Respondents
- Somewhat Unlikely 19%, 4 Respondents

Nonprofit Professional Development Workshops (Training Sessions)

- Very Likely 33% (7)
- Somewhat Likely 43% (9)
- Not Sure 10% (2)
- Somewhat Unlikely 14% (3)
Customized services to address organizational issues including board development, strategic planning, financial resource management (CNE Solutions)

- Very Likely 19%, 4 Respondents
- Somewhat Likely 33%, 7 Respondents
- Not Sure 10%, 2 Respondents
- Somewhat Unlikely 38%, 8 Respondents

Payment Assistance for training programs for Summit County-based organizations with annual operating budgets less than $500,000 (Training Scholarship or CNE Solutions Subsidy)

- Very Likely 14%, 3 Respondents
- Somewhat Likely 5%, 1 Respondents
- Not Sure 10%, 2 Respondents
- Somewhat Unlikely 71%, 15 Respondents
- Total Respondents 21
- 8 Respondents skipped this question

Question 15: Please list and/or describe any issues that may be affecting you and/or your industry as YOU see it!
• Fund raising. Volunteer recruiting.

• Audience development, corporate sponsorship, volunteer recruitment, volunteer training, volunteer retention, board-membership recruitment.

• We have been in the Akron Community for 17 years. We need help to develop governance, policy, by-laws, fundraising strategies, and marketing strategies.

• We have very little public funding and our product is expensive; if private philanthropy does not kick up a notch, then we must have public support to maintain any quality.

• Greater competition for fewer donor dollars, and the tendency for donors to give to specific programs as opposed to operating support.

• Declining coverage of the arts by major newspapers.

• 1. The Beacon Journal, through restructure, has eliminated their theater reviewer. One person now is responsible for reviews for theater, music, museums and dance. 2. We will always be competing for people's time and discretionary income.

• Problems in attracting younger audiences. Lack of instruction in the schools and homes about music (which impacts above consideration). Increasing competition among arts organizations for the same audiences and resources (grants, foundations, donations, etc.)

• The economy and the need for younger volunteers.

• One of the greatest challenges facing our industry is tapping into a younger audience. The arts seem to be associated with a more 'well-heeled' demographic and young people feel uncomfortable being in the minority. Often their life style seems so casual and their choice of entertainment is not culturally-oriented.
• Funding is the primary issue for us all. Sustainability is a significant concern. Maintaining significance and relevance within the marketplace given increasing demands on constituents' time and discretionary income is a tremendous challenge.

• Lack of funding. Loss of Corporate Sponsorships. Decrease in grants available to arts organization for operating support.

• Lack of volunteers and burn-out. Successful (i.e. well attended) events/classes. Membership. We would be able to accomplish more of our vision with more active participants.

• The economy, low salaries compared to teaching and for-profit sector, no city or county operating support for cultural institutions

• Funding - there is no other issue. If anyone says otherwise they don't have the experience to know what they are talking about. If significant sources of new funding is not put in place very soon to supplement current earned income, fund raising dollars and endowment income our community will soon find out what it is like to live without quality art and cultural institutions. This decline of quality of life institutions will have a real and profound impact on the community’s ability to attract and retain top talent necessary for economic development. As a side note - putting an additional $58 million dollars into a 20 acre zoo over the next seven years on top of the $58 million put into the zoo over the past seven years is not the answer. It is sheer stupidity and part of the problem. We have no community or political leaders who either recognize or are willing to recognize the severity of this issue and the need for immediate action.
Question 16: Which is the best way to contact you?

- Phone - 23.8%, 5 respondents
- E-mail - 85.7%, 18 respondents
- Fax - 4.8%, 1 Respondent
- None of these - 0
- Total Respondents 21
- 8 Respondents skipped this question
APPENDIX E

DRUCKER EXPLANATION

While designing the survey discussed, the author assimilated five questions developed by the late Peter Drucker, a for-profit and nonprofit management guru, to assess nonprofit organizations. The five questions are designed to elicit responses that reveal the presence or absence of effective planning and strategy for the development or sustainability of a viable nonprofit organization. In the following, the author will address the rationale behind these questions and define some of the terminology used throughout this thesis. These are the five Drucker questions.

“What is the organization’s mission?”

“What is/are your primary and supporting customers?”

“What do your customers value?”

“What are your desired results?”

“How do you plan to achieve this?”

The mission of a nonprofit is the social purpose for which the organization is responsible for delivering. For instance, a food bank may have a mission that states their
purpose is to feed the homeless. The mission is a clearly defined goal which guides further planning and development of viable nonprofits.

Drucker’s second question dealing with customers defines two types of customers to be satisfied: primary and supporting. The primary customer is defined as the person whose life is changed as a result of the service the organization provides. In the previous example, this would be the homeless person being fed.

Supporting customers, on the other hand, would be described as any one whose support is necessary in order for the mission of the organization to be carried out or anyone who can impede or speed the process of delivering the social purpose mission. These supporting customers are often funders, staff members, volunteers, community members and the media, that have the authority to keep a primary customer from receiving a service.

The question posed regarding the customer’s values is a result of a concept that illustrates that in order to satisfy a customer’s needs, one must know what it is that the customer values. These values can be conscious, subconscious, and/or perceived. Drucker also indicates the most effective way to assess these is by asking. This question offers insight as to whether or not a customer will utilize a particular product/service of an organization.

The intent of asking about desired results is to gather information to understand to what degree a planning process is necessary and to ensure that there are success measures in place to evaluate a plan’s effectiveness. This may also assist management in deciding when the delivery of the mission is no longer necessary or if the organization is no longer viable. For purposes in this study, this information assists CNE to assess where on the
continuum, compared to other organizations and/or best practices, the organization falls and how to direct their lines of business in consultation.

The reason behind asking the question about how an organization plans to achieve their mission’s goals was to assess whether or not the organizations are managed in a thoughtful, efficient and effective manner. A budget developed during this stage of the planning process would indicate the need for resources and the feasibility of a business venture.

This construct has shown, within the work of CNE, to help evaluate the viability of a nonprofit, although not necessarily the determining factor for success. This construct was used to guide some of the questions asked of participants in the survey. (Drucker Process Guide).