The CAPA Administrative Shared Services Network: A Case Study in Columbus, Ohio

DISSERTATION

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By

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Abstract

As national attention is directed at the CAPA shared services network as a sustainability model for arts organizations, little attention is given to the multiple variables that may be influencing the perceived success of the model. Through the lenses of Resource Dependency Theory and Urban Regime Theory, this qualitative case study is an investigation and analysis of the CAPA administrative shared service network in Columbus, Ohio highlighting the interorganizational relationships that have formed over the last twelve years since the first shared service agreement in the CAPA administrative shared service network between CAPA and CATCO in 2003.
Dedication

I succeed because of my community of family and friends. This is dedicated to all who guided, supported and encouraged. Thank you.
Acknowledgments

Many people in my life impacted this project. My husband, Jim, is my quiet encourager, my best friend and the only one who truly understands everything it took to finish this work. My committee members, Dr. Wayne Lawson, Dr. Margaret Wyszomirski and Dr. Karen Hutzel all gave considerable time and attention to my work. Dr. Wyszomirski is responsible for me beginning this journey and Dr. Lawson made sure I completed it. I am thankful for the many hours over coffee, the long discussions in offices and the unwavering support given over so many years.
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Chapter 1: Introduction

The *Columbus Dispatch* has run multiple articles in the last few years highlighting the accomplishments of the Columbus Association for the Performing Arts (CAPA). The articles often cite how CAPA has saved an organization through its management practices and cost-cutting procedures. "During the past ten years, the Columbus Association for the Performing Arts has gradually taken over most administrative duties of nine central Ohio arts groups" (Grossberg, 2013, pg. 1). CAPA is now the largest arts organization in central Ohio and one of the largest arts organizations in the state. I decided to take a closer look at CAPA and its place in the performing arts in Columbus due to the media attention and my personal investment in the arts and culture sector of Columbus, Ohio. As I began to examine CAPA and its ties with other organizations, I realized CAPA was not only in the local spotlight, but also in the national spotlight. Funders and arts leaders in the media were hailing this business structure, based on shared services, as a possible model for sustainability in the performing arts.

I wanted to know more about how CAPA was helping other organizations, how that help was defined, and what possible outcomes I could identify to help me understand what appeared to be complex arrangements. I had several reasons for taking on this research, a basic desire to learn about management practices in the arts, an interest in something
happening that was getting quite a bit of media attention and the selfish reason of it possibly affecting my job prospects after finishing my degree.

As an arts administration student and a hopeful industry worker, I am interested in how new structures in the industry may impact my ability to find work in the area in which I live. Columbus is a large metropolitan city with a population nearing one million people, the population jumps to 1.5 million when taking into account the full metropolitan reach of the city. It is a thriving city with a diverse economy and has been rated as a top city for business by Forbes. The city continues to grow, with a 15% population increase since 2000 and is considered one of the fastest growing cities, ranking number 13 nationwide (columbusregion.com, 2015). The median age of residents is 32 years, quite a bit younger than the state’s median age of 39. The median household income was $43,844 in 2012, close to the median income for the state (city-data, 2015). This youthful population base can be significant when considering support and demand for arts and culture.

The Columbus region boasts sixty-three colleges and universities and is home to the largest percentage of PhD’s in the Midwest. Columbus was awarded the “Most Intelligent City” designation by Intelligent Communities in 2015, a distinction based on use of technology, workforce development, innovation, digital inclusion, and human development advocacy (Inglish, 2015). This highly educated population can also be significant when considering the creative sector in Columbus. Columbus holds several nicknames including the Indie Arts Capital of the World and Test Market (city-data,
2015). The city is an entrepreneur and resource incubator, and ranks as a top 50 metro area exporter. The city was ranked the number 6 creative city in the country with a competitive cost of living and 76.4 creatives per 10,000 workers as well as one of the top ten large American cities of the future for 2015/16, ranking the number 2 (columbusregion.com, 2015). Columbus is thriving and being recognized nationally for its workforce and its economic policy. As a growing city, Columbus arts and culture opportunities abound, yet following the national trend, financial sustainability for arts and culture in the city remains a concern. This research examines how CAPA’s administrative shared service network emerged as a possible model to attend to such a concern.

As reported in the Columbus Dispatch, “When CAPA takes over the administrative duties of an arts or a cultural organization, it typically assumes responsibility for the accounting, fundraising, marketing and ticketing. The cultural group, in turn, can then reduce its staff size and concentrate on programs and services” (Grossberg, 2013). The original motivation behind this study was to determine if my chosen field would have a decrease in need for my skills as an arts administrator in Columbus, Ohio. If CAPA is handling administration for an increasing number of arts organizations, then it is possible that fewer arts administrators will be required in the Columbus performing arts industry. As I explored the sharing of administrative services between CAPA and other organizations, I questioned the implications this type of structure may have outside of a decrease in arts administration positions. With national attention on CAPA as a possible
model for sustainability and leaders in the field hoping to replicate the model to address financial woes of arts organizations in other areas, I wanted to understand fully the phenomenon of CAPA and the organizations in its administrative shared service network.

Statement of the Problem

As national attention is directed at the CAPA shared services network as a sustainability model for arts organizations, little attention is given to the multiple variables that may be influencing the perceived success of the model. Information about CAPA and its administrative shared service network appears in newspapers, research reports and recently as a textbook case study for the outsourcing of arts management (Vaughan & Arsneault, 2013). The CAPA administrative shared service network is hailed internally as a model for success. In the 2014 CAPA annual report, board chair Michael Petrecca states “CAPA has also continued to provide shared services to an expanding list of local arts organizations, often proving to be the key factor in keeping them alive” (capa.com). Field leaders are trying to locate what parts of the model are transferable. Blain Nelson, chairman of the board for the Dallas Symphony is quoted in Grossberg's (2013) article, “There’s no question we ought to look at Columbus and figure out what elements of that model might work in our community” (p.2). However, as Durst and Newell (2001) offer, “success may be less a science of employing the right management technique and more an art of combining the right technique with countless variables” (p. 253). Thus, a closer examination of the CAPA administrative shared service network is necessary to
illuminate possible variables contributing to the perceived success of the administrative shared service network and to offer a greater understanding of the phenomenon.

Of the 152 registered nonprofit arts organizations in Columbus, Ohio with budgets over $25,000 as listed on Guidestar.org for 2013, 48 can be considered performing arts organizations including venues, theatre companies, dance companies, chorales, operas, and music ensembles. Of the 48 performing arts organizations, CAPA manages, owns, or offers administrative services to 33% or 16 of those organizations. Ticketing partnerships and organizations considered as resident art groups by CAPA account for ties with an additional 7 organizations. This shared services network may be impacting numerous factors in the performing arts industry of Columbus, Ohio including but not limited to knowledge distribution, programming, administration practices, field norms, board member placements, and the flow of revenue by funders and audience. Of interest for this research are the administrative organizational ties between CAPA and many organizations like Columbus Symphony Orchestra and Opera Columbus, or what CAPA labels “complex management agreements” (CAPA, 2013).

The specific interorganizational tie between CAPA and the Columbus Symphony Orchestra has received much attention. As noted in the 2011 annual report of the Columbus Symphony Orchestra:

This truly remarkable partnership marks a unique approach to leverage artistic and managerial resources between two significant contributors to arts and culture in Columbus. The resulting new platform is designed to create new synergies for success at
the local level and marks yet another business model that orchestras and other arts providers across the nation might consider.

–Wayne S. Brown Director of Music and Opera, National Endowment for the Arts

This research recognizes the importance of examining the specific ties between each organization and CAPA in the administrative shared service network as well as looking at the network as a functioning whole. This research will generate knowledge about the creation and continuation of the organizational ties within the CAPA administrative shared services network and will give insight into factors and actors in the contextual environment of the CAPA administrative shared service network possibly attributing to the growth and perceived success of what is identified by CAPA, in their Columbus Foundation PowerPhilanthropy Portrait, as the development of “new business models and maximizing the economies of scale” (CAPA, 2013, pg. 4). The perceived success of this shared service network may impact the future strategic management of other arts organizations and of other cities as they structure economic development and sustainability strategies without the recognition of additional variables in play in the shared services network of CAPA.

**Research Question**

Sowa (2009) illustrates the multiple motivations and actors often involved in collaboration between nonprofit organizations. Her study found that nonprofit managers often take part in collaborations for two reasons, to increase benefit in service delivery
and for the organization as a whole. She calls for organizational research that focuses on the motivations behind the collaborations to identify what organizations are trying to accomplish by entering into such agreements. Thus following Sowa (2009) and many other scholars before, I investigate variables contributing to the startup and operation of the CAPA administrative shared service network. The research question for this project was:

- How is the CAPA administrative shared services network structured, why did it begin and what implications are present for the future of the creative sector in Columbus, Ohio?

To answer this research question, I identified the organizations in the CAPA administrative shared service network, specifically the organizations that have contracted with CAPA for the fulfillment of the majority of administrative or back door duties. I investigated how CAPA self-identified its role within each of these organizations and how the organizations themselves identified CAPA’s roles within the organizations. I then examined what other ways that the organizations were tied through board membership, funding, and other partnerships. I presented and examined organizational changes such as mission statement shifts, trends in employee increase and decrease, and changes in funding structures and revenue streams. I then explored funder ties with CAPA and the organizations within the administrative shared service network to identify changes and trends. Utilizing Resource Dependency Theory and Urban Regime Theory as lenses for the research, I was led to an outcomes based framing of the phenomenon
and the following sub-questions arose during the examination of the individual organizations.

Sub-questions:

1. What role(s) did funders have in the creation of the administrative shared service network?

2. What desired outcomes arose as possible motivations for entering into the CAPA administrative shared service network?

3. How is CAPA’s growth and success defined in the Columbus cultural sector?

4. In what ways can the same understandings of growth and success be applied to the individual organizations in the CAPA administrative shared service network?

5. What implications for the creative sector are present due to this emerging business structure?

The data sources used included tax forms, annual reports, public records and organizational documents. These sources brought to light significant information regarding CAPA and the organizations in the administrative shared services network. These records allowed for transparency of organizational activities and help to inform sector accountability. In presenting how the organizations entered into ties with CAPA in the administrative shared service network, this research provides pathways to accountability for these organizations. Stakeholders in the Columbus cultural sector will be more informed about organizational decisions and practices that may influence service delivery. As Vaughan & Arsneault (2014) note, accountability in the sector informs the
development of a culture of ethics. The data reviewed presented themes regarding desired outcomes of each organization. The decisions and practices as inputs toward the desired outcomes allow for an examination of possible motivations for entering into the interorganizational ties present in this study.

This data was then analyzed within the literature on Resource Dependency Theory and Urban Regime Theory to consider motivations behind the interorganizational ties and to recognize additional stakeholders in the CAPA administrative shared service network. Thus, this dissertation examines the phenomenon of the CAPA administrative shared service network, how it came to be, what outcomes were furthered through the ties, and the possible future implications of this emerging business model are presented recognizing the dynamic variables that may be contributing to the perceived success and growth of this model. Below I introduce the additional organizations that became part of the research as my understanding of the CAPA administrative shared service network expanded.

**Organizational Overviews**

A brief overview of each organization included in this research is given below. Organizational structures, financials, and functions are reviewed in depth in Chapters 4 & 5 through the full detail of the case and the analysis of the data.
CAPA

CAPA was established in 1969 to renovate the Ohio Theatre located in Columbus, Ohio. The organization has grown to become one of the largest theatre management groups in the state. Celebrating over 40 years in Columbus, CAPA offers multiple services to arts and culture nonprofit organizations as well as maintaining partnerships with the City of Columbus and the State of Ohio. CAPA owns, operates, and/or manages the Palace Theatre, the Southern Theatre, the Vern Riffe Center Theatres, the Lincoln Theatre, the Festival Latino, the Columbus Symphony Orchestra, McCoy Center for the Arts, the Drexel Theater, CATCO, Franklin Park Conservatory, Jazz Arts Group, and the Central Presbyterian Church in/around Columbus, Ohio. CAPA also manages the Valentine Theatre in Toledo, Ohio and the Shubert Theatre in New Haven, CT. CAPA also provides venue space for over 20 resident arts groups and hosts the longest-running classic film series in the nation. CAPA partners with schools and other local supporters to offer an educational series for grades K-8.

CAPA is a presenting and producing organization, offering programming in jazz, world music, Broadway, folk, country, classical music and film, comedy, dance, theatre and family entertainment. CAPA has a diverse funding structure including revenue streams from venue rentals, ticket sales, event management, administrative service provision and concessions as well as contributed income. CAPA operated 2013-14 with a $15 million budget, with 88% of that budget from earned income. In the 2015 PowerPhilanthropy profile, CAPA reports 73 full time employees and 10 part time employees, an endowment
of $830,000 and a capital campaign goal of $10 million to renovate the Drexel, Ohio and Palace theatres (capa.com; CAPA, 2011; CAPA, 2014, CAPA, 2015).

**CATCO**

The Contemporary American Theatre Company (CATCO) is the singular central Ohio theatre in association with Actors Equity. Founded in 1984, CATCO produces world premieres, musicals, contemporary and international drama, classics, programming for adult and young audiences as well and corporate and community outreach. In 2010, CATCO merged with The Phoenix Theatre for Children to pool artistic, financial and human resources to allow for larger cast productions, more community actors, and expanded educational programming without affecting cost to audiences. CATCO’s tie with CAPA began in 2003.

CATCO offers education programs including residencies in schools, workshops, summer camps, and touring productions for children as well as classes for adults. CATCO relies on contributed income for 52% of its 2013-2014 $1.3 million budget. CATCO employs 12 staff members internally and then utilizes 25 members of CAPA staff for operations including human resources, IT, development, marketing, ticketing and facilities management (catco.com; Mantey, 2009; CATCO, 2014; CATCO, 2015).
**Columbus Symphony Orchestra**

Columbus Symphony Orchestra was founded in 1951 and self-identifies as the oldest professional orchestra in central Ohio. The orchestra began its network tie with CAPA in 2010. Columbus Symphony Orchestra offers four programs, Masterworks, Pops, Picnic with the Pops, and education/community engagement events that include the Youth Orchestra, Young People’s Concerts for grades K-12 and a family concert series. During the 2013-14 season, the orchestra performed 80 concerts in four downtown Columbus venues with 554 artists, of which 146 are local musicians. The youth orchestra involved 346 students performing in 5 ensembles.

Columbus Symphony Orchestra claims 50 full time administrative staff but does not distinguish between internal and CAPA staff in the organizational annual report or PowerPhilanthropy Profile. The organization employs 217 part time staff. Columbus Symphony Orchestra reported an $8 million budget for 2013-14 with 72% of the budget from contributed revenue. An endowment fund of $619,275 is included in the financials section of the 2015 PowerPhilanthropy Portrait. William Conner is the managing director and CEO and is financially compensated by the organization (www.columbussymphony.com; CSO, 2014; CSO, 2015).

**Drexel Theater**

The Drexel Theater began in 1937 as an art house theater, and claims to be the oldest in central Ohio. Programming includes commercial, independent and international films.
Additional programming includes post screening panel discussions to enhance film and documentary viewing experiences. In 2009, the theater was at risk of closing and the 501(c)3 organization, Friends of the Drexel purchased the assets of the theater. Friends of the Drexel became the successor corporation to the Drexel management company. In 2011, Friends of the Drexel entered into an administrative contract with CAPA. The Drexel employs 3 full time staff members and 11 part time staff. The theater reported a budget of $850 in 2013 with no endowment fund or capital campaign. The theater obtains 73% of its budget from earned revenue. William Connor is the managing director but is not financially compensated (www.drexel.net; FOD, 2013).

*Lincoln Theatre Association*

Originally named the Ogden Theatre and Ballroom, the Lincoln Theatre opened November 26, 1928. The building took its new name in 1939 and continued to operate as a movie theater and popular center for jazz in the King-Lincoln District. The theater shut its doors after major highway construction separated the district from downtown. The building was added to the National Register of Historic Places in 1992 and purchased by the city of Columbus in 2002. The city of Columbus contracted with CAPA in 2007 for the $13 million renovation of the space. Now owned by the Lincoln Theatre Association, the venue hosts performances in dance, theatre, music and film. In collaboration with Jazz Arts Group, the theatre hosts a Jazz Academy.
Additional educational programs for K-12, college students and adults take place at the theatre. The Lincoln Theatre Association entered into a management contract with CAPA in 2008. In their PowerPhilanthropy Portrait, the Lincoln Theatre Association anticipates a budget of $623,000 for FY 2014-15 and reports an endowment fund valued at $270,000. In 2014, the theatre’s budget was supported by 55% contributed income. The Lincoln Theatre Association employs 3 full time staff members with Suzan Bradford as the general manager. CAPA is responsible for fundraising, accounting, ticketing and marketing (www.lincolntheatrecolumbus.com; LTA, 2015).

McCoy Center for the Arts

The Jeanne B. McCoy Community Center, founded in 2007, is a 501(c)3 organization in a joint operating agreement with the city of New Albany, the New Albany Community Foundation, Plain Township and the New Albany-Plain local school district. This agreement determines the governance, management and maintenance of the center. Programming includes lectures, music, theatre and dance as well as other functions hosted at the center. The center has two resident arts groups, the New Albany Symphony Orchestra and the New Albany Community Band.

The McCoy entered into a management agreement with CAPA in 2013. The center employs 1 full time and 4 part time staff members. For FY 2014-15, the McCoy projects a budget of $886,000. In FY2013-14, 71% of the operating budget was provided through contributed revenue. The center reports an endowment fund with a value of $5.9 million.
and does not anticipate a capital campaign in the next 5 years. William Conner is the director of the center but is not financially compensated (mccoycenter.org; McCoy, 2015)

**Opera Columbus**

Opera Columbus was founded in 1981 to produce operatic productions. For the last three years, Opera Columbus has presented visiting companies but will return to a fully producing company for FY 2014-15. Opera Columbus also offers education and outreach including programming for K-12 students. The 2013-14 season served 18,730 individuals with productions including more than 300 artists. Opera Columbus served 23 schools and approximately 15,000 K-12 students in FY 2013-14.

Opera Columbus operated with an $850,000 budget for FY2013-14. The resulting surplus allowed for the further development of an endowment currently valued at $103,813. Opera Columbus benefits from 78% of its budget from contributed revenue. Earned revenue accounts for 20% of the budget with remaining revenue coming from interest and investments. Opera Columbus is not running a current capital campaign and does not anticipate doing so for the next 5 years.

Opera Columbus entered into an administrative partnership with CAPA in 2011 to manage operations. Opera Columbus employs 2 full time staff members. William Conner is the Managing Director and CEO. He is financially compensated.

(www.operacolumbus.org; Opera Columbus, 2015)
Operationalizing Growth and Success

The brief overviews presented above hint at how the organizations in the CAPA administrative shared service network are operating. Throughout this research, I attempt to present and aggregate data regarding these organizations to illuminate how the administrative shared service network may or may not be contributing to organizational change. This research does not attempt to prove causation, but to illustrate what changes have occurred in the organizations after entering into the administrative shared service network in order to provide additional variables to consider before replication of the model.

In this examination, there is a natural tendency to evaluate whether the involvement in the network is positive or negative. I struggle to avoid such judgements in this case study and instead operationalize concepts to allow for comparison without a judgement to the benefit or disservice to the organizations in the administrative shared service network. A large philosophical discussion can be had regarding the positive or negative implications of the organizational change that occurs around the same time and soon after organizations join the network. However, that is not the purpose of this case study. Thus, certain concepts will be used to aid in comparison of organizations, to present spectrums for understanding, but no positive or negative values are being assigned to the resulting data. Two of the concepts utilized to give comparisons to the organizations in this research are Growth and Success.
Growth and Success as concepts can have multiple meanings. For the purpose of this research, specific definitions in relation to the nonprofit sector will be utilized to clarify these two measurements. Growth can be defined as capacity building, or “a deliberate effort to holistically promote the strength of the entire organization” (Mandeville, 2007, p. 284). The Foundation Center defines capacity development in three dimensions, research and communication, resource acquisition, and management and governance. All of these dimensions are relevant for this research and align with the Resource Dependency Theory lens. Based on the table offered by Mandeville (2007) increases or positive change in the following areas by defined categories equate to capacity building, or growth.

Table 1: Resources

<table>
<thead>
<tr>
<th>Research &amp; Communication</th>
<th>Resource acquisition</th>
<th>Management &amp; Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>Income Development</td>
<td>Management Development</td>
</tr>
<tr>
<td>Conferences &amp; Seminars</td>
<td>Annual/Capital Campaign</td>
<td>General Operating Support</td>
</tr>
<tr>
<td>Publications</td>
<td>Endowment Funds</td>
<td>Technical Assistance</td>
</tr>
<tr>
<td>Film, Video, &amp; Radio</td>
<td>Building/Renovation</td>
<td>Program Evaluation</td>
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<tr>
<td>Exhibitions</td>
<td>Equipment</td>
<td>Faculty/Staff Development</td>
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<tr>
<td>Performance &amp; Production Costs</td>
<td>Computer Systems &amp; Equipment</td>
<td></td>
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<tr>
<td></td>
<td>Land Acquisition</td>
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</tr>
</tbody>
</table>
Aligning with Resource Dependency Theory and for the purpose of this research, all of these items listed are resources. Therefore, in this research and relative to CAPA and the individual organizations in the administrative shared service network, growth refers to an increase in an organization’s operating budget/endowment, an increase in program offerings or organizational outputs, an increase in numbers of employees, the acquisition or addition of property, the acquisition of knowledge, and increases in capital of any form. Growth will not be used as an evaluative measure for judgment on the health of the organizations included in this research, but will be used as a measure of comparison among and between the organizations included in the CAPA administrative shared service network.

Success is a concept more difficult to pinpoint. Common in the nonprofit literature is the definition of success as organizational mission fulfillment and financial effectiveness (Wyszomirski, 2013). Nonprofit organizational self-sufficiency and effectiveness are cited as desired goals, as well as the agency to respond to change when necessary (Mandeville, 2007; Kingdon, 2003). The realization of organizational mission is often the paramount definition of success for nonprofits, although extremely difficult to measure (Sawhill and Williamson, 2001; Herman & Renz, 1997). Success can be operationalized through financial performance, goal achievement and service provision quality assessed through “efficiency, social performance, resource acquisition, stakeholder satisfaction and survival” (Helmig, Ingerfurth, and Pinz, 2014, p. 1523). Scholars such as Fernandez
(2008) have argued that mission fulfillment actually signals the death of an organization and others offer that mission fulfillment is impossible if the organization is unable to survive, hailing sustainability as the marker of success (Duckles, Hagel and Galaskiewicz, 2005; Kanter and Summers, 1994). Using a Resource Dependency lens, organizational success can be defined in a less abstract way, positioning success as the attainment and maintenance of resources critical for survival, especially through managerial strategic decision making (Helmig et al., 2014). By using this input focused measure of success, resource acquisition and maintenance, financial considerations become one variable of the determination instead of the sole focus of determination of success. The inputs reflect the context and influence of the environment, aligning with RDT. However, as RDT states, organizational success can never be fully achieved as acquisition and maintenance of resources is interdependent and uncertain. Success is a temporary construct. Therefore, success as a construct will not be used to evaluate any of the organizations in this research, but the input measures of success will allow comparison of the organizations to help evaluate the progression from individual organization to tied organization in the CAPA administrative shared service network.

The progression from individual organization to tied organization illuminates outcomes based decision making. Through the examination of the motivations behind entering into the CAPA administrative shared service network, it became necessary to employ a framework for analysis to understand the decision making of each organization entering into the tie. Although Resource Dependency Theory and Urban Regime Theory partner to
offer assumptions and motivations behind the decision making and what made the
decision making necessary, further analysis is necessary to highlight what outcomes were
the focus in the decision making. If the organizations were seeking resources and thus
entered into ties to capture those resources, what outcomes were desired with that
resource provision?

*Triple Bottom Line*

Wyzomirski (2013) offers an accountability framework to operationalize outcomes in the
creative sector. She presents the triple bottom line as a framework for understanding the
complex foci of non-profit arts organizations. Wyszomirski’s (2013) presentation of the
triple bottom line offers that arts organizations attend to financial sustainability, artistic
vitality, and public value. This triple focus requires a delicate balance among the foci in
order to maintain and sustain a healthy arts nonprofit organization. Wyszomirski (2013)
further posits that the triple bottom line constitutes a meta-policy, linking many policy
goals into one intention. This triple bottom line also influences the award of public
funding and has implications in the establishment of professional standards. The
following three bottom lines, if balanced together, can lead to a healthy and sustainable
arts organization. Often, organizations focus only on one bottom line. Thus,
Wyszomirski’s (2013) framework provides an accountability tool to explore outcome
alignment for the arts organizations included in this research. The foci of the triple
bottom line are presented below to operationalize the outcomes used as benchmarks in
the creative sector.
Financial Sustainability

Financial sustainability as a bottom line has been a concern for nonprofit arts organizations recognizing cost disease (Throsby, 2001). Even as technologies advance, workforces do not become smaller for arts organizations. The same number of musicians is still required to play in an orchestra now as in the past. There are few ways to increase efficiency in production. The National Endowment for the Arts outlined grants to address the gap between revenue and cost for nonprofit arts organizations. Grant recipients of national and state monies became recognized as purveyors of best practices (Wyszomirski, 2013). Decades later, arts organizations that exhibit financial sustainability appear successful and are sought after as knowledge authorities in creative ecologies. However, as Wyszomirski (2013) notes, the financial health of arts organizations as a sole focus will not maintain healthy creative sectors.

Artistic Vitality

Artistic vitality as a bottom line recognizes the necessity for artistic excellence. “Over time, the artistic excellence was debated in terms of elitism versus populism, cultural diversity, creativity and innovation, artistic deficits, and artistic vitality” (Wyszomirski, 2013, p.160). Artistic vitality evolved to include cultural diversity with attention to accessibility and the creation of new and experimental art. Artistic deficits can occur when the balance with financial sustainability is lost and financial health becomes the main criteria for success. Content deemed as safe and popular arts that create more
financial opportunities for arts organizations can lead to decline in the assertion of artistic
vitality. In attempts to secure a place for artistic vitality, national policy evolved the
definition to include access to the arts by under-served communities. This access to the
arts created relevance for the public, encouraging arts organizations to follow suit.

Public Value

Public value as a bottom line attends to demonstrating and communicating the
instrumental and intrinsic value of the arts to the public.

Attention to demonstrating the national economic impact of the arts continued to be a
policy focus, even as the action moved from the federal level to the state and local levels
where impact could be most convincingly demonstrated and assessed (Wyszomirski,
2013, p.163).

This focus recognizes the importance of communicating and cultivating the public benefit
of the arts to the public. Public value is a deliverable of arts organizations that they must
balance with the two other considerations addressed above, artistic vitality and financial
sustainability. However, arts organizations do not automatically earn public value
through audience access to programming and events, but is a growth in relationship
between the arts organization and its audience.

The three foci of the triple bottom line can develop three tension points in arts
organizations. The three tensions presented create a complex set of variables that arts
organizations must consider when attempting to strive for organizational health in the creative sector. The triple bottom line is a dynamic framework that can inform improvement in management and process to address concerns of art organization health and overall sustainability. The outcome based decision making illustrated in this research study will be examined through the triple bottom line framework to determine alignment and offer insight into the future implications of the CAPA administrative shared service network.

**Research Design**

Chapter Two reviews the literature on interorganizational ties in the third sector, specifically in response to the search for resources, mainly focusing on Resource Dependency Theory. However, it became clear that there were certain limitations to using only an RDT lens for this project. As I moved through my research and the significance of interlocking directorates and political resources became more apparent, I realized that Urban Regime Theory would be an appropriate partnering theory to accomplish my analysis of this phenomenon. I then explored the overlay between the two theories and reviewed in the literature how the two theories can be used together to inform the collection and analysis of data.

Chapter Three offers an exploration of my case study methodology and my reasoning behind the utilization of content analysis as my qualitative descriptive approach to my case. The “complex instance” of the CAPA administrative shared service network and the
examination of the individual organizations and how they fit together as a whole aligns well with case study methodology (Grosshans, 1990, p.6). Different from my initial research design, I opted not to use individual interviews. During my literature review and after some beginning data collection, I realized content analysis would provide the objective data necessary without compromising the anonymity of employees in the organizations. By utilizing public records, tax forms and self-produced documents of the organizations, I could gain the necessary insights into the organizations and provide information in the aggregate to answer my research question without disrupting the phenomenon under investigation.

Chapter Four is an overview of the data collected. The context of the environment is addressed. Charts and graphs are presented to visually represent each organization’s budgetary, human resource, and structure of organization changes over time. A timeline is offered to track the progression of change in the CAPA administrative shared service network. Themes and patterns present in the research are reviewed. The trends and patterns identified are presented alongside literature in the field to explore alignment with RDT and Regime theory assumptions as well as positioning tensions along the triple bottom line.

Chapter Five explores how this phenomenon is contextualized within the arts policy literature. This chapter identifies the CAPA administrative shared services network as an outcome of the Columbus Foundation Major Arts Fund as policy instrument. This chapter
also explores the possibility of foundation policy setting as part of the Columbus 2020 regional development initiative. This chapter identifies implications in the field regarding arts administration practice, knowledge dissemination, and organizational autonomy.

**Significance to the Field**

This case study is an investigation and analysis of the CAPA administrative shared service network in Columbus, Ohio highlighting the interorganizational relationships that have formed over the last twelve years since the first shared service agreement in the CAPA administrative shared service network between CAPA and CATCO in 2003.

- This research, in its examination and review of public records, annual reports, policy initiatives, local and regional strategy documents, media and other relevant documentation will illuminate understandings of individual organizational structures in the CAPA administrative shared services network and in the aggregate, present information to offer a new understanding of the interorganizational ties among these organizations.

- This research provides an opportunity to analyze a phenomenon through the lens of Resource Dependency Theory and in doing so, recognize the limitations of the theory and the need to partner in analysis utilizing Urban Regime Theory to more completely understand this phenomenon.

- In the presentation of this case study, more understanding is brought to third sector management and its growing body of literature.
• This research provides significant additions in documenting arts organization history, responding to a lack in collection of historical data in the field (Wyszomirski & Cherbo, 2001).
• This case study offers an examination of organizational outcomes based decision making and alignment with the Triple Bottom Line as accountability tool in the creative sector.
• This case study offers an examination of policy setting by a community foundation.
• This research examines the unique phenomenon of CAPA and the provision of shared service within a singular industry, geographically bound and outside of the expected service provision models otherwise observed in the industry.

Limitations

This case study will explore a phenomenon in the performing arts ecology in Columbus, Ohio, the CAPA administrative shared services network. Perhaps the most evident limitation is the possible lack of generalization to the national field. Although generalization to the field is not possible, national attention has already been given to the phenomenon that is CAPA. This study may have limitations in application to other communities due to difference in variables. However, if other communities are looking to adapt parts of the model for their own community, perhaps recognition of similar inputs and outcomes will be evident as well as unique variables that contribute to the perceived success of the model.
Additional limitations include the inability of this research to create a holistic overview of the CAPA administrative shared service network. Content analysis of available documents did not allow for a complete understanding of the inner workings of the organizations related to or the decisions made regarding entering into interorganizational ties with CAPA. Extensive interviews with individuals would be necessary to fully explain how each tie came into consideration and with what intentions. However, this research does highlight significant variables that need attention regarding the duplication of this administrative shared service model before implementation in another geographical area. This research also identifies the broader policy implications for this phenomenon.
Chapter 2: Literature Review

In this chapter I review the literature surrounding interorganizational ties and the theories that inform my research, Resource Dependency Theory (RDT) and Urban Regime Theory (URT). I review what interorganizational ties are and how these two partnering theories informed my study to help me to understand the possible factors contributing to the creation and sustainability of the CAPA administrative shared service network.

Interorganizational Ties

A network, as defined by Borgatti and Foster (2003) is "a set of actors connected by a set of ties" (p. 992). This research examines the ties that bind together six arts organizations with CAPA and how those ties are defined, how they were created and how they connect the organizations to create an administrative shared service network in Columbus, Ohio. Partnerships between organizations are not new phenomena. As Vaughan & Arsneault (2014) note, organizational collaborations are formed to address resource scarcity in many forms and are a growing trend in the third sector. These interorganizational ties can address management and operational issues or the outsourcing of tasks, the need to acquire resources they are unable to access independently, the desire to access expertise, as well as the need to address pressures in the environment (Guo & Acar, 2005; Sowa, 2009). Meiseberg and Ehrmann (2013) found in their study that an organization with high
knowledge resources and experienced management were far less likely to enter into a cooperative agreement such as an interorganizational tie. This is an important consideration for this study; I will investigate if one of the resources being sought in the CAPA administrative shared service network is that of knowledge or managerial expertise.

This reorganization, restructuring, reinvention or reengineering through interorganizational ties or collaborative agreements refers to changes in the organizational structure or how an organization approaches its tasks or goals. These tasks or goals can include processes, efficiencies, effectiveness or other goals that can result in change of the basic policies or roles of the organization. Durst and Newell (2001) offer the caveat that even if organizations undergo a reinvention in how they are presented to the public, this change may only be on paper and not affect organizational structure or process at all. This was an important reminder as I examined the organizations in the CAPA administrative shared service network.

Sowa (2009) found that nonprofit interorganizational ties offer benefits to the provision of service and to the organization as a whole. Her finding suggests efficiency and survival as desired outcomes of collaborative ties and she identifies a gap in measuring effectiveness or how well the service addressed need in the community. This is a recognition of the need to assess public value in service provision.
The many advantages of interorganizational ties may include access to new and improved resources, technologies and skills as well as systems or additional markets that may help an organization move into a more stable position in an unstable environment (Bretherton & Chaston, 2005). This pursuit of economic stability as a motivation behind collaborative or interorganizational ties is well founded in the literature (Pfeffer & Salancik, 1978; Mosley, Maronick & Katz; 2012). Faced with a daunting financial future, a nonprofit may choose to cut internal staff to save money and seek a contracted service to fulfill the need or seek the provision of service in-kind.

Interorganizational ties or relationships can be the result of donated services related to board membership in nonprofit organizations. As Poon and Lai (2008) found, 43% of performing arts organizations in their study receive donated transactions from those in the legal profession and up to one-third of all firm linkages are in the form of donated transactions. In their study, relational transactions through board development of industry experts contribute to the success of performing arts organizations. This finding is useful for the present research to add an additional lens in examining motivation behind the CAPA administrative shared service network. The Poon and Lai (2008) study offer that several PAO’s success is tied to the donation of back office services. I question why the organizations involved in ties with CAPA are not pursuing back office service provision through their boards? In a city as large as Columbus, it is puzzling to me that back office service provision such as accounting, legal and marketing is handled through a paid agreement instead of a board linkage donated service. However, Resource Dependence
Theory offers that interorganizational ties are often not the result of financial constraints in the environment, but the result of political pressure. Hillman, Withers, and Collins (2009) add that the resource dependence perspective explores how formation of interorganizational ties helps organizations acquire resources and reduce uncertainty in their environments. These assumptions of the theory will help to frame the investigation of the structure of the CAPA administrative shared service structure for this research.

Interorganizational linkages arise out of the same requirements for controlling interdependence that can lead to mergers but does not require the same resources or circumstances. "Organizations coordinate in many ways--cooptation, trade associations, cartels, reciprocal trade agreements, coordinating councils, advisory boards, boards of directors, joint ventures, and social norms" (Pfeffer & Salancik, 1978, p. 144). These types of coordination are more prevalent in an environment containing a central organization like a professional association. Coordination does not allow for the same level of control over interdependence as a formal merger. "For the organizations seeking greater autonomy, the critical task is how to reduce the other's discretion and simultaneously align it with the focal organization's own interests" (Pfeffer & Salancik, 1978, p. 145). Guo and Acar (2005) state that the formality of the collaboration is influenced by the size of the organization in that smaller organizations struggle with greater resource scarcity and thus are more likely to enter into more formalized collaborations. Coordination depends on organizations making voluntary choices about linkages and allow for movement in and out of the interorganizational tie. In this
research, it will be necessary to look at how voluntary certain choices remain, especially the ease with which movement may occur out of the interorganizational tie.

As Pfeffer and Salancik (1978) note, coordination can provide four benefits for organizations attempting to manage interdependence:

1. An interorganizational tie with another organization can provide information about that organization that may affect the focal organization.

2. An interorganizational tie can open lines of communication to an organization on which the focal organization depends.

3. The tie can elicit additional options for support or resources in the environment.

4. The tie can help to legitimize the focal organization.

As the linkages help to reduce uncertainty, they help to increase stability for the organization's exchanges in the environment. The reduction of uncertainty in resource exchange directly benefits all of the organizations that are involved, even if the dependence is asymmetrical. The exchange of information among organizations in the interorganizational ties helps to reduce dissonance, stabilizing relationships and allows the organizations to plan in a more predictable manner (Pfeffer & Salancik, 1978).

**Resource Dependency Theory**

**Basic Assumptions**

Resource Dependency Theory as put forth by Pfeffer & Salancik (1978) offers the following basic assumptions as interpreted by Hillman, Withers, and Collings (2009):

1. The fundamental units for understanding intercorporate relations and society are organizations
2. Organizations are not autonomous, but rather constrained by a network of interdependence with other organizations
3. Interdependence, when coupled with uncertainty about what the actions will be of those with which the organizations are interdependent, leads to a situation in which survival and continued success are uncertain, therefore:
4. Organizations take actions to manage external interdependencies although such actions are inevitably never completely successful and produce new patterns of dependence and interdependence; and
5. These patterns of dependence produce interorganizational as well as intraorganizational power, where such power has some effect on organizational behavior.

Highlighting the following assumptions of the theory; the environment is uncertain, the environment contains scarce and valued resources, and organizations increase power through the control of resources that minimize dependence and by controlling resources to increase others’ dependence on them, this theory informs the data collection of this research. The organizations investigated in this research are located/operate within the same performing arts ecology and are competing for similar resources. How they negotiate the provision and the attainment of these resources is a central concern in this study. The main objective of an organization is to obtain low cost resources through the development and use of centralized power systems. Malatesta and Smith (2011) add that the lack of or availability of alternative suppliers is important in understanding resource dependency. With CAPA providing a majority of resources to these organizations through shared service contracts, it is important to identify the existence, if any, of alternative suppliers. The lack of alternatives for the organizations may be influencing the tie with CAPA.
Resources

Pfeffer and Salancik (1978) state "organizations engage in exchanges and transactions with other groups or organizations. These exchanges may involve monetary or physical resources, information, or social legitimacy" (p. 43). The literature recognizes a broad spectrum of resources that organizations may seek in their environment. Resources are not limited to financial capital or human resources and can be positioned as anything that can be transferred between organizations, whether tangible or not. Bretherton and Chaston (2005) add that resources may be current, developed or augmented to increase the strategic use by the organization, highlighted the need for flexibility in resource use to increase competitive advantage. This realization that resources can be fluid and flexible, even in exchange, can present issues for organizations seeking less tangible resources like social legitimacy, authority, market share or certain capabilities.

Power

For many organizations entering into interorganizational ties, a concern of autonomy may rise. As Bretherton and Chaston (2005) offer, a smaller organization is often more likely to have this concern and rightly so. Although Pfeffer & Salancik (1978) argue that no organization is autonomous due to the dependence on the external environment, Bretherton & Chaston’s (2005) offering suggests the discussion about autonomy needs to view the concept not a dichotomy with all or none, but as a spectrum. An organization, even though dependent on the external environment for certain resources, still maintains a certain level of autonomy regarding internal systems. An organization makes somewhat
autonomous decisions regarding programming. Yes, programming is limited by available resources, but the organization picks from the available to decide what to present/produce. In the decision making of the organization, the autonomy exists within the parameters, yet it still exists. In the instance of a small organization in an interorganizational tie with a larger organization, the parameters within which the smaller organization makes its decisions may become increasingly smaller. This reduction of autonomy, sliding further down the scale, is a concern of this research. The literature is unclear at what point an organization loses most of its decision making autonomy and thus its individualism and/or competitive advantage. Furthering this concern, Bretherton & Chaston (2005) argue that critical resources to the organization must be owned, developed or appropriated and under the control of the organization. Any other structure may impede the organization’s sustainability or power in the interorganizational tie (Nienhuser, 2008). A more formalized relationship or contract for control of resources can result in higher instances of autonomy loss (Provan, 1984).

However, defining critical resources for an organization is debatable (Pfeffer & Salancik, 1978). Certain resources, like administrative series of accounting, IT, operations and development may not be as critical as management. The argument can be made that these services, if related to sustainability or mission fulfillment, can become critical.

In the pursuit of competitive advantage, organizations are constantly in a power struggle. Those that control resources have power over those who do not control resources. There
is tension between the organizations in attempts to reduce others’ power and increase one’s own power (Hillman, Withers & Collins, 2009; Nienhuser, 2008). Ulrich & Barney (1984) summarize the resource dependence perspective as the maximization of organizational power through the acquisition of resources by coalitions. The recognition of coalition power in furthering decision making in an environment is the where Resource Dependency and Regime Theory meet. Regime theory recognizes coalitions as resource providers. Both theories highlight the dependence on resources in the environment; Regime theory takes the resource reliance an additional step further in fully recognizing the political influence of such resource provision (Stone, 1989).

"Organizations will tend to be influenced by those who control the resources they require" (Pfeffer & Salancik, 1978, p. 44). They offer conditions to determine the degree of influence. As more conditions are met, more influence by the resource provider can be observed. The conditions include an organization's awareness of and meeting of demands, how the organization accesses resources to meet the demands, the availability of alternative resources, who controls the needed resources, who assesses the organization's ability to meet demands, and if the organization desires to survive in the environment. Three factors are crucial to identify the dependence of one organization on another, the importance of the resource to organization operation and survival, the organization's discretion over resource allocation and use, and the availability of alternatives. Pfeffer & Salancik (1978) state that resource dependence can result in extraorganizational influence by the resource provider depending on the magnitude of
reliance on the resource by the organization. They offer two categories to the importance of the transaction of resources, "the magnitude of the exchange and the criticality of the resource" (p.46). The magnitude refers to how important the resource is in proportion to inputs or outputs, or how much or often is the resource used. In this case, each tie to CAPA for each organization will be identified in criticality. Is the resource used daily and for what output related to what outcome. The criticality of the resource identifies the importance of the resource for the functioning of the organization. The importance of the resource can determine how much influence is attached to said resource. This information informs this research study in begging the question--to what extent is the administrative service provided by CAPA important and critical to the operation of the focal organization and what influence does the provision of that resource impart? If CAPA is providing back door services such as accounting and ticketing, do these resources count as critical resources for the fulfillment of mission by the organizations in the shared service network? If so, in what ways does CAPA then exhibit influence on how the mission is fulfilled by the organization? In order to address these concerns, listings of the organizational ties are presented and analyzed according to the outcome desired through that provision.

Pfeffer & Salancik (1978) offer, "the key to organizational survival is the ability to acquire and maintain resources" (p. 2). Organizations depend on scarce and valued resources to function including monetary or physical resources such as performance or rehearsal space, information or industry knowledge, administrative skill, and social
legitimacy. Resources sought can also include labor force, board members, and audiences. All organizations acquire some of their needed resources from external entities. This need for resource acquisition offers challenges depending on the environment in which the organization functions, the availability of resources required and the level of resources required. The resources identified by Pfeffer & Salancik (1978) are furthered by Bretherton and Chaston (2005) into six categories: financial, physical, human, technological, reputational and organizational.

Some critical resources that may be outputs from the interorganizational ties are already visible, including board members that sit on multiple boards in the network and the same executive director across multiple organizations. The board of directors is recognized as an organizational resource by RDT affording an organization four benefits; advice and counsel, access to information between the organization and the elements of its environment, favored access to resources, and legitimacy (Pfeffer & Salancik, 1978). The manager is an organizational resource. Pfeffer & Salancik (1978) identify a role of management in an organization is to attempt to influence and control the environment of the organization. Previous actors in a social system shape the environment of an organization through decisions of others. Attempted influence and control relies on the manager's ability to recognize present constraints on the organization in its environment. The manager's ability to influence others assists in the manipulation of the organization's environment. Preece (2005) speaks of the possibility of arts organizations manipulating their environment through performing arts partnerships but warns that few are executed
correctly and opportunities for appropriate partnerships are rare. This research, in examining the CAPA network, will provide another instance of such a partnership in hopes of creating additional understandings.

“The second major determinant of dependence is the extent of discretion over the allocation and use of a resource possessed by another social actor” (Pfeffer & Salancik, 1978, p. 48). Recognizing discretion as a major source of power, an organization's ability to determine allocation or use of a resource relates to the organization's power, especially when the resource is scarce. Possession is a way resources are controlled. Resources like knowledge are possessed. "An individual possesses knowledge in a direct and absolute manner. He is the sole arbiter of its use by others" (Pfeffer & Salancik, 1978, p. 48). The authors clarify the difference between possession and ownership. Having knowledge and owning the rights (as in copyright) are different. Possession of knowledge and information gives complete control over that resource. Ownership does not guarantee control over the resource like possession. Influence or control is not as directly related to ownership as to possession as ownership required enforceable considerations. There is no control in ownership unless there are enforceable rules to that ownership. Access then becomes more of a basis for control of a resource. The regulation of access to a resource affords power to the organization that influences the allocation of the resource. There is power in the use of the resource and who controls the use of the resource. The user of the resource may utilize the resource in a way not originally intended or to further restrict its use. Also important to note is "an organization is likely to confront additional
interorganizational influence attempts after being influenced once" (Pfeffer & Salancik, 1978, p. 95). This research will attempt to identify if multiple events of influence have occurred in each organization and by through which organization did the influence originate?

"The dependence of one organization on another also derives from the concentration of resource control, or the extent to which input or output transactions are made by a relatively few, or only one, significant organization" (Pfeffer & Salancik, 1978, p. 50). Lack of alternative sources and quality of substitutes constrains organization behavior in resource attainment. Organizations with similar goods and structures can implicitly coordinate to increase the concentration of a resource. Dependence on the concentrated resource increases influence power of the organization with control of the concentrated resource on other organizations in the environment. However, as Pfeffer & Salancik (1978) point out, the concentration of power is inevitable. What matters for organizations is whether oppositional equal concentration is possible.

Power to influence in the exchange of resources comes in the occurrence of asymmetrical dependence. "The ultimate form of concentration, of course, is that of a single organization with the legitimacy and power to coordinate all of the behaviors under its control" (Pfeffer & Salancik, 1978, p. 66). This statement informs another inquiry for this research, what behaviors, if any, are under the control of CAPA within the interorganizational ties? CAPA offers accounting, ticketing, marketing, IT services and
other resources to multiple organizations. With this theory’s assumption, CAPA should be exerting significant influence over the organizations in its network. However, this theory does not offer how to measure that influence to determine the level of power.

**Environment**

As Pfeffer and Salancik (1978) note,

"A good deal of organizational behavior, the actions taken by organizations, can be understood only by knowing something about the organization's environment and the problems it creates for obtaining resources. What happens in an organization is not only a function of the organization, its structure, its leadership, its procedures, or its goals. What happens is also a consequence of the environment and the particular contingencies and constraints deriving from that environment" (p. 3).

This statement is vital to understanding the use of resource dependency theory for the investigation of how and why organizations in CAPA's administrative shared services network entered into these interorganizational ties. The context of the environment is described in detail in chapter 4, but the importance of the organizational environment is a central theme of investigation. This study identifies how each organization is related in goals, procedures, and sector norms that help streamline the processes in the shared service network. The particular contingencies of the organization’s environment are significant to identify in review of a business model such as the CAPA administrative shared service network to fully understand how each organization is historically positioned in relation to CAPA and one another. However, it is important to recognize
that the environment of the organizations is not necessarily a factor controllable by the organization, yet (Pfeffer & Salancik (1978) argue that survival of an organization depends on the control of sets of activities that are core or central to the operation of the organization. If the organization has little control over its environment but must depend on its environment for attendance (audience), then the organization must figure out how to influence its own environment. Thus, the organization attends to the activities that define its operation or are core/central resources (Pfeffer & Salancik, 1978). Scott (2003) clarifies this point, "environments influence organizations, but organizations also influence environments" (p. 146).

As Hillman, Withers, and Collins (2009) state, the resource dependency perspective helps to understand how organizations create strategies to interact with, in, and benefit from their environment. Casciaro and Piskorski (2005) add that resource dependency theory assumes organizations will seek and obtain the critical resources from the environment to attempt to provide stability. However, resource dependency does not fully explain how an organization might obtain those resources effectively. Hillman et al. (2009) do suggest combining the resource dependency perspective with additional theories to advance understanding of how organizations manage their environments in resource attainment. Regime theory (Stone, 1989) partners here to bring an understanding of how organizations utilize coalitions to create paths to core resources.
As Pfeffer and Salancik (1978) add, "A focus on the "how" of change leads one to consider who brings change about and who resists it. We assume change is a consequence of individual decisions and the actions taken by specifiable individuals" (p. 227). If the decisions regarding resource acquisition are made by individuals, it is important to note what position is held by those individuals in relevance to the organization. As Stone (1980) notes, business elites are often in privileged positions and part of regime coalitions, their expertise in demand for economic development. Thus, identification of who sits on the boards of the organizations is helpful in creating a mapping of possible influence regarding decision making for the organizations in this study. Not only is it imperative to explore how the changes happened that resulted in the interorganizational ties, but also how the decisions were made to enter into those ties and who made the decisions to do so.

Motivations to engage in interorganizational ties can be widespread but are outcome based. For example, creating a tie to contract accounting to reduce internal cost can be based on the outcome of reducing expenditures, an output related to the outcome of financial sustainability. A tie might be desired to increase access to easy to use and technologically advanced ticketing software. The desired output may be increased ease of use for consumers, possibly increasing ticket sales, also related to the fiscal outcome. But who decides to make the decision to tie with another organization to see resources to obtain the outcome? The resource dependence perspective locates the make/buy decision with the organizational management. The urban regime perspective recognizes the
additional influence of governing coalitions on the organizational actors to further a larger agenda then simple fiscal sustainability. This tension between the two theories become a central theme for this research. Is the CAPA administrative shared service network simply an outcome of multiple organizations in search of fiscal sustainability or are there additional factors to consider that not only explain the networks existence but also its continued growth?

Pfeffer & Salancik (1978) state, "a more realistic perspective on organizational action would recognize that organizational actors mold organizational activities, but do so within constraints which limit their discretion to take action" (p. 245). Administrators are not only symbolic heads and responsive actors in the organization, but also discretionary actors that assess environmental constraints and determine actions to modify the environment. Thus administrators may be reacting to environmental constraints, i.e. political influence, in making the decision to enter into a tie with CAPA. The strategic decision making also may not be located in the traditional administration if that is not where the decision making power is located. The board of the organization may be making the decision to enter into the tie either in absence of the manager or in spite of his/her presence, or the board, under influence of another organization’s board, may be making those decisions. Board membership becomes a significant point of study for this research in determining the possible locations of power to determine the make or buy decision outside of the manager’s decision making ability or in its absence.
When organizations are failing, often the administrator becomes the visible and tangible target. The power structure within the organization determines the fate of the administrator and those with institutionalized power are less likely to be removed. When a new administrator is brought into the organization, possible new information and insight is also brought in. Pfeffer (1982) adds, "The movement of personnel within an industry can tie organizations together by the transmission of a common culture and set of understandings about the industry" (p. 199). The change in administrators is a direct concern for this research. As most of the organizations that are engaged in interorganizational ties now have the same executive director as CAPA, this informs inquiry regarding the institutionalization of power in the CAPA shared services network.

The authors state that "organizational environments are not given realities; they are created through a process of attention and interpretation" (Pfeffer & Salancik, 1978, p. 13). The composition of an organization influences what events and information are processed for attention. How organizations collect and process information informs what information in the environment is utilized in the function of the organization. "How an organization learns about its environment, how it attends to the environment, and how it selects and processes information to give meaning to its environment are all important aspects of how the context of an organization affects its actions" (Pfeffer & Salancik, 1978, p. 14). Guo and Acar (2005) add, "the important societal effects of the legal and normative environment are reinforced at the industry level of institutional influence" (p. 347). This information will inform some of my data collection for the individual
organizations. I need to inquire as to how the organizations view their environment, specifically how do the individual organizations define their environment. What organizations would they list as part of their network? "Organizations are quasi-markets for influence and control, it is altogether appropriate to define boundaries in terms of the relative influence and control over activities" (Pfeffer & Salancik, 1978, p. 37).

The environment of an organization can conceptually contain the entire system of connected organizations and individuals related to one another through transactions. The closer level of environment is bounded by organizations and individuals directly connected to the focal organization through direct interaction. However, this level does not necessarily impact the actions of the organization. The environment that constrains the actions of the organization is made up of social actors to which the organization attends. Pfeffer & Salancik (1978) do not discount the possible effects of the larger environment on outcomes of the organization, but they argue that the enacted environment frames decisions of the organization. Scott (2003) reminds us that even in the enacted environment, "the normative structure of an organization is only loosely coupled with its behavioral structure" (p. 88). Organizations base decisions on information that they have or to which they attend, they are not bound to attend to specific information. Pfeffer & Salancik (1978) offer that organizations that appear to be in the same environment to an outside observer may not attend to the same information and therefore may not be part of the exact same environment. The environment of the organization is bounded by "the structure of the organization, the structure of the
information system in the organization, and the activities of the organization" (Pfeffer & Salancik, 1978, p. 74). Organizations that enter into ties with CAPA may see their environment through information from the executive director or a board member that serves to highlight CAPA as the most viable option for resource attainment.

Dependence of one organization on another for resource access also creates interconnectedness. Resource concentration increases network interconnectedness. "The greater the level of system connectedness, the more uncertain and unstable the environment for given organizations." (Pfeffer & Salancik, 1978, p. 69).

Those in the environment encourage interconnectedness because it makes actions more predictable. However, interconnectedness decreases the long-term stability of the environment. The more connected organizations are, the less adaptable to change they become. Organizations in the same geographic region sharing capital, markets, and labor are more likely to be more interdependent. This assumption is especially interesting to investigate through this research because as the CAPA administrative shared service network grows, RDT assumes the interconnectedness makes the organizations involved in the network less stable. Conditions of instability can be decreasing or stagnant budgets, decreased revenue streams, or the sharp contrast of resources owned by one organization. Are the organizations within the CAPA administrative shared services network less adaptable to change because of their geographic location and sharing of resources? If one of the organizations were to fail, what implications would that failure have on the larger
network, including CAPA? Resource dependency assumes the longer an organization is interconnected, the more unstable it is. Therefore, CATCO in its tie with CAPA since 2003, would have the most to lose if CAPA were to fail. It may not be possible to determine the influence of a failure of another organization like Opera Columbus on the shared service network, but a failure of CAPA to continue may have significant influence on the future sustainability of the rest of the organizations in the network.

Organizations make decisions regarding resource exchange to manage interdependence in three ways according to (Pfeffer & Salancik, 1978, p. 113):

1. When the resource is critical, the organization should attempt to manage interdependence through the extension of control into the critical resource area.
2. The organization may attempt to increase its own dominance in the resource exchange to increase other organizations' dependence.
3. The organization can decrease its interdependence on other organizations by decreasing its dependence on the critical resource.

Interdependences manifest in many ways. Resource dependency theory offers the different types of ties that can connect organizations. They are:

- Diversification
- Mergers
- Acquisitions
- Joint Ventures
- Cooptation
- Rules for interorganizational action
- Strategic Restructuring
- Growth
- Coordination, i.e. cartels, trade agreements and associations, councils, advisory boards, social norms
One of the ways managing interdependence manifests is mergers. Mergers can happen vertically through the extension of organizational control over vital resource exchanges and horizontally through power increases in the establishment of dominance and decrease of competition in the exchange. Diversification is an attempt by an organization to reduce dependence on singular resource exchanges. Pfeffer & Salancik (1978) argue that mergers take place in attempts to manage interdependence and increase stability in an organization's environment as opposed to thought regarding mergers as tools for profitability and efficiency. Although CAPA's shared services network has not entered into mergers, it is useful to keep this information close at hand to inform lines of inquiry for the project. All of the organizations that are in interorganizational ties with CAPA being explored by this research still filed as separate tax entities as of 2012. A close look at each of the organizational ties will identify what kind of interdependence management is taking place. Each dyad has a personalized interorganizational tie with CAPA. Not two agreements are exactly the same.

Pfeffer & Salancik (1978) offer expansion of services or operations in organizational growth as another way to attempt to control organizational interdependence. Organizations make specific decisions in the growth process in an intentional response to organizational interdependence. Growth allows for more survival potential, can increase the organizations potential for dealing effectively with interdependence and "developing additional power with respect to those other organizations with which it is interdependent" (Pfeffer & Salancik, 1978, p. 139). Resource Dependency Theory
recognizes growth as a way for organizations to manage interdependence and to increase resource control and reduce competition. Malatesta and Smith (2011) offer "different sources of dependence may lead to different choices" (p. 614). In the quest to secure needed resources, an organization may choose growth as a reaction to its environment or it may choose to enter into an interorganizational tie. For this research, it will be interesting to identify why the organizations chose to enter into the interorganizational tie with CAPA and not another strategy to manage resource acquisition. Hillman et al. (2009) point out that interorganizational relationships do not provide the same level of absorption of interdependencies as mergers. They also point to the literature that Resource Dependency Theory does not fully explain interorganizational relationships and additional theories are often necessary for such explorations. This is another point where the intersection of Regime Theory is necessary to help explain interorganizational ties through coalition building. Regime theory furthers that coalitions are informal, have agendas, have long standing arrangements, are producers and are local or context based (Stone, 2001). The interorganizational relationships of Resource Dependency have a further explanation in Regime Theory, explaining how powerful people of elite institutions in an area may get together to form coalitions and further problem framing and policy creation (De Socio, 2007).

Malatesta and Smith (2011) further Pfeffer & Salancik's (1978) claim that dependence is always to some degree mutual. This particular point informs the examination of how resource dependence influenced the interorganizational ties explored in this study. An
organization that is receiving administrative services from CAPA is also providing CAPA with a revenue stream and contributing to CAPA's legitimacy as an administrative entity. An inquiry is necessary to determine if there are additional resources provided to CAPA in the interorganizational linkages. What influence or power do the organizations other than CAPA have in the network relationship if the benefit is to some degree mutual? CAPA is relying on the other organizations as a revenue stream through management service provision. If that organization no longer needed CAPA’s service or if multiple organizations no longer needed the service, CAPA’s stability would be threatened.

Pfeffer and Salancik (1978) offer that interorganizational effects are also determined by regulation and political negotiation on top of market forces and environmental constraints. In interorganizational linkages, power resides in critical resource exchanges, specifically in who controls the access to the critical resource in the interorganizational tie and who requires the critical resource in the tie. "The problems which arise for an organization because of its dependence on a single exchange in part arise because the exchange is controlled by some other organization" (Pfeffer & Salancik, 1978, p. 109). This statement refers to influence imparted by the organization that controls the resource. Also of note is how the environment shapes the control of the resource by that particular organization. That resource provision may be the result of influence from a regime coalition. As noted in by Stone (1993), coalitions of nongovernmental actors influence public policy and the contextual environment for organizations through the relationships
within the coalition and the resources of the individual members of the coalition. This does not assume independence or full autonomy of the coalition. The coalition itself also acts in response to environmental constraints and challenges. This assumption of regime theory adds to the understanding of the complexity of interdependence.

Of special significance to this research is the statement by Pfeffer & Salancik (1978), "When interdependence is problematic because it can lead to uncertain or unfavorable outcomes, the need to coordinate through social mechanisms is greatest, and this is particularly true when alternative ways of coping with the interdependence are not available" (p. 146). The examination of the CAPA shared services network will highlight how for some organizations, certain unfavorable events have occurred after entering into an interorganizational tie with CAPA, specifically the necessity to downsize and reduce the number of employees in the organization. Part of this research study will be investigating what social mechanisms were employed to help with the facilitation of the negotiation of the interorganizational ties that created the shared service network among CAPA and the organizations identified later in this essay. As Casciaro and Piskorski (2005) note, "Those with power advantages tend to argue for agreements that favor themselves, whereas disadvantaged actors tent to argue for agreements that equalize benefits" (p. 175). Determining the factors of the negotiation will not only identify the critical resources in the exchange, but also highlight positions of influence.
How Resource Dependency Theory Informs this Study

Resource dependency theory will be utilized as the analytic framework through which to examine the CAPA administrative shared services network. Resource dependency assumptions will be used as foundational hypotheses to frame the investigation of how and why the organizations in this study entered into interorganizational ties. This study will use the primary assumptions of Pfeffer & Salancik (1978) as an analytical framework to investigate the interorganizational ties in the CAPA shared services network examining how and why the interorganizational ties developed. This look at the changes that occurred with these organizations recognizes the importance of the environment within which the organizations exist. The shared services network of CAPA will be examined to identify critical resources, the distribution of power within the organization and the changes that occurred during the removal/non-removal of administrators when entering into interorganizational ties and the actions and structures that have changed since entering into the tie. This research will define the environment by analyzing what organizations are in the CAPA administrative shared services network and how those specific organizations are interconnected with CAPA and each other. This study will define what critical resources are sought through these interorganizational ties and how uncertainty is attempted to be decreased through the acquisition of these resources through the network. The distribution of power within the organization will be highlighted through attempts to acquire the specified resources, including identifying who may have been involved in the make or buy decision regarding resource acquisition. Finally, data will be collected about organizational decisions regarding how and why the
organizations entered into the interorganizational ties with CAPA and CAPA with the other organizations.

As Sowa (2009) notes, the many reasons organizations enter into collaborations cannot be explained by one theory. Although Resource Dependency Theory recognizes the organizations search for resources as a possible reason for entering into a collaborative agreement, resource dependence does not adequately address the full spread of motivations behind resource procurement. Resource Dependency Theory does localize motivation in decision making of the manager and illuminates the importance of the board in determining pathways for resource provision and/or acquisition in the environment. However, a partner theory is necessary to explore further the political motivations behind how resource provision is sought through interorganizational ties and collaborative arrangements.

**Partnering of Regime Theory**

In addition to the assumptions integrated above, Regime theory also posits that governmental and nongovernmental actors create coalitions to further a feasible policy agenda (Stone, 1989). This theory will be used as a partner theory to help further understand the case under investigation, allowing for the identification of additional influences and stakeholders in the CAPA administrative shared service network. Mossberger and Stoker (2001) specify the main ideas of regime analysis positing that it "views power as fragmented and regimes as the collaborative arrangements through
which local governments and private actors assemble the capacity to govern" (p. 812). Policy agendas are framed and attention given to issues due to the influence and cooperation of nongovernmental actors, mainly business elites who hold resources necessary or have connection to those resources to address policy concerns. The authors further Stone's (1989) assumptions that economic forces can influence policy creation and implementation, requiring the development of coalitions and coordination across institutional boundaries. Power is located in the ability to act or create, not necessarily in dominance over. Cooperation among organizations is acquired in regimes through the "distribution of selective incentives such as contracts, jobs, facilities and so on" (Mossberger & Stoker, 2001). Board linkages and individual board member affiliations create networks and coalitions that may work to manage resource dependency outside of the traditional dependence models in reaction to the often complex external environments (MacIndoe, 2013). Powerful elites may occupy a board seat on more than one institutional board, bringing their aggregate of resources to multiple organizations (De Socio, 2007). These intentional partnerships for resource constraint or for furthering a policy agenda in turn influence the greater organizational network.

As Stone (1993) asserts, "urban regime theory assumes that the effectiveness of local government depends greatly on the cooperation of nongovernmental actors and on the combination of state capacity with nongovernmental resources" (p. 6). He does offer that regimes are not static, but fluid and changing. CAPA's contracts with the city of Columbus to manage city owned property and the resulting legitimacy for CAPA as an
arts administrator and for the city as arts-centered destination illustrate Stone's (1993) point. The partnership continues because of the value recognized by both parties.

Regime theory posits that governmental and nongovernmental actors create networks and/or coalitions to further a feasible policy agenda (Stone, 1989). Mossberger and Stoker (2001) specify the main ideas of regime analysis positing that it "views power as fragmented and regimes as the collaborative arrangements through which local governments and private actors assemble the capacity to govern" (p. 812). They further Stone's (1989) assumptions that economic forces can influence policy creation and implementation, requiring the development of coalitions and coordination across institutional boundaries. Power is located in the ability to act or create, not necessarily in dominance over. Cooperation among organizations is acquired in regimes through the "distribution of selective incentives such as contracts, jobs, facilities and so on" (Mossberger & Stoker, 2001) resulting in the building and continuance of the coalitions.

Stone (1993) emphasizes that coalitions or governing capacity is not only created but require maintenance to sustain that capacity. For the furtherance of policy or to select attention on a particular problem, coalitions may use coercive authority to achieve an agenda. But a willing cooperative is necessary to aid in the agenda setting and solution provision. A coalition of business elites, in cooperation with governmental actors and a willing constituency can accomplish that which a government authority is unable to alone. Regime theory helps us to understand that past resource provision and policies are
being enacted for a goal, one identified by cooperative actors and unequal contributors. It is the common interest, the conservation of the sector norm and/or the policy goal to be achieved combined with the interest of maintaining the coalition that works to preserve the membership.

It is the assumption regarding the nature of the regime coalition and the preservation of the membership that relates to this research. Stone (1993) states the pattern of interaction, the preferences of the members and an understanding of what is feasible shapes the ability of the coalition to attend to its goal. Resources of the members of the coalition do not need to be material or tangible. More important in goal achievement of the coalition is the ability to recognize what is attainable. For this study, the regime theory lens will add inform the investigation of who makes up regime coalitions in Columbus and who may have been involved in the decision making regarding the CAPA administrative shared service network. Regime theory also asks why some concerns in an environment receive the attention of the coalition while others do not (Stone, 1993). Past feasibility and coalition members, a large set of arrangements is needed to address a concern.

Stone (1993) posits that policy innovation requires efforts of the coalition, the nongovernmental resources, to be joined with government resources. Recognizing the inadequacy of legal authority, the interdependence of government with social interests, and the capacity of government actors to stimulate cooperation of private actors, regime
theory posits that policy innovation still requires the action of nongovernmental actors with appropriate resources to address the concern. The success of the coalition partly based on the coalition’s resulting reputation based on the success of the endeavor. Everyone likes to be part of a winning team. Interestingly, Stone (1993) furthers that the winning team does not need to be large to be effective. He offers “a set of actors must move in concert, but the number is small” (Stone, 1993, p. 19). This speaks to the realization that few have the power to do much.

In this research study, resource dependency provides the lens for identifying motivations behind interorganizational ties and the identification of resources being sought in those ties. Regime theory provides a descriptive lens to map the arrangements surrounding the creation and expansion of the CAPA administrative shared service network and the analysis of the phenomenon as a possible policy outcome. MacIndoe (2013) states collaborations, particularly nonprofit-local government ties, can be beneficial but are “embedded in complex organization, resource and institutional environments” (p. 291). This frames the purpose of the study, to identify the ties, the complex organizational, resource and institutional environments. As May and Jochim (2013) offer, regime theory aids in the understanding of a particular phenomenon through problem definition, attention and the political dynamics instituted to address the problem. This theory informs the questioning of whether the CAPA administrative shared service network is part of a larger policy initiative, involving influence and concerns from actors in a governing coalition in Columbus.
Chapter 3: Methodology

This research is a case study of a current phenomenon in the performing arts industry in Columbus, Ohio. This method of social inquiry was utilized because I sought to understand how interorganizational ties developed between certain arts organizations and CAPA. Multiple sources of evidence were examined. This study examined the case of the CAPA phenomenon within the performing arts ecology of Columbus Ohio. Document analysis of historical archives and current available data offered insight into how these interorganizational ties evolved, for what purpose, and identified any additional stakeholders necessary to explain the phenomenon. This study through the lenses of resource dependency theory and urban regime theory, describes and maps the linkages that form the CAPA administrative shared services network including the identification of interlocking directorates and examining the possibility that the CAPA administration shared service network is a policy outcome. Case study is often the methodology of choice for regime and resource dependence scholars, recognizing the context of regime formation and inquiry into organizational processes (De Socio, 2007).

Case Study

Merriam (2002) recognizes the case study as research concentrated on a single phenomenon or entity in order to "describe the phenomenon in depth" (p. 8). Yin (2005)
adds "the distinctive need for case study research arises out of the desire to understand complex social phenomena" (p. 4). Although the CAPA administrative shared service network is a common topic in the local media and has been included as an example in a textbook of a collaborative partnership, no in depth research has investigated how the interorganizational ties in the administrative shared service network came to be. This case is indeed complex as it involves six additional organizations other than CAPA that entered into the administrative shared service network at different times and with different outcomes regarding service provision. As this research progressed, the complexity of the case increased, additional stakeholders in the network other than the seven organizations originally identified emerged, and as such, this research became more than a descriptive analysis of organizational structures but also an identification of a policy initiative.

Yin (2014) offers that case study research as a form of inquiry can offer researchers the means to collect data that accurately captures real-world events. Case study research is best utilized when the researcher does not have control over behavioral events, when the research focuses on contemporary events and is used to answer how and why about a phenomenon. Case study methodology allows for a large array of data collection, in documents, artifacts, interviews, and observations. The CAPA administrative shared service network is a current phenomenon in Columbus, Ohio that has continued to operate during the timeframe of this research.
The use of available data allows for nonreactive measurement, no changes in behavior of the organizations or coalitions surrounding the network can be connected to this research methodology. The available data also allowed for analysis of a larger unit, the seven organizations and the large amounts of data available publicly provided a rich and detailed examination of the case (Singleton & Straits, 2005). Historical information, especially financial positions of the organizations and listings of board members were two of the data points easily accessible through this method of data collection that might have been difficult to gather from individuals. This type of data collection would also have been difficult previous to the digital age. The documents I obtained for data collection were all digitized and stored on various webpages and data repositories. Several historical documents were provided to me digitally after email requests and I was able to access the information instantly. This method was also cost effective and time efficient.

The most relevant definition of case study for this research comes from Schramm's working paper (as cited in Yin, 2014) "the essence of a case study, the central tendency among all types of case study, is that is tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result" (p. 15). Essentially, case study methodology aligns with policy research, helping to identify what problem is highlighted, how the problem is framed, what solutions are offered, and what solution is furthered (Kingdon, 1995). This definition sets a foundation for my research in examining the organizations identified for this case study. Specifically, I will be
researching how and why certain organizations entered into interorganizational ties with CAPA to form an administrative shared service agreement. Data collection and analysis focused on each dyad created in the network, the relationship between CAPA and the focal organization. This dyadic relationship was then placed within the larger administrative shared services network for comparison. Each dyad was then compared to identify similar trends, similar contract contents, and to establish patterns for analysis.

As Stake (2005) notes, case study methodology cannot be solely based on a definition of what is considered. This would limit case study research to the confines of exploratory stages. Case study research is not merely fieldwork (Stake, 2005; Yin, 2014). Yin and Davis (2007) offer case study research as unique in the consideration of the importance of the context of the phenomenon under study. This recognition of the importance of the context of the phenomenon under examination aligns with the theoretical framework for this study as "Organizations are inescapably bound up with the conditions of their environment" (Pfeffer & Salancik, 1978, p. 1). Utilizing the resource dependence lens, the environment is constraining decision making in resource attainment for organizations. The realization of the environment’s importance by case study methodology properly aligns this consideration as a priority in data collection and analysis.

This research utilized case study methods because the phenomenon is contemporary, the researcher has no control over behavior events, the context of the phenomenon is not separate from the phenomenon, multiple sources of evidence were utilized, and this research is driven by previously developed theory (Yin, 2014; Stake, 1995; Yin & Davis,
2007). As Stake (1995) notes, "qualitative researchers have pressed for understanding the complex interrelationships among all that exists" (p. 37). Especially beneficial for this research is case study methodology's ability to avoid dependence on ethnographic or participant-observer data. This research does not include data collected while an interorganizational tie was being negotiated, but after the ties had happened. Document analysis can provide high-quality data, including historical accounts of the interorganizational ties taking place. Case study methodology, resource dependency theory and regime theory informed the research design in determining what questions to consider, relevant data to collect, and the analysis of the results (Yin, 2014). Data collection included financial statements, tax forms, annual reports, media articles, and Columbus Foundation PowerPhilanthropy portraits.

**Definition of the Case**

This research is a single case study with embedded subunits of analysis resulting in an embedded case study design (Yin, 2014). The unit of analysis is the administrative shared services network of CAPA. Candidates that serve as embedded units fit the following decision criteria:

- Organization is in an administrative shared service agreement with CAPA for administrative and/or management services
- The organization is CAPA
- Organization is a nonprofit performing arts organization (performers or venue)
• Organization is located in the greater Columbus metropolitan area
• Organization is in an interorganizational tie with CAPA that involves the provision of marketing, accounting, ticketing and additional services

This identification of the unit of analysis for this case study aligns with Pfeffer & Salancik's (1978) and Merriam’s (2002) perspective on the unit of analysis being an organization and its relationship to the larger environment or as Pfeffer (1982) furthers the focus is on an organization or an organization set. This research will serve as a descriptive study, examining the selected case through the lenses of resource dependency theory and urban regime theory, contributing to industry knowledge and theory extension (Yin, 2014; Bluhm, Harman, Lee & Mitchell, 2011).

Yin (2014) warns of the pitfalls of an embedded case study design, the tendency to focus too largely on the embedded cases without returning to the original level of the original case. Analysis of the subunits, the organizations in administrative ties with CAPA, will be examined to allow for extensive analysis and insight into the case. The subunits of analysis were chosen based on their specific interorganizational ties with CAPA. As Yin (2014) notes, case determination is not reliant on sampling logic. Yin (2014) cautions against usage of sampling logic vocabulary as it can lead to misunderstanding or misleading others to think that a multitude of like occurrences abound. Although embedded subunits of analysis for this case study are purposively chosen based on particular criteria, there is not a large sample available from which to choose. The case
study and embedded units are a particular and somewhat unique case that will be explored through a descriptive case study research design through the framework of resource dependency theory. As far as the researcher is aware, this is the only case identifiable by these decision rules in Columbus, Ohio.

The investigation of one unit of analysis separates case study research from other qualitative research. Case study research still recognizes the researcher as primary instrument to collect and analyze data. Although this research begins with Resource Dependency Theory and Urban Regime Theory, an inductive process was employed to arrive at additional information illustrate the theories in practice. The product of this case study is a rich description that will attempt to help the field understand and make sense of the phenomenon that is taking place in the CAPA shared services network in Columbus, Ohio.

**Data Collection**

As Merriam (2002) notes, research design drives data collection and analysis, identifying sources of data that will allow for the highest yield. Singleton and Strait (2005) state that the research question should drive data collection. Available documentation and archival records were used as the data source. Michael Grossberg of the Columbus Dispatch has been writing articles regarding CAPA for several years, highlighting the different ties CAPA has entered into with different organizations and following the evolution of the performing arts ecology in Columbus. Public records such as 990's, annual reports, website information and marketing materials will be used to provide data that is readily
available and able to offer "insights and clues into the phenomenon" (Merriam, 2002, p. 13). Annual reports of the organizations in this research proved especially useful to track when the interorganizational ties began and in communication to stakeholders, why they began. Grant applications will be reviewed to track changes in funding streams and structures. Columbus Foundation PowerPhilanthropy portraits were rich sources to identify multiple streams of data across organizations. The Cultural Data Project was not a part of the data collection for this project because it is not possible to separate out individual organizations for data collection in the CDP. The only filters allowed are geographic boundary and discipline. These filters would bring in more information than what is specific to the organizations in this case. Information obtained during document analysis included evidence implicitly stated and corroborated with other sources (Yin, 2014). Stake (1995) offers, "Gathering data by studying documents follows the same line of thinking as observing or interviewing" (p. 68). The strength of documentation and archival records as data lies in the researcher's ability to review the data repeatedly, the breadth of specific current information and historical information relative to the case available, and the "unobtrusive" nature of the data as it was not "created as a result of the case study" (Yin, 2014, p. 106). Often, documents are substitutes for other data not able to be collected through observation or interview (Stake, 1995). The nature of the data sources allowed for repeated and focused review of the data, especially due to the digital nature of the documents. Searching for particular information was made easier due and data aggregation was efficient through the use of technological tools such as spreadsheets. I rarely wrote notes by hand.
The main weakness of this type of data is the possibility of incomplete records and documentation author reporting bias. Often case study research relies too heavily on document analysis not recognizing the original purpose behind the document creation. Documents can provide important data for critical interpretation. As Bluhm et al. (2011) note, "Although interviews, archival data, and observation seem commonplace in qualitative research, when implemented with qualitative best-practices such as longitudinal research designs, accuracy checks, triangulation, and in-depth analysis, they can produce very meaningful results" (p. 1878). Accuracy checks occurred within the organizational documents across multiple resources. There were several instances where information provided on one document did not match that of another. In these instances, the audience of the document was considered and if relevant, the discrepancy is noted in the data presentation in chapter four. Ideally, the contracts negotiating the level of shared services by the organizations involved in the interorganizational ties would be available to the researcher, but as Yin (2014) notes, the access to these documents may be denied and it was. Available data was used to reconstruct what may be included in the contracts between CAPA and the tied organization. I was surprised at much information regarding the ties was available in the media, even contract prices for some of the organizations were included in newspaper or industry publications. As Singleton and Strait (2005) offer, available data research often presents issues in that it seldom is framed for the research at hand. Creative constructions are often required to mine the data to answer the research question. Fortunately for this research, many of the documents obtained gave
relevant data that allowed for quick analysis of the organization’s position in the contextual environment.

As the phenomenon under study had already occurred, direct observations of the negotiations between the organizations were not possible. Multiple sources of data were used to establish triangulation through the convergence of evidence. Utilizing multiple sources of evidence increases construct validity, as well as the establishment of a chain of evidence along with careful and complete documentation of decision rules and processes (Yin, 2014). Bluhm et al. (2011) call for heavily detailed, able to be replicated qualitative method descriptions. I created a case study database was to ensure reliability (Yin, 2014; Stake, 1995). The case study database includes copies of all relevant documentation collected about the case such as published reports, organization publications, and memoranda along with an annotated bibliography (Yin, 2014). The case study database is separate from the case study report, containing raw data without interpretive analysis attached. The forms included in the database as outlined by Yin (2014) are notes, documents, tabular materials and narratives. Throughout data collection, the purpose of the case study will be kept central to avoid common pitfalls (Yin, 2014). As Yin (2014) notes, case study research requires the researcher to actively interpret data during collection, applying analytic judgments to inform additional lines of questioning or investigation if necessary. As I read through the documentation and began to notice themes regarding financial considerations, contract variables changes in employees, and board member linkages, I then looked for the same themes in the remaining documents.
Data collection procedures can be impacted by the less controlled conditions of case study research. As Yin (2014) notes, data collection is often impacted by constraints on the behavior of the researcher as opposed to those of the field participants as in other research designs. Major tasks for the case study researcher include: access to key data, sufficient fieldwork resources, development of procedures for colleague assistance, creation of data collection schedule, and unanticipated event provisions. Although data collection occurred from individual organizational documents, the unit of analysis of the case study was the organization network. Thus, my questions while attending to the data review focused on perceptions of how the organizations entered into interorganizational ties with CAPA and the understandings presented in the data of why these ties occurred. Word tables were used to assist in collection and coding data from the documents. This process began early and was utilized with each subsequent document reviewed (Yin, 2014). I created tables of themes as I combed through media articles, informed by the themes present in the mission statements of the organizations and by the outline of service provision on CAPA’s website. I searched for indicators of mission alignment and creative sector norms. Maintenance of the chain of evidence is imperative to increasing reliability of the case study. Yin (2014) notes the necessity to properly cite relevant sources of data used to arrive at findings including the circumstances under which the data is collected.
Data Analysis

Recognizing data analysis as an inductive process, the collected data will be continuously compared to identify common patterns across the data. Stake (1995) states, "Analysis is a matter of giving meaning to first impressions as well as to final compilations" (p. 71). Initial interpretations of the data yielded assumption about what I might find in subsequent data. Yin (2014) offers the difficulty in the analysis of case study data remains due to still undefined standard techniques. The data for this study was examined for emergent themes and patterns relevant to the research question. The patterns were coded and adjusted as the analysis proceeded, with code descriptions to ensure clarification of codes, including the progression of codes to align with the triple bottom line (Merriam, 2002; Yin, 2014; Wyszomirski, 2013). My use of the case study database aided me in the analysis of the data. As data was collected, it was sorted by major topic and kept together in electronic and printed folders for ease of access and additional analysis. Cross-reference notes were utilized to track connections made in the initial analysis. Chronological mapping of data was also useful for this research in locating similar decisions, perceptions, and events in the changes occurring toward interorganizational ties. Yin (2014) encourages playing with data in visual form as a starting point for analysis.

As the final interpretive phase, Creswell (2013) notes the researcher in an instrumental case study reports the meaning that comes from learning about the issue of the case. An instrumental case study helps to understand phenomena or relationships and there is a
greater need for measurement and categorized data then with an intrinsic case study (Stake, 1995; Yin, 2014). Stake (1995) reminds researchers that good case studies do not require defense of their typicality but does encompass two methods of analysis, direct interpretation of the singular instance and analysis of all taken together. "The qualitative researcher concentrates on the instance, trying to pull it apart and put it back together again more meaningfully--analysis and synthesis in direct interpretation" (State, 1995, p. 75). Simultaneously reviewing the numerical data provided by the financial reports of the organization alongside the text representations of the organizations allowed me to develop an understanding of the individual ways in which each organization operated and how the ties with CAPA were constructed in different ways. Some of the most helpful exercises in identifying differences between the dyads was the charting of expenses and revenues. These charts helped identify the main priorities of the organizations, i.e. some organizations had large education or artistic expenses and other organizations had a less than expected ticket revenue.

Searching for themes, patterns, and consistencies in the data is defined by Stake (1995) as the search for meaning. As recommended, I sought emerging patterns and themes as I collected data and when I revised the data, I looked for clear patterns that I anticipated and for ones that emerged. Passages of data were reviewed line by line and entered into a table to help with theme and pattern identification. I did not use software for data analysis. My qualitative research for my master's thesis was done without the aid of software and I was comfortable combing data sets for interpretation. The more time I
spent with the data, the more I began to understand connections between certain data points. This was true with the 990’s, especially the older versions (before 2008). The more time I spent pulling data from the documents, the more comfortable I became in knowing what I was looking for and how significant the information was. However, as Stake (1995) notes, I am preparing myself for the challenges apparent for the more amateur researcher and will remember, "full coverage is impossible, equal attention to all data is not a civil right" (p. 84). Information often sidetracked me provided that was not relevant for my study and had to remind myself to focus on the project at hand. The breadth of information in the 990 calls for a study just on how organizations report their activities and how the organizations define certain activities. There is still much ambiguity in how data is reported on the forms and some questions for this study remain unanswered because of the lack of reporting requirements.

**Data Reporting**

Yin (2014) reminds that often for a dissertation study, the committee may be the only audience and attending to the specific requirements of the committee is necessary. Stake (1995) adds, "for the reader's sake, for the case's sake, for the forest's sake, this particular research situation's best story need to be found" (p. 121). The best story was difficult to conceive. I spent many hours thinking about how best to present the information I gathered. Much of the data is straight forward and requires little interpretation. It presents easily in graphs and charts for a visual overview of the situation for each organization. The difficult story to tell was the coalition story. With a decade of board members on lists
across ten organizations (the seven in the unit of analysis plus county government and funders) with affiliations and the desire to keep the names of the members confidential in this presentation, an appropriate presentation of the data was difficult to decide upon. I settled on a visual representation to show the multiple ties and avoid any particular identification of anyone.

The most useful piece Stake (1995) provides is a case study checklist that I referenced multiple times throughout my collection and analysis. Questions on the checklist range from the specific like "Is the case adequately defined" to "Is empathy shown for all sides" (p. 131). The empathy for all sides was a difficult task. I began the research with a bit of bias regarding the CAPA administrative shared service network. I assumed that outsourcing any tasks would have a detrimental result for the organization. However, through a unique internship experience last summer, I was able to overcome that bias and approach this research with a better understanding of the motivations behind entering into such a tie.

I spent a significant amount of time at the Bloomington Performing Arts Center in Bloomington, Illinois before completing my dissertation research. The PAC is funded by the city and as such, all of the employees are city employees. Through observation and interaction with the employees I came to the conclusion that in certain circumstances, administrative tasks such as accounting, marketing and human resources may be contracted out successfully for efficiency and cost savings. This internship helped me to
realize that some of the outcomes of the CAPA administrative shared service network may be helping the organizations fulfill their missions by creating a more sustainable future through the provision of these back door functions. This experience helped me to have empathy for both sides.

Reporting of this research data takes the form of a single case study format, describing and analyzing the case presented above. The text is interspersed with tables and graphs, board member and organizational tie mappings to allow for visual explorations of the organizational structures, ties, and functions within the CAPA administrative shared services network. The sequence of reporting will follow a chronological and logical sequence, allowing the reader to understand the how and why of the interorganizational tie evolution.

As a qualitative researcher, I understand individuals living in and interacting with their environment construct meaning. This research focuses on the particular present of the CAPA administrative shared services network in Columbus, Ohio to investigate how organizations operate with interorganizational ties. This interpretive qualitative approach will highlight the self-reported data and descriptions of the different organizations including perspectives aimed at donors, media audiences and federal regulators. The collection of data and analysis of this data resulted in the compilation of multiple perspectives to drive a robust understanding of this phenomenon. The desire of this
research project mirrors expressed intent in Lincoln (2001), "to frame research findings so that they will be both useful and compelling" (p. 3).

Data Sources

As explained above, content analysis was used to identify themes, patterns and differences in the data sources to help explain how and why organizations engaged in ties with CAPA. Data sources obtained included 990’s, Annual Reports, Columbus Foundation Power Philanthropy Portraits, Columbus Dispatch Articles, City Public Records, County Public Records and multiple studies and assessments about the cultural economy in Columbus, Ohio since 2000.

Tax Form 990

The tax forms (990s) were used to identify expenses and incomes in each organization involved in the case study and to track changes in these areas, especially after entering into a tie with CAPA. Mission statements, board membership and organizational changes in revenue streams, and amount of expenses related to contracted services and other financial shifts were easily accessed through these documents. Also, the use of 990s gave some updated trend information to combine with information from previous city studies to give a broader understanding of the changes in the environmental context.

The tax form 990 as a presentation of data for tax exempt organizations became even more useful with the fiscal year 2008 changes. This was the first time significant changes had been made to the 990 since 1979. The changes to the form 990 were instituted “to reflect the many significant changes that have occurred in the nonprofit sector over the
past 28 years, specifically addressing the increased demand for transparency and accountability” (guidestar.org). The new form 990 was a three year phase in, with each year tightening the income threshold to capture more organizational data. The first year, FY 2008, required organizations with gross receipts equal to or over $1 million to file using the new form. Those organizations with under $1 million in gross receipts were able to use the 990EZ. For FY 2009, organizations with gross receipts at $500,000 or more and assets at $1.25 and above were required to file the 990 instead of the 990 EZ. For FY 2010, these thresholds dropped to $200,000 and $500,000 respectively (guidestar.org). These changes allowed for rich data to be collected for this research and will allow for useful transparency for nonprofit researchers moving forward.

Overall changes to the 990 included additional opportunities to provide supplemental information, revised sections regarding compensation and governance, and the removal of the requirement to list board member addresses and preparer’s social security number. Some of the most helpful changes to the 990 for this research were the easy to find summary info on the first page including the designation of how many board members were independent, voting members. Knowledge about board membership was useful for this case study to identify board members who sat on multiple boards and information regarding whether a member had voting rights offered insight into the organizational structure and influence. Although no assumptions about power and influence of the nonvoting board member are made, it is interesting to note that some members of administrative staff are included on the board as nonvoting members, a common practice in the nonprofit sector.
An interesting addition to the 990 for FY 2008 is the question in Part VI, Section A, line 3 that asks if the organization has given control of management duties over to another party outside of the organization. The answers to this question given by the organizations in this research project for the CAPA administrative network are discussed in Chapter 5. This singular item in the 990 provides a line of inquiry into how the organizations in the CAPA administrative shared service network view their interorganizational tie with CAPA including who has oversight over what administrative functions.

Form 990s were obtained from the online site Guidestar.org. Traditionally only the last three years of 990s are available on Guidestar.org with the free account, with the most recent tax year typically unavailable. For example, for most organizations in this study, the most recent form 990 available was for FY 2012. However, Guidestar.org does offer premium account access for free to students, instructors and researchers for a specific allotted time to make these records more readily available for educational purposes. It is through this porthole that I was able to access 990s dating back to 2000 for most organizations in this study. Several organizations in this study are newer nonprofits, the Drexel Theater and the McCoy Center for the Arts, and as a result, there were fewer 990s to review for these organizations. After reviewing the 990s, I determined the best use of data for my analysis would include the organizations’ 990s for two years prior to the CAPA tie and then the years after. This decision was made due to the CATCO tie with CAPA that began in 2003 and thus included CATCO’s 990 from 2001, resulting in a large amount of data just for one organization. I needed to limit the amount of data
reviewed to make the study manageable and to avoid the desire to explore other trends evident in the additional years of tax forms. Thus, the decision rule to only include tax forms from 2 years prior to the CAPA tie was instituted.

**Organizational Annual Reports**

Several organizations had annual reports posted online via their individual websites. The annual reports were important to review due to the content and intent of the messages included. Annual reports are created for the community and often contain information not included in the governmental form 990. The annual reports give a more detailed understanding of the programming and outreach accomplished by the organization during the fiscal year. Often complete with images, the annual report can speak volumes about how the organization views itself and its place within the community. Often included are photos of community stakeholders involved in an event put on by the organization, a group of children enjoying a performance, or a photo of the building or organization to convey its professionalism or aesthetic quality. Top donors are recognized in annual reports in the sponsorship section and often in the photos. The annual reports offer multiple opportunities to learn about the interorganizational ties with CAPA, as the ties are often highlighted in the report, explaining what the tie encompasses and how successful it is for both organizations in the tie. Not all of the organizations included in this study have annual reports available online and most had limited years available.
**PowerPhilanthropy Portraits**

The Columbus Foundation Power Philanthropy Portraits were included as data forms because of the specific audience attended to, the donor, and these portraits provided a great link between the annual report and the 990. PowerPhilanthropy portraits are used to create the Columbus Foundation’s online marketplace for donors to make information about nonprofits in central Ohio more transparent in the hope of attracting more donors to give to these organizations. There are currently about six hundred nonprofit organizations in the Columbus Foundation PowerPhilanthropy Portrait database. Since 2008, the launch of PowerPhilanthropy, over $27 million has been raised for central Ohio nonprofits just through the online giving portal (tcfapp.org).

Organizations provide information for the PowerPhilanthropy Portrait voluntarily. Columbus Foundation staff does not go through a verification process with the organization except through available documents. The organization holds all accountability for the correct reporting of information. One member of the Columbus Foundation staff is assigned to each organization to act as a portrait coach for each organization. The coach can help with identifying ways to improve the portrait, but it is up to the organization to catch errors in reporting or update information once it is irrelevant. Details regarding finances, leadership, mission, organizational backgrounds and programs are included in the portraits (tcfapp.org).
When reviewing the portraits for this research, I found that the information included in the Power Philanthropy Portraits mirrored the information in the 990s and/or the annual report but certain items were highlighted by the organization providing the portrait. For example, the Columbus PowerPhilanthropy Portrait was a great resource to understand the depth of CAPA’s involvement in everyday organizational duties. Statements from board chairs and management staff highlighted programming and administrative duties. Often, information about the interorganizational ties with CAPA were included in these sections in the portrait. The management sections of the organizations that list William Conner as managing or executive director had very similar descriptions, often varying just by the name of the organization.

PowerPhilanthropy Portraits also provided information regarding board member affiliations, information no longer gathered on the tax form 990 and useful for this research. Tables are available that show expense and income breakdowns but these tables often did not align with the information in the tax form 990s and so were excluded from analysis. All financial information used as data in this research is from 990s or annual reports. Also included in the PowerPhilanthropy Portraits were visuals regarding assets and liabilities. Although information regarding assets and liabilities were used in some of the studies mentioned in this research, the information provided on the PowerPhilanthropy Portraits was unable to be substantiated.
The PowerPhilanthropy Portraits were updated in 2015 for most of the organizations included in this research due to The Columbus Foundation’s Big Give fundraising campaign that took place May 12-13, 2015. The Columbus Foundation encouraged nonprofit organizations via email at the beginning of 2015 to update organizational information to give the best possible opportunity to attract potential donors through this crowd sourcing fundraising campaign. The Drexel was the only organization included in the research that did not update their portrait for 2015. The recent updates to the portraits provided additional in-depth information regarding the organizational ties with CAPA.

Columbus Dispatch and Business First Articles

Numerous articles have been written about the CAPA administrative shared service network and the local media has provided multiple lenses through which to view the development of the network. The local media articles were all obtained online and were found using Boolean search terms Columbus Association for the Performing Arts, CAPA, CATCO, Drexel, Lincoln Theatre Association, Opera Columbus, McCoy and Columbus Symphony Orchestra, with the operator and, in varying combinations. This online search method highlighted the local media articles as well as multiple research studies, one thesis on CAPA and a new textbook highlighting CAPA as a case study. Media articles were coded based on organization and article themes. The themes chosen and the results of the coding can be found in chapter 4.
City and County Public Records

Public records were obtained through a Boolean search online using the terms above and also searching on the city and county websites. I originally searched public records in hopes of finding some of the contracts between the organizations but was unsuccessful. Several public records regarding the CAPA administrative shared service network were found and will be discussed in Chapter 4 in relation to Urban Regime Theory.

Columbus Research Studies

Research Studies about the arts and culture sector in Columbus, Ohio were used for this research to provide an understanding of the local creative sector and to determine what standards, values, accomplishments, and the different research teams for the benefit of the arts and culture sector in Columbus were identifying goals. These norms and values were then useful to determining alignment of the organizations in the CAPA administrative shared service network to the creative sector in Columbus, Ohio. City Strategic Documents were included in the content analysis to investigate whether the CAPA shared services network aligned with the strategic growth initiatives of the city for Columbus2020.

City Group Reports

The Columbus2020, Comprehensive Economic Development Strategy (2010, 2014) was reviewed to identify if the interorganizational ties were part of a larger economic development strategy or sustainability plan for the arts and culture sector in Columbus.
However, arts and culture were not mentioned in the planning documents, the creative industry is missing from the planning, strategy, and reporting documents relating to Columbus2020. Quality of life is mentioned as a motivation for taking on the Columbus 2020 development strategy, but a definition of the phrase is missing from the document and so the document was not utilized further in this analysis.

The large amount of available data made the consideration of how the data was reported a priority. I was fully aware of the limitations of the data, the possibility of errors and the self-reporting bias apparent in several of the documents. I also took into account the preparatory of the documents. Inconsistencies were evident, especially in the 990s depending on what accounting firm completed the documents. Even more interesting was to notice how easy it was to guess the preparator of the tax document based on how the information was provided.

All of the records utilized for the collection of data are stored in a data portfolio.
Chapter 4: Presentation of Data

Definition of Organizational Ties

McGill-Rusynyk’s (2011) research on centralized arts management is a data rich examination of the CAPA phenomenon. Her interviews with CAPA staff including William Conner (CEO) and Diana Ferguson (then Chief Administrative Officer) bring to light additional data regarding the CAPA administrative shared service network useful for this case study. The CAPA shared services agreement is presented in her research as an emerging and evolving structure to renovate traditional processes and offer increased charitable giving impact.

Highlighting the benefits of historical structures of performing arts entities with shared venue, maestro, and cross-participation in performances, she states a centralized management structure can offer many benefits to both organizations. These benefits include but are not limited to a larger human resource pool for specialized jobs, more involvement in the cash flow process for economic accountability and security, the sharing of information across organizational boundaries, broader programming offerings, shared marketing to combine event information for multiple organizations for ease of target group, and the presentation of a large and efficient organization that appeals to donors. Her presentation of possible efficiencies obtained through such a structure help to
identify possible motivations for organizations to enter into such an agreement. The appeal for organizations to save time and money regarding human resources and back office processes is palpable. Her choice of thesis topic underscores the prevalence of the CAPA administrative shared service network as a noteworthy topic for further examination. Although her research only began to touch on the explicit details of the network, it provided an additional lens of description for the interorganizational ties. A review of annual reports, 990’s and PowerPhilanthropy portraits allowed for a more holistic understanding of what operations are being performed by each organization in the network.

As noted in the Columbus PowerPhilanthropy documents and mentioned briefly in chapter one, the management statement for several of the organizations in the CAPA administrative shared service network is credited to William Conner. As such, a clear and robust understanding of the network and how ties are constructed is made apparent in these documents. The organizations provide additional definitions and understandings regarding the ties in annual reports and their own self-description in the PowerPhilanthropy Portraits. Additional holes are filled in by media articles. What I find interesting and noteworthy is how different organizations describe the ties. Coupled with each shared service definition are tables reviewing trends for each organization in budget, revenue and expenses, and staff size. The complex network is described below.
CAPA outlines its administrative shared service network in its annual report:

“CAPA offers personalized back-office services to local arts organizations, providing a streamlined process for patrons while allowing the arts organizations to focus on continued, quality entertainment for their audiences. Service agreements are personalized to fit each organization’s needs, but can include programming, marketing, publicity, ticketing, finance, human resources, IT, management, operations, and development” (capa.com).

The description from the annual report is included verbatim to highlight the priorities of CAPA in their shared service agreement and to offer CAPA’s lens about the framing of the service. It is clear that CAPA creates unique relationships with each organization based on the specific needs of that organization. CAPA furthers the priority of quality entertainment. Although CAPA highlights the agreements as back office services, the organization does offer programming and management services. Several of the organizations in the CAPA administrative shared service network take advantage of these offerings.

In CAPA’s PowerPhilanthropy report for 2015, they expand upon their definition of shared service adding “providing administrative services at below-market rates saves these groups hundreds of thousands each year.” To highlight how the service has increased benefits for the organization itself, CAPA states the sharing of services has allowed CAPA to increase its own revenue stream of earned income while providing savings and expertise to the organizations under its administrative umbrella.
In the provision of a large range of administrative services to other organizations through interorganizational ties, CAPA reports large savings for the other organizations and increased earned revenue for itself. Of interest is the statement on the 2015 PowerPhilanthropy portrait from Mr. Conner. In every PowerPhilanthropy portrait created by an organization, a statement is submitted from management. Mr. Conner’s statement reiterates the position of CAPA in the creative sector of Columbus. He states

William Conner serves as president and CEO of Columbus Association for the Performing Arts and managing director and CEO of the Columbus Symphony Orchestra. He makes all programming decisions and supervises daily operations for CAPA. Under his leadership, CAPA has stepped forward when asked to assist resident arts groups facing severe financial crisis, such as CSO and Opera Columbus. By developing new business models maximizing the economies of scale, CAPA has helped these organizations begin to regain a sound financial footing (p.3).

This statement reveals how CAPA views its responsibility to the creative sector in Columbus, positioned to help organizations regain financial footing. Through the collaborative agreements with the other organizations, CAPA also benefits greatly financially. This becomes even more evident when looking at CAPA’s revenue streams over time. Trend charts for CAPA can be found in Appendix A and are discussed in chapter 5.

**CATCO**

CATCO cites the shared service tie with CAPA as a unique model that evolved with the help of Vorys Sater Seymour and Pease LLP. The structure gives responsibility of artistic, community outreach and education to CATCO and CAPA staff is responsible for
finance, marketing, ticketing, graphic design and development. CATCO attributes this structure with eliminating $600,000 in liabilities over three years and helping to establish a balanced budget (www.catco.org). In CATCO’s 2015 PowerPhilanthropy Portrait, it offers “CAPA provides a variety of back-office services for CATCO that save us over a hundred thousand dollars each year” (p. 2).

CATCO’s shared service contract has changed over its time with CAPA but is not reflected in either of the statements above. However, a review of the organization 990 revealed that William Conner was listed as managing director from 2003-2007. A Columbus Business First article from Coyne (2003) gives additional insight into the CAPA/CATCO tie. She reports the management contract with CAPA comes with an annual fee of $100,000 to cover the business operations of box office, marketing, graphic design and information technology services. CATCO reduced its staff from 28 down to 7. For FY2007, the contract between CAPA and CATCO was renewed with a $10,000 a month fee. The article cites the advantage of CAPA’s ability to attract top notch employees due to the shared services model. The model allows for higher pay of the specialized individuals (Burns, 2006). The tables reflecting trends in revenue and expense follow for CATCO can be found in Appendix B and are discussed in chapter five.

*Lincoln Theatre Association*

The Lincoln Theatre Association owns the Lincoln Theatre. LTA’s contract with CAPA gives management oversight to the umbrella organization. The venue’s programming,
fundraising, accounting, ticketing and marketing are provided by CAPA. Additional information regarding the interorganizational tie is not included on the venue website nor in the PowerPhilanthropy Portrait. However, all of the contact information for the Lincoln Theatre Association and email addresses for employees identify under the CAPA domain name and the 990 uses CAPA’s street address. Also in the 990 is an explanation of the fiscal responsibility of CAPA to pay all Lincoln Theatre Association employees with LTA reimbursing CAPA on a monthly basis for salaries paid. Trend tables for the Lincoln Theatre Association are available in Appendix C and discussed in chapter 5.

*Columbus Symphony Orchestra*

The CSO does not define its interorganizational tie with CAPA on its website or in its annual reports other than identifying its existence. The PowerPhilanthropy report gives more insight into the tie structure. In the 2011 version, the CSO explains the agreement “In this five-year management agreement, CAPA is overseeing many of the Columbus Symphony Orchestra’s administrative responsibilities, including finance, accounting, publicity, graphics, information technology, ticketing, and human resources” (tcfapp.org). William Conner is listed as Managing Director and CEO and is financially compensated by CSO in this position. A statement from Mr. Conner in the comments section of the portrait highlights the need for the CSO to create a permanent endowment, contain costs and generate significant earned income through the provision of artistic excellence to enhance sustainability. The portrait also highlights the public/private partnership with Franklin County for a three year transition fund. Attainment of public records indicate the
Franklin County Commission contracted with CAPA to support the Columbus Symphony Orchestra in 2010 with $250,000, $125,000 in 2011, and $150,000 in 2013. This stream of funding is significant to mention because the contract was between CAPA and Franklin County Commission, not directly with the Columbus Symphony Orchestra. This contract speaks to the level of management and fiscal oversight CAPA held/holds in regards to the symphony.

The statement from Mr. Conner on the 2015 PowerPhilanthropy portrait mirrors his CAPA statement with only small changes. This is expected as his role for the CSO does mirror his role at CAPA. However, his management statement does not focus on CSO but rather the greater partnership with CAPA. This speaks to how he views CSO, as an organization dependent on the CAPA umbrella. The interorganizational tie is best represented in a media article from September, 2011. The article reviews an interview with Roland Valliere, then Chief Creative Officer for the CSO. He describes the CAPA tie in detail.

It functions much like a holding company. The Columbus Symphony’s board continues as before, with its own committees, fundraising work, executive committee, but the CAPA board has ultimate fiduciary responsibility. There is a kind of cross-fertilization on the two boards, with two of our board members, including our chairman Martin Inglis, sitting on the CAPA board. Bill Conner wears two hats as President and CEO of CAPA and as Managing Director and CEO of the Columbus Symphony. He has management responsibility on a daily basis for the symphony (Woodcock, 2011).

In a CAPA press release, CSO board chair Martin Inglis is quoted as stating the motivation behind the CAPA administrative shared service agreement was to enhance CSO’s business model and work to expand the enthusiasm of the audience, relying on
CAPA’s expertise and resources to increase the capability of the CSO to further their mission. The article projected a $750,000 savings in season 2010-2011 through the utilization of CAPA for back office services (CAPA, 2010). In a Columbus Dispatch article, the five year arrangement is hailed as allowing a two-thirds cut in office staff resulting in a $500,000 savings (Sheban, 2011). An article in Orchestra News (2010) gives further details including numbering the full time staff positions cut at five and clarifying that the remaining administrative staff will leave the CSO to join CAPA. The article also offers that CAPA will manage stage production of the CSO and that Conner took the position of CEO at the CSO without a pay increase. In 2010, CAPA had 73 employees. A 2010 Columbus Business First article alludes to how the organizations change after entering into the shared service agreement. It reveals that in the CSO contract, the 13 full time employees that were let go from the symphony would be offered jobs at CAPA in six to eight months. However, there is no confirmation that the hiring took place. Charts reflecting CSO’s revenue and expenses trends are present in Appendix D. They are discussed in chapter five.

_Drexel Theatre/Friends of the Drexel_

The website of the Drexel refers to the management contract with CAPA but does not offer details of the agreement. The PowerPhilanthropy portrait also lacks details of the agreement, but the board chair Richard Stoff offers “the two smartest decisions we made were to recruit an extraordinary board…and hiring the best arts management organization in the Midwest, CAPA” (Friends of the Drexel, 2011, p.2). Mr. Conner is listed as the
Managing Director for Friends of the Drexel but is reported as not fiscally compensated on the PowerPhilanthropy portrait. CAPA’s street address is provided as the official contact on the organization’s 990. On the FY 2012 990, CAPA is listed as providing executive oversight, accounting, fundraising and marketing services. The management statement on the PowerPhilanthropy portrait of Mr. Conner utilizes the same language as on the CAPA portrait, except he does not reveal his managing role at CSO. This statement is specialized for the Drexel Theatre and refers only to his positions there and at CAPA. His management statement aligns with the news headline from Columbus Business First (2013) “Drexel’s Jeff Frank moves to emeritus role, hands over day-to-day management” (Eaton, 2013). This headline clarifies that Conner does handle the day to day management of the Drexel. Trend tables for the Drexel are available in Appendix E and discussed in chapter five, however information regarding this entity is limited due to its rather new nonprofit status beginning FY 2010.

*Opera Columbus*

Although recognizing William Conner as Managing Director and CEO on its website and in the annual report, Opera Columbus does not otherwise acknowledge its interorganizational tie with CAPA in either format. On the 2011 PowerPhilanthropy portrait, Opera Columbus defines its organizational tie with CAPA as a five-year agreement and that operations are managed by CAPA. Mr. Conner provides the management statement, and for the 2015 PowerPhilanthropy portrait, the exact statement from the CAPA portrait is used. The portrait also states that Mr. Conner is financially
compensated for his role as CEO. No additional information regarding the interorganizational tie is reported in the 990s. Columbus Business First offers additional information. The article from Burns (2011) reports that CAPA, with a five-year contract, will take over Opera Columbus’ back office operations including finance, accounting, marketing, advertising, publicity, graphics, IT, ticketing, human resources and daily operations. The article also reports that Conner is not compensated, a contrast with the self-reporting in the organization’s PowerPhilanthropy portrait. Trend tables for Opera Columbus can be found in Appendix F. The charts are discussed in chapter five.

**McCoy Center for the Arts**

The McCoy Center for the Arts does not allude to its interorganizational tie on its website. The PowerPhilanthropy portrait is also void of any specific details regarding the agreement between the two entities. The largest understanding of CAPA’s role at the McCoy comes from Mr. Conner’s statement as Director. It states “Bill Conner serves as the president and CEO of Columbus Association for the Performing Arts. He also serves as the chief executive for the Columbus Symphony Orchestra, Opera Columbus, CATCO, Lincoln Theatre, the Drexel Theatre and, beginning in 2013, the McCoy Center for the Performing Arts. He is responsible for programming decisions and supervises daily operations” (McCoy, 2013, p. 3). The remainder of the statement mirrors previous iterations already provided. The McCoy does not detail its agreement with CAPA until the FY2014 990. It reads “under this agreement, CAPA provides certain management, financial, and marketing services to the center. The center’s board continues to provide
oversight and strategic direction to both the center’s staff and CAPA in its capacity as Management Company” (schedule O). In this 990, the McCoy recognizes CAPA as a management company outside of the organization, a rarity in the 990’s of the CAPA administrative shared service network. Weese’s (2013) article adds that the CAPA service agreement positions CAPA to manage the McCoy venue, its theatre operations, programming, ticketing, information technology and financial services. Trend tables for the organization can be found in Appendix G and are discussed in chapter five.

**Context of the Environment**

Poon and Lai’s (2008) study found Columbus to be a unique phenomenon in the country with nearly 100 percent of the city’s performing arts organizations as production rather than presenting houses. They define a production house as the provision of a theatre manager, box office personnel, a marketing director, and carpenters and technicians in house. Producing houses create art with an artistic director or a pool of actors or performers, i.e., resident artist groups. This concentration of producing performing arts organizations in Columbus is significant to note in understanding the density of PAO’s and how that may relate to the startup and continuance of the CAPA administrative shared service network. A presenting house, or receiving house, provides the space for the performance and hosts companies that have developed their productions elsewhere.

Several of the research studies conducted on the arts and culture sector for Columbus, Ohio have direct relevance to this research in helping to examine the current environment.
of the CAPA administrative shared service network and some of the concerns being attended to by stakeholders in the arts and culture sector of Columbus. As Pfeffer and Salancik (1978) note, "A good deal of organizational behavior, the actions taken by organizations, can be understood only by knowing something about the organization's environment and the problems it creates for obtaining resources (p. 3). Identifying assets and scarcities in the contextual environment will help to understand the organizational motivations for entering into the CAPA administrative shared services network. The arts and culture sector research studies on Columbus, Ohio combined with media stories and funder annual reports help to create a vivid picture of the contextual environment of this case.

Redaelli (2011) reviews the seventeen studies and reports conducted on Columbus’ arts and culture sector between 2000 and 2009. She reflects on the paths chosen by policy actors in Columbus beginning in 2001 toward the creation of a creative city through the development of coalitions to promote economic development through the arts. She offers that the drive toward development in the creative sector for the city of Columbus was led by the Columbus Partnership, “a business organization with a broad agenda in local economic development that has made arts and culture one of the foci of its vision” (p. 87).

The author credits the Columbus Partnership with encouraging the development of a network of the major arts organizations in Columbus named the Columbus Cultural
Leadership Consortium (CCLC). The CCLC began in 2005 and continues to this day.

Board members of the CCLC are employees of the organizations within the network. In
2006, the CCLC was comprised of BalletMet, Center of Science and Industry (COSI),
CAPA, Columbus Children’s Theatre, Columbus Museum of Art, Columbus Symphony
Orchestra, CATCO, Franklin Park Conservatory, Greater Columbus Arts Council
(GCAC), Jazz Arts Group, The King Arts Complex, Opera Columbus, Phoenix Theatre,
ProMusica Chamber Orchestra, Thurber House and Wexner Center for the Arts. The only
change in membership since 2006 is a result of the merger of CATCO and Phoenix
Theatre; the CCLC membership stands at 15 organizations. Please note, all of the
organizations in the CAPA administrative shared service network reviewed in this study
belong to the CCLC. The CCLC operates with a small budget, ranging from $35K-50K
depending on the year. The main source of revenue for the CCLC is member dues. They
do receive grants and other contributions.

The mission of the CCLC is to consider, comment on and affect decisions on the state of
the arts and culture in the city (Dispatch, 2013). The statement of purpose listed on the
organization’s 990 goes a bit further to help understand its purpose, citing the discussion
with government officials, member meetings, and issuance of position papers as activities
that take place to further the purpose of the organization. It is also described as a group of
policy and strategy actors to give voice to the artistic and cultural anchor institutions in
Columbus (catco.org).
The CCLC is significant to mention in the description of the context of the environment for the CAPA administrative shared service network because it outlined values and norms for the creative sector in Columbus in 2006 that continued to be mirrored in additional studies and research for the sector. In the CCLC’s community discussion paper, sustainability, stability and success are highlighted as the goals for the creative sector to be obtained through six outcomes:

1. The city of Columbus will be defined by its arts and culture offerings, thus spurring economic development
2. The arts and culture will be recognized as vital to lifelong learning
3. Arts and culture representatives will be included in city and regional planning efforts
4. Funding for the arts and culture will deepen and expand
5. Convergence of the three sectors will produce and support arts and culture
6. Artistic excellence will be created in and attracted to the city

The themes present in these goals are artistic/creative vitality, education, artistic excellence, collaboration, and economic growth. These themes become common interest in several additional studies on the Columbus arts and culture sector.

Redaelli (2011) taps three research studies as additional attempts to position/reposition definitions and values in the creative sector in Columbus. Wyzomirski’s (2006) study redefines the cultural sector in Columbus by introducing a broadening of the definition of the creative sector, recognizing individual artists, all sizes of arts organizations and arts-based businesses, the commercial arts and entertainment, as well as institutionalized arts
training, production and presentation organizations such as higher education. This reframing expands the understanding of the contributors to the creative vitality of Columbus. The resulting city council report released by the Creative Columbus Policy Steering Committee in 2007 based on Wyszomirski’s (2006) report, takes on this broadened understanding of the creative sector in Columbus and attempts to set in motion a “21st-century cultural policy model: one that sees the arts, culture and creativity as vital assets of a thriving city, the local economy, and places to live and work—and thus worthy of serious public support and attention” (CCPSC, 2007, p. 6). The themes of artistic/creative vitality and economic growth are central in both reports as well as a recognition of the diverse and broad offerings in the sector that are not necessarily linked in support, knowledge exchange, advocacy, or policy. Redaelli (2011) highlights additional studies that put forth ideas regarding the sustainability of the arts in Columbus, offering the creation of a large arts endowment as the path to sustainability for the creative sector. The Thrive in Five campaign launched in 2007 as an attempt to provide additional support to the arts and cultural institutions in the city. However, by 2009, the campaign was already facing bleak circumstances as the city of Columbus was experiencing a budget shortfall and the future of the funding stream was unsure (Burns, 2008). The 2009 report prepared by CRP for Columbus College of Art & Design attempts to identify the strongest parts of the creative sector, finding large concentrations of design workers as well as musicians and singers. This report highlights information regarding creative sector concentration in downtown Columbus and reiterates the strength of the suburban creative sector as reported in 2007 by the CCPSC.
Redaelli (2011) concludes her overview to state that the arts and culture organizations in the city of Columbus made significant strides in developing political clout to bring attention to the development and sustainability of the creative sector in Columbus, Ohio. In contrast to Redaelli’s claim (2011) is the regional growth strategy for Columbus 2020. The platform offered for economic development by the collaboration of the Columbus Partnership, the city of Columbus, Franklin County, the Mid-Ohio Development Exchange, the Columbus Chamber of Commerce, the Mid-Ohio Regional Planning Commission, Battelle and others neglects the creative sector entirely. In both the 2012 and 2014 iterations of the planning documents, the arts and culture sector is ignored. The Columbus 2020 Mission is to “generate opportunity and build capacity for economic growth throughout the Columbus Region” and the vision “in 2020, Columbus will be recognized as a vibrant and successful region where emerging innovation, thriving talent and a collaborative culture generate the fastest growing economy in the country and one of the nation’s leaders in economic development” (Columbus 2020, 2014, p. 59). The obvious theme of economic development permeates both iterations of the strategy documents, but no inclusion of the arts, culture (other than a business culture) or the creative sector. I include these documents to further expand the understanding of the context of the environment for the CAPA administrative shared service network. Although there are actors and factors that recognize the need for sustainability for the arts as well as creative/artistic vitality, the broader coalition of government actors are not giving attention to those concerns.
Therefore, the context of the environment of the organizations that enter into the CAPA administrative shared service network is one of broad arts and culture offerings, an environment that requires more financial support/stability, one that is striving for artistic/creative vitality and is recognized by some in the political arena as requiring attention. The reports, other than the Columbus 2020 strategy document, call for a clear plan to ensure the sustainability of the arts and culture sector in Columbus, Ohio. The 2007 CCPSC report offers “For Columbus, a healthy creative ecology is likely to be characterized by mix and variety rather than by an iconic building, a dominant art form, or a single development target” (p. 21). But as the report clearly states, the volatile fiscal environment of the creative sector barely allowed for the sustainability of established arts and cultural institutions, leaving little to no room for the cultivation of new and or emerging cultural assets. Concerns about the sustainability of the arts are not a new or emerging concern. As the 2004 report from The Foundation Center offers, general operating support for art organizations is always a key matter of concern. The financial stresses of the environment for arts organizations in Columbus are reiterated again in the 2010 WolfBrown report. Culbert and Wolf (2010) state, “The majority of organizations surveyed are under great financial stress and have little margin for further financial pressure. Several organizations are near their survival threshold” (p. ii). The financial environment for arts organizations could be considered a possible motivation for more organizations to enter CAPA administrative shared service network.
Proctor (2011) offers an editorial opinion in Business First to promote collaborations and mergers among nonprofits and recommends the initiative be included in the agenda of the Columbus 2020 economic development strategy. He cites CAPA as proof of how collaborations among nonprofit arts organizations can be successful. I include this author’s insight to reveal how widespread the attention is on the sustainability of the arts nonprofit sector in the timeframe of CAPA’s expansion.

As evidenced in the Columbus 2020 strategy document, the larger government policy making coalition did not include the arts and culture sector in regional planning. Several of the reports reviewed by Redaelli (2011) cite needed gains in leadership in the arts and culture sector to move the sector forward. These suggestions are mirrored in the 2011 GCAC community report The Arts; “Leadership is key to changing the paradigm from crisis to opportunity, and that leadership, whether it comes from the private or public sector, needs to see the arts align with broad economic and community goals and activities” (p. 11). However, there were policy actors investing in the sustainability of the creative sector tangentially connected to the larger city and county governing bodies. These tangential links or people that sit on multiple boards are presented in table form farther in this chapter and the implications of interlocking directorates are explored further through the lens of Urban Regime Theory in chapter five.
The reports highlighted above offered similar goals and action steps to addressing the financial strait of the Columbus arts and culture sector, mirroring those of the 2006 CCLC report to the community but with the addition of a few new desired outcomes.

- Cultivating Economic Development
- Enhance Branding and
- Attract, Develop, and Retain 21st Century Workforce
- Promote Efficiency and Effectiveness

Recognizing the context of the environment, and applying hypotheses informed by Resource Dependency Theory and Urban Regime Theory, this research illustrates how the CAPA administrative shared service network developed strategically and continues to grow, possibly in attempts to address several of the goals and outcomes listed above. Following is a timeline of the administrative shared service network in this study, contextualized within the research and partnerships relevant to this study.

**CAPA Timeline**

1969-- Founded in response to Ohio Theatre need for renovation--Also when Columbus Fdnt. Opens first office downtown.

(1970 Hattie and Robert Lazarus Foundation transfer funds to Cbus Fdtn.)

1986-Southern Theatre gifted to CAPA

1989-CAPA purchases Palace Theatre
1994-Entered into contract with State of Ohio to manage theaters at Riffe Center (Capitol & Studio Theatres)

1998-Southern Theatre Re-Opens after 14 mo. renovation

2001-CAPA Hired to manage Shubert Theatre, New Haven, CT

2003-CATCO administrative partnership with CAPA begins

2006-CCLC formed

2006-Arts and Culture in Columbus, A Community Discussion paper (CCLC)

2007-City of Columbus hired CAPA to renovate and manage Lincoln Theatre

2008-Administrative partnership with Lincoln Theatre Association begins

2009 (March)-Took on production of Festival Latino

2009-Contracted to manage and operate Valentine Theatre Toledo, Ohio

2009 (May)-Lincoln Theatre Re-Opened

2009 (June) Creative Columbus, A picture of the creative economy of Central Ohio (CCAD)

2009-(August) Expanded contract with Broadway across America

2009 (September) Columbus Foundation Arts Challenge Fund-Progress Plan

2009-Administrative partnership with Franklin Park Conservatory

2010-Contracted to manage Columbus Symphony Orchestra

2011 (January) Columbus Arts Market Sustainability Analysis, AMS

2011-Contracted to manage Drexel Theatre

2011-Administrative and ticketing partnership with Opera Columbus
2013- Administrative partnership with McCoy Arts Center-management and programming

The research studies reviewed above are included in the timeline to give an idea of how the progression of the CAPA administrative shared service network fits into the larger Columbus creative sector conversation that was evolving. As mentioned above, this research informed by RDT and URT, expects the formation of CAPA to be a result of politically motivated strategic decision making, not just of the search for financial resources by the other organizations. This research uncovered significant interlocking directorates throughout the CAPA administrative shared service network and policy creation by a major funder, the Columbus Foundation. These interlocking directorates highlight the possibility of motivations to join the CAPA network outside of financial sustainability.

**Interlocking Directorates**

Redaelli (2011) asserts in her research that the creative economy reports resulted in the building of a creative city governance that included government actors, higher education administration and several nongovernmental actors. I expand on her research to identify how the organizational memberships are further connected to the CAPA administrative shared service network, thereby identifying a coalition as informed by Urban Regime Theory. The names of the coalition are not included but the organizational categories that they’re associated with become the markers for identification. As noted by Stone (1993), it is the organization that the member belongs to that often creates the access to resources.
and the institution is the elite entity. Therefore, names of the interlocking directorates were not used as the influence and importance of the organization to which the directorates belong is of priority.

I attempted a large mapping of the organizational ties with the different organizations to show overlap, but it become too complex to show on a single image. A matrix of organizations most frequently tied with the organizations in the CAPA administrative shared service agreement through board membership is presented in Appendix H. Organizational membership of the Columbus Partnership is included in the matrix as are the organizational affiliates of the board of the Columbus Foundation. When considering the possibility that the CAPA administrative shared service network is a policy outcome of the Columbus Foundation Arts Challenge Fund Initiative, the linkages among the organizations above were examined. The board linkages present a visual representation of the possible cross fertilization that may result in a regime coalition to further such a policy. In the matrix provided, it is often the same individual that sits on multiple boards from the organizational affiliate. Over 200 board member affiliations were analyzed for this chart and the organizational affiliate list for the members is vast. I was surprised on the diversity of the organizations represented, but as Stone (1993) offers, a regime coalition is often made up of a few people, the coalition does not have to be large to be effective.
Analysis of the evolution of the CAPA administrative shared service network through interlocking directorates illustrated the many ways in which elite institutions stayed connected with CAPA and the organizations that came under its administrative shared service umbrella. Interestingly, the make-up of the institutions involved has only changed slightly with the exit or entrance of a very few number of new institutions represented. The well represented organizations are Nationwide, Fifth Third Bank, Vorys Sater Seymour and Pease, Honda, L Brands, AEP, Cardinal Health, WBNS, Franklin County Government and The Ohio State University. All of these organizations except for Vorys, WBNS, and Franklin County are part of the Columbus Partnership. The Columbus Foundation and the Columbus Partnership are also closely linked with 44% of the Foundation’s board also members of the Columbus Partnership. This is not reflected on the matrix provided but was an output of the larger board examination during data collection. The examination of the directorates does provide an understanding of how the directorates may have been involved in a policy initiative that may be connected with the CAPA administrative shared service network’s continued growth.

**Policy Creation**

In 2009, the Columbus media was abuzz with the announcement from the Columbus Foundation regarding funding for major arts organizations. The Arts Challenge Fund initiative began as a fundraising campaign to offer matching funds to reach a $600,000 goal. The combination of donor and foundation funding was used to make accessible $600,000 in matching funds from Franklin County encumbered for the members of the
Columbus Cultural Leadership Consortium. The *Thrive in Five* campaign continued to struggle as the city of Columbus was unable to fulfill its original goals. The Arts Challenge Fund was put into place to attempt to fill funding gaps for the CCLC organizations (Burns, 2009). The Arts Challenge Fund was an initiative to not only provide funds but came with an eight point progress plan holding fund recipients to specific outcomes. The fifteen organizations in the CCLC agreed to complete the requirements by July, 2010. Within a nine day period, the foundation raised the funds to unlock the monies from the county (Philanthropy News Digest, 2009). The campaign made available $3 in matching funds for every $1 donated to the cultural initiative (Savoldi, 2009). The funding was distributed to the 15 organizations in the CCLC based on budget size and level of cuts received when GCAC trimmed support in 2009 (Columbus Business First, 2009). At that time, CATCO and Phoenix Theatre were still separate entities, each eligible for support.

The eight point progress plan was the result of a meeting between the CCLC, GCAC and the Columbus Foundation on September 2, 2009. The progress plan was devised to strengthen the arts in Columbus, Ohio. It follows:

1. Roadmap: Finish the community’s Cultural Plan as proposed by Creative Cultural Commission
2. Collaboration I: Expand integration of work of the arts into our community’s human service and educational needs
3. Collaboration II: Collaborate with downtown sports and marketing entities more closely to strengthen the tourism, entertainment/sports and arts economic cluster

4. Efficiency: Achieve efficiencies through shared services between organizations in one or more of these three areas of potential opportunity:
   a. Ticketing
   b. Accounting
   c. Marketing

5. Preparation: Prepare three-year budget scenarios that reflect operation at current and reduced budget levels, should the economy not rebound

6. Financial Strength: Formally consider and publicly report as to the feasibility of enhanced funding models, including examination of:
   a. Earned income expansion
   b. Plan to expand endowments dedicated to the arts
   c. Greater public support

7. Cultural Leadership: Continue to strengthen GCAC’s cultural leadership capacity

8. Community Leadership: Identify and support a passionate champion for the sector, not necessarily from the sector

These progress points align with several of the suggestions from the sector research and reports discussed above. Although the CAPA administrative shared service network has already begun to talk place with partnerships including CATCO and the Lincoln Theatre Association, I questioned if the Columbus Foundation Progress Plan could have spurred the additional growth of the network. The progress plan states, “These 15 organizations make up the CCLC, a unique and valuable collaboration amongst our community’s largest arts organizations” (Columbus Foundation, 2009). In addition to the progress plan,
the foundation provided some FAQ’s to answer common questions regarding the plan. One significant point included is regarding how funds are distributed. The Columbus Foundation is a donor directed community foundation. For the majority of the grants allocated by the foundation, donors have given specific parameters for how donated monies are to be granted. For the Arts Challenge Fund, donors were not given the ability to give directly to one organization. It is stated:

“This a comprehensive investment program that involves all 15 organizations, who are organized under an unusual and productive collaboration of the organizations called Columbus Cultural Leadership Consortium. So, all contributions to the Arts Challenge Fund are made to the fund as a whole, the proceeds of which will be distributed to each organization proportionally based on their budget size. This also allows for the entire group of 15 organizations to share equal commitment to the achievement of the eight components of progress listed on the reverse side” (Columbus Foundation, 2009, p. 2).

This information is significant in that it limits donor rights to choose who to support, removing public value considerations. This also continues the recognition of these organizations as the most important organizations in the Columbus creative sector as determined by a major funder. In a time of significant financial scarcity, the Columbus foundation was deciding what organizations would be given a safety net. Although the Arts Challenge Fund was designed to raise money for one year’s distribution, the funding of these organizations through a special pool at the Columbus Foundation continues today through the Major Arts Fund. The grant fund category is listed as competitive but the same organizations have benefitted every year. This policy creation is discussed further in chapter five. It is unclear in the available literature through the media, research reports and other sources whether all of the 8 points in the progress plan have been achieved. However, the efficiency category that seeks additional shared services among
the funded organizations has been implemented in the CAPA administrative shared service network. Reviewing the CAPA timeline offered above, CAPA’s number of collaborations accelerated after the progress plan’s launch. Before the progress plan, CAPA was tied with CATCO and the Lincoln Theatre Association. After the progress plan, CAPA tied with an additional five organizations.

The AMS study in 2011 prepared for the Columbus Foundation highlighted needs still unmet and added pressure to the 8 point progress plan put forth by the Arts Challenge Fund. The report was prepared to explore if the creative sector in Columbus was rightsized and sustainable. In the survey of the CCLC (the 14 organizations supported by the Arts Challenge Fund, excluding GCAC) several themes arose including continued concern regarding declining contributed revenue, the necessity to restructure in order to reduce fixed costs, and possible programming and mission changes due to restructuring. It is interesting to note that the members of the CCLC were concerned about organization structural changes regarding fixed costs, yet all of those organizations were required by the Arts Challenge Fund Initiative to do exactly that.

**Mission Statements**

An organization’s values are expressed or manifested in multiple ways, through human resource development, programming, and through the mission statement (Voss, Cable & Voss, 2000). Mission Statements were the first items attended to in the content analysis to establish or identify one piece of evidence to highlight if and when changes occurred in
the organizations that are part of the CAPA administrative shared service network. Below is a table highlighting change of mission in relation to year of CAPA tie:

<table>
<thead>
<tr>
<th>Year of Interorganizational Tie</th>
<th>Year of 1st Mission Statement Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>CATCO</td>
<td>2004</td>
</tr>
<tr>
<td>McCoy</td>
<td>2006</td>
</tr>
<tr>
<td>Drexel</td>
<td>2010</td>
</tr>
<tr>
<td>CSO</td>
<td>2012</td>
</tr>
<tr>
<td>LTA</td>
<td>2014</td>
</tr>
<tr>
<td>Opera Columbus</td>
<td>2016</td>
</tr>
</tbody>
</table>

Table 2: Interorganizational Ties and Mission Change

This visual representation allows for easy interpretation that an interorganizational tie with CAPA does not necessarily coincide with a change in mission statement. Although there are a few organizations that have mission statement wording changes that have a close time relevance to entering into the tie with CAPA, it is difficult to make any conclusions based on this visual representation. One notable exception is CAPA itself. CAPA entered into the first organizational tie with CATCO in 2003. CAPA made significant changes to its mission statement on the 2006 990. This is important to note because in 2007, CAPA entered into the partnership with the city of Columbus to

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renovate the Lincoln Theatre. The change in mission statement communicates a possible shift in focus for CAPA and a realization of future opportunities for the organization.

For a closer examination of the changes in mission statements and the relevance to this study of those changes, mission statements were coded for present themes and identified whether those themes mirrored or contrasted with the themes present in the CAPA mission. The themes identified in the mission statements centered on several different goals and positions within the creative sector for the organizations. These are the themes found in the original mission statements, before the CAPA tie. Some of the organizations in this research went through several mission statement changes and/or present their mission statement differently depending on the document, whether it is the 990, the PowerPhilanthropy Portrait, or their website. Shifts in mission statements highlighted changing priorities for the organizations. Some organizations added a role as an economic driver in the Columbus community while others shifted from presenter to producer or vice versa. Codes found are listed below and discussed in length in Chapter 5 in light of the triple bottom line.

- Presenter
- Producer
- Artistic Excellence
- Artist supporter/incubator
- Audience developer
- Conservationist
- Economic Driver
• Educator

The codes are intentionally active to properly represent the self-positioning of the organization.

For example, in 2006 CAPA’s mission statement was:

“it is the mission of CAPA, as one of the nation’s premiere presenters of the performing arts, to utilize entertainment to enliven and enrich metropolitan life through its work in all of its venues, enhance a continuing downtown renaissance, create opportunities for the celebration of the arts, instill an appreciation for diverse forms of entertainment, and awaken, enlighten, challenge, and invigorate its audience” (990, FY2005).

The mission statement changed in 2006 and currently reads on the website:

To present and produce artistic programming of the highest quality to serve and educate diverse audiences and feature renowned artists of all cultures; operate and maintain world-class performance venues; strengthen our arts communities by providing facilities for resident companies and through partnership and collaboration, support those organizations; and bolster the economies of the downtown communities we serve (capa.com, 2015).

The shift toward service provider for organizations in the Columbus creative sector is evident in the mission statement changes. Chapter five reviews how the organizations in ties with CAPA are being served.

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I also used content analysis to examine the goals presented on PowerPhilanthropy Portraits by the organizations in the CAPA administrative shared service network. The Columbus Foundation requires each organization to state the last year’s accomplishments and offer goals for the next fiscal year to provide a robust understanding of how the organization attempts to fulfill its mission. Goals were coded to determine if the goals of the organizations reflected the goals set forth by the 2007 Creative Economy plan and the AMS Plan provided for the Columbus Foundation. The goals of these reports align with the values of national arts policy as presented by Wyszomirski (2013) in the triple bottom line framework. The coded goals are then aligned with the triple bottom framework to determine how the organizations are prioritizing sector values. In the Creative Economy Plan of 2007, the goals outlined were to strengthen creative capital, improve leadership, increase financial support, further the Columbus brand and achieve synergy in the sector. The recommendations from the Arts Market Sustainability Analysis in 2011 mirrored those goals but were stated as investing in market research, increasing public investment in the arts, demonstrating public value and instituting a statewide tax revenue. All of these goals fit within the triple bottom line framework of artistic vitality, financial sustainability and public value. The table can be viewed in Appendix I.

After coding the goals of the organizations, it was easy to see that goals are aligned in a rather balanced way using the triple bottom line framework. Some organizations may have lean a bit heavier on financial sustainability while another prioritizes artistic vitality. However, Wyszomirksi (2013) notes that the triple bottom line is a balancing act and
there is not one right way to address how to achieve that balance, the importance is to have all three bottom lines in play. These aligned goals are significant because they mirror the recommended goals put forth by the different research studies for the creative sector in Columbus. As noted in the 2007 CCPSC Report: “When effectively managed, the three elements of the triple bottom line generate a positive synergy where public value encourages artistic quality and provides financial sustainability which in turn cultivates more public value. Effectively managing the triple bottom line requires creative leadership, both within arts and cultural organizations and within the sector’s fields and industries” (p. 5). This table presented in Appendix I also illustrates regime theory at work in Columbus. The regime coalition can be identified through the board linkages with the organizations in the CAPA administrative shared service network and the Columbus Foundation and Columbus Partnership. Together with the Arts Challenge Fund Initiative, it appears that the continued growth of the CAPA network may be a policy outcome of policy put forth by Columbus Foundation.
Chapter 5: Discussion and Implications

**Foundation as Policy Entrepreneur**

This case study illuminates additional considerations regarding arts policy in Columbus, Ohio. The Columbus Foundation acted as a policy entrepreneur in identifying a problem (threats to sustainability of arts in Columbus), anticipating the lack of support by the city in the regional strategic plan, and recognizing the policy window to offer an alternative solution to attempt to strengthen the arts sector in the city to a favorable environment of actors. The success of the outcomes of the policy is beyond the scope of this research, but it is necessary to briefly illuminate the decision made by the Columbus Foundation to further the policy and how that decision aligns or misaligns with the expectations put forth by available literature. Following regime theory (Stone, 1993; May & Jochim, 2013), this study highlights how governing arrangements might have occurred to address the identified instability in the arts. The linkages among the CAPA tied organizations, the Columbus Foundation and Columbus Partnership point to a possibility of the Columbus Foundation as a policy entrepreneur. The foundation gave attention to and framed the problem of sustainability in the Columbus arts sector through its Arts Challenge Fund Initiative and Arts Market Sustainability Analysis. It continued the cultivation of support of the original organizations supported in 2009. Through the Major Arts Fund at the
foundation, the same organizations benefit every year. As reported through news releases, the organizations in the CCLC have continually received significant operating support from the foundation with the same parameters, based on organizational budget. The grant awards follow:

- 2010-$883,702
- 2011-$945,711
- 2012-$889,323
- 2013-$840,000
- 2014-$1,028,599

The continued support of the CCLC organizations identifies how the Arts Challenge Fund Initiative may be influencing the CAPA administrative shared service network. As the organizations in the CCLC continue to fulfill the eight point progress plan focused on efficiency in service provision, the foundation continues to fund the organizations. While I did not uncover what alternative policy decisions were available during the time of the policy window, the literature provides additional decisions that could have been offered by the foundation in responding to declining sustainability of the arts organizations attended to by the policy other than furthering process efficiencies through interorganizational ties.

Connolly (2001) authored a briefing paper for the Council on Foundations on how to provide nonprofits with the tools necessary to address an instable environment. The paper offers that a foundation’s role is to increase an organization’s effectiveness. This is in contrast to a focus on fiscal sustainability or management efficiencies. Although these
themes come into play, the emphasis is on building capacity within the organization, to maintain autonomy and fulfill mission. An interesting point offered is that every organization has different needs based on the life cycle stage of the organization. To build capacity in an organization is to offer specialized learning opportunities and processes tailored to the individual goals of the organization. The article also makes note of the power structures present among nonprofits and funders. It offers “recognize the imbalance of power between the funder, capacity builder and nonprofit. Be cautious about giving management advice and avoid being overly intrusive” (p. 8). More research is necessary to determine the decision making strategies of the organizations involved in the CAPA administrative shared service network and to fully understand all of the motivations behind the ties. This additional research could then have large implications for the field in structuring appropriate pathways to aid nonprofit organizations in their quest for financial sustainability, artistic vitality and public value.

Mission Statement Shifts

The shifts in mission statement wording reveals much how the organizations entering into ties with CAPA may have altered their goals to either align with CAPAs or the greater goals of the creative sector in Columbus. CATCO changed their mission statement four times over the last ten years. Originally the organization presented itself as a producer of work. For a brief time it self-identified as a presenter but after 2005 the two additional iterations of the mission statement resort back to production. The Friends of the Drexel/Drexel Theatre went through subtle mission statement shifts but always retained a
conservationist theme, positioning itself as an economic driver through the presentation of art film. Opera Columbus’ mission has expanded from being just an educator and presenter in the Columbus creative sector to taking on the lofty goals of incubator and audience developer. The McCoy Center for the Arts expresses its value of arts provision to the New Albany community and beyond in its mission statement. It identifies itself as a center of artistic excellence. The Lincoln Theatre Association self-identifies in its mission statement as an incubator and conservationist, a presenter and an economic catalyst. Columbus Symphony Orchestra communicates its mission as educator, entertainer, presenter, audience developer and provider of artistic excellence. CAPA communicates in its mission the desire to manage venues, support organizations, provide facilities and drive the economy through the provision of artistic excellence. As discussed in Chapter 4, this is a change from its original mission to celebrate art and develop audiences. The themes presented in this mission statement shift overview highlight how none of the organizations other than CAPA recognized management or management processes in their missions. The organizations do not attribute significance to the back office functions in mission provision. As Pfeffer & Salancik (1978) note, a critical resource is one that if missing, can impede the functioning of the organization.

Administrative services like accounting, IT, operations and development may not seem like critical resources but Connolly (2001) disagrees. He offers that an effective organization with a capacity to impact its community will have:

- A vital mission
• High-quality, well-regarded, relevant programs
• Capable and motivated leadership, management and staff
• Clear communications and accountability
• A well-organized board with able and involved members
• Efficient operations and strong management support systems
• Solid finances, with reliable and diverse revenue streams

These variable contribute to the effectiveness of the organization. Removal of one would impact the organization in a significant way. Does the provision of back office services by an outside management company negatively affect the organizations in the interorganizational ties? Is program impact and public value impacted? These are the next questions on this research path. However, a much different research design is required to attend to these questions.

Recognizing necessary further research analyzing the impact of the organizations in the CAPA ties with their environment, additional research on the internal workings of the organizations is also necessary.

Isomorphism
These complex arrangements of the CAPA administrative shared service network can influence the norms and practices of the organizations. Dimaggio and Powell (1983) state that, within a similar environmental context, organizations will adopt the practices and
structures of organizations similar in the field that are perceived to be more legitimate or successful, replicating function and procedures. This process is termed isomorphism. Within the non-profit sector, larger organizations with well-connected artistic directors or executives create the models for smaller emerging organizations, resulting in a tendency to minimize variance or diversity within the field. Although isomorphism does not necessarily improve efficiency, organizations are often rewarded for assimilation.

DiMaggio and Powell (1983) explain two types of isomorphism, competitive and institutional. Competitive isomorphism explains bureaucratization, niche change, and fitness measures in a free and open competitive market which is not relevant to this exploration. However, institutional isomorphism is descriptive of the modern organization and relevant to this research. The authors define institutional isomorphism as the homogenizing process of an organization by other surrounding organizations due to the competition for resources, power, and legitimacy.

Institutional isomorphic change uses three types of mechanisms: coercive, mimetic, or normative (DiMaggio & Powell, 1983). Coercive isomorphism results from political influence and an organization's search for legitimacy. Pressure is exerted on an organization by other organizations upon which they are dependent, including governmental organizations. These organizations become centralized around "rituals of conformity to wider institutions" (DiMaggio & Powell, 1983, p. 150). Mimetic isomorphism is the result of uncertainty stemming from goal ambiguity or an uncertain environment. This results in the process of modeling or mimicking the appearance,
structure, and or practices of another successful or well-received organization. Normative isomorphism results from professionalization. DiMaggio and Powell (1983) stress that increased isomorphism results in virtually indistinguishable organizations within a given field. MacIndoe (2013) furthers this thought positing that normative isomorphism can influence the tendency for nonprofit-governmental interorganizational collaboration, especially since "Larger nonprofit organizations with full time paid staffs are more likely to have frequent and enduring collaborations" (p. 289). Guo and Acar (2005) offer their study as additional evidence stating, "an organization is more likely to develop formalized collaborations when it is older, has larger budget size, receives government funding but relies on few government funding streams, [and] has more board linkages with other nonprofit organizations" (p. 342).

Recognizing the limitations of organizations due to the contextual environment, autonomy is reduced in certain decision making (Pfeffer & Salancik, 1978). However, internal processes still allow for a large amount of autonomy in decision making that has a large effect on the overall management and operation of the organization. Yet, if processes become normalized due to convergence influenced by normative isomorphism, further reductions in autonomy can take place.

For example, after entering into the interorganizational tie with CAPA, most of the organizations changed tax preparers. Even though the organizations still paid a fee for accounting, they began to use CAPA‘s accountant. The convergence in reporting is
apparent with a quick glance at the 990. An example is the inclusion of the description of uncertain tax position after entering into the tie with CAPA. On the 990 form, each organization now makes the statement on their tax form that the organization cannot be held responsible for any inconsistencies in reporting more than three years prior. This is a standard inclusion once utilizing CAPA’s tax preparer that was not present in each organization’s tax record before entering into a tie with CAPA. Accounting isn’t the only process oriented tie with organizations. All of the organizations are tied with CAPA for ticketing and marketing also. Ticketing is another process that would become isomorphic. Ticketing software and customer expectation would lead the organizations using CAPA ticketing services to align process.

In several of the organizations in ties with CAPA, the day to day operations have come under the oversight of CAPA with William Conner listed as CEO or Managing Director. This may create a reduction in autonomy of the organization because the same person is making decisions for different organizations. The convergence of process through normative isomorphism would also be expected. As Mr. Conner uses his expertise in the field, certain knowledge and process information would become the norm in the tied organization as he instituted processes and policies in day to day operations to align with his expectations. This is an area ripe for additional research with in depth interviews to question exactly how internal processes and procedures change after the tie with CAPA begins. As the organizations strive for financial sustainability by adopting process of CAPA, the organizations become normalized in striving for professionalism.
Alignment of Revenue and Expense Structures

An additional area needing further research is how the CAPA administrative shared service network continues to impact revenue and expense structures of the organizations under its umbrella. While data mining the organizational 990s and annual reports, it became clear that there were many paths of research that could be taken to identify internal organizational change with additional data sources, i.e. interviews. When reviewing the data gathered regarding revenue streams and expenses, I noticed how different CAPA’s structure was from the other organizations tied with CAPA. For example, as seen in Appendix A, CAPA’s revenue is largely based on ticket revenue, rentals, and management fees. In 2012, earned income accounted for 91% of the organizational revenue for that fiscal year. Ticket revenue was the largest percentage of earned revenue at 51% but rental sales and management fees together accounted for an additional 40% of earned revenue. CAPA’s main expenses are salaries and artistic expenses. Together, those categories account for 60% of CAPA’s 2012 budget. That means the majority of CAPA’s budget is going toward the provision of service and performance. The majority of their revenue also comes from the provision of service and performance.

These structures are in sharp contrast to the McCoy Center for the Arts. McCoy’s budget is largely based on contributed revenue. Approximately 74% of McCoy’s revenue comes
from grants and contributions, with 5% directly from government support. Only 10% of McCoy’s revenue comes from rental sales, even though it is highly advertised on their website and appears to be a priority service in its community. The expenses for the McCoy are pretty evenly broken out between advertising, artistic fees, salaries, occupancy, fundraising costs and the management contract with CAPA. However, when taking the outside fees for McCoy in the aggregate, it accounts for 65% of the center’s expenses. The management contract with CAPA accounted for 17% of total expenses for the center in 2012. This is the more typical structure for the organizations tied with CAPA, large reliance on contributed revenue along with large percentages paid in outside fees and occupancy. This is where additional longitudinal research is necessary to understand the long term effects of such a network on the sustainability of the organizations in ties with CAPA. Also, more research is needed to determine the strength of dependence on CAPA. If CAPA were to suddenly fail, how would the other organizations fair? And is CAPA just as reliant on the other organizations as providers of rental and management fee income? What if two organizations under the CAPA umbrella were to fail? Although this study has illuminated additional data regarding the CAPA administrative shared service network, much more research is left to be done.

**Contracting Out**

And finally, pulling from the public affairs literature, concern regarding contracting out may be used to frame additional research regarding the CAPA administrative shared service network.
Contracting out, or outsourcing is a term that refers to a shift in responsibility to accomplish certain goals or provide certain services. Contracting out is a common occurrence in the public sector. Literature from studies in the public sector regarding contracting out can inform the phenomenon being explored in this case. In the public sector, services not considered part of the core mission of the organization are contracted out in order to improve service provision efficiency.

Contracting out involves the “make or buy” decision. Does the organization benefit from contracting out certain services or responsibilities that are not considered core functions necessary to the provision of service as outlined by the mission. For the nonprofit arts sector, the decision is whether administrative services are inherently artistic and vital to carrying out the mission or if administrative services are inherently commercial and should be contracted out.

Benefits recognized by contracting out in the private sector include:

- Increased efficiency in service provision
- Increased competitiveness in the market that incentivizes organizational performance (i.e. cost-cutting, debt reduction, increased earned revenue)
- Reduced cost through process standardization and economies of scale

Issues with contracting out highlighted include:

- Contracting out leads to loss of full time employment
- Bulk of benefits accrue to the few and decrease overall general welfare
- Lack of transparency in contracts minimize gains and increase broader problems of governance
- Lack of balance between autonomy and accountability
- Knowledge loss
• Excessive dependence on a vendor
• Performance measurement difficulties
• Vendor opportunism
• Difficulty in long term sustainability
• Over standardization of individual units
• Focus on efficiency not impact

Implications for the field

This research, although local in focus, has national implications in understanding how autonomy of small arts organizations is affected, constrained, or stagnated through interorganizational ties and contracting out for administrative services. Lessons from the public sector point to reduced full time employment, knowledge centralization, & decreased overall benefit to the general public.

Following are questions to drive future research

• How do the shared service agreements between CAPA and the other organizations affect organizational structure, staffing and programming?
• What impact do shared service agreements have on the autonomy of the organizations involved in the agreements?
• How does the shared service agreement impact the retained functions of the organization?
• What are possible long term effects of contracting out administrative services in the performing arts?

Future research will attempt to answer these questions.
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Appendix A: CAPA

Organizational Charts

![CAPA Revenues and Expenses Chart]
Appendix B: CATCO

Organizational Charts

CATCO Revenues and Expenses

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Expenses</th>
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<td>2004</td>
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<td>800000</td>
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</tr>
<tr>
<td>2012</td>
<td>700000</td>
<td>100000</td>
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Appendix C

LINCOLN THEATRE ASSOCIATION

Organizational Charts
LTA REVENUE BREAKDOWN 2012

- Government Grants: 36%
- Other grants and contributions: 2%
- Ticket Revenue: 2%
- Rental Sales: 1%
- Other Income: 1%

Total: 100%
Appendix D

COLUMBUS SYMPHONY ORCHESTRA

Organizational Charts

CSO Revenues and Expenses

2006 2007 2008 2009 2010 2011 2012

CSO REVENUE BREAKDOWN 2012

- Government Grants
- Performance Fees
- Other grants and contributions
- Ticket Revenue
- Education Revenue/Youth Orchestra
- Other Income
- Special Event Income
Appendix E

DREXEL THEATRE/FRIENDS OF THE DREXEL

Organizational Charts

DREXEL Revenues and Expenses
DREXEL REVENUE BREAKDOWN 2012

- Screen Advertising
- Membership Dues
- Other grants and contributions
- In Kind Support
- Ticket Revenue
- Rental Sales
- Other Income
- Special Event Income

60% 10% 3% 1% 11% 2%
DREXEL EXPENSE BREAKDOWN 2012

- FILM LICENSING: 30%
- OTHER PROGRAM SERVICE EXPENSE: 21%
- SALARIES: 26%
- ADVERTISING FEES: 13%
- FEES NON EMPLOYEE: 5%
- MANAGEMENT FEE NON EMPLOYEE: 5%
Appendix F

OPERA COLUMBUS

Organizational Charts

OPERA COLUMBUS Revenues and Expenses

![Bar Chart showing OPERA COLUMBUS Revenues and Expenses from 2009 to 2012.](chart.png)
OPERA COLUMBUS REVENUE BREAKDOWN 2012

- Government Grants: 15%
- Other grants and contributions: 11%
- Ticket Revenue: 16%
- Education Revenue: 51%
- Other Income: 5%
- Special Event Income: 2%
OPERA EXPENSE BREAKDOWN 2012

- GRANTS TO IND: 42%
- ADVERTISING: 2%
- SALARIES: 23%
- TRAVEL FEES: 7%
- OCCUPANCY: 15%
- FEES NON EMPLOYEE: 4%
- ARTISTIC FEES: 5%
- OTHER NON DEFINED FEES: 2%
Appendix G

MCCOY CENTER FOR THE ARTS

Organizational Charts

MCCOY Revenues and Expenses

![Bar chart showing revenues and expenses for 2011 and 2012.]

MCCOY Revenue Breakdown 2012

![Pie chart showing revenue breakdown for 2012.]

- Government Grants: 69%
- Other grants and contributions: 15%
- Ticket Revenue: 10%
- Rental Sales: 5%
- Other Income: 1%

155
MCCOY EXPENSE BREAKDOWN 2012

- ADVERTISING: 13%
- ARTISTIC FEES: 4%
- SALARIES: 18%
- OCCUPANCY: 17%
- FUNDRAISING NON EMPLOYEE: 6%
- MANAGEMENT FEE NON EMPLOYEE: 8%
- CONTRACTED SERVICES: 22%
### APPENDIX H

**INTERLOCKING DIRECTORATES BY ORGANIZATIONS**

<table>
<thead>
<tr>
<th>CAPA</th>
<th>CATCO</th>
<th>CSO</th>
<th>DREXEL</th>
<th>LTA</th>
<th>OPERA COLUMBUS</th>
<th>MCCOY</th>
<th>COL. FDTN</th>
<th>COL. PTSP</th>
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**COL. FDTN=** Columbus Foundation  
**COL. PTSP=** Columbus Partnership
## Appendix I

### Goals Aligned with Triple Bottom Line

<table>
<thead>
<tr>
<th>Organization</th>
<th>TRIPLE BOTTOM LINE</th>
<th>Artistic Vitality</th>
<th>Financial Sustainability</th>
<th>Public Value</th>
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<td><strong>CAPA</strong></td>
<td>present exceptional artists</td>
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<tr>
<td></td>
<td>provide administrative service</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>advance capital campaign</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td></td>
<td>improve artist and audience experience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>explore new and deeper collaborations with arts, social service, civic and community organizations</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td><strong>CATCO</strong></td>
<td>produce quality theatre</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td></td>
<td>Finish year with balanced budget</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td></td>
<td>Broaden education outreach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Refine apprentice program to increase staff capacity</td>
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<tr>
<td><strong>Lincoln Theatre Association</strong></td>
<td>Provide emerging artists opportunities to perform</td>
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<tr>
<td></td>
<td>Expand Backstage at Lincoln series</td>
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<td>x</td>
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<tr>
<td></td>
<td>Continue workshops for emerging artists and groups</td>
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<td></td>
<td>x</td>
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<tr>
<td></td>
<td>New partnerships in education</td>
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<tr>
<td></td>
<td>Complete the year with a balanced budget</td>
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<tr>
<td><strong>Columbus Symphony Orchestra</strong></td>
<td>Present talented artists</td>
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<tr>
<td></td>
<td>Strengthen outreach programming</td>
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<tr>
<td></td>
<td>Foster life long appreciation of symphonic music</td>
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<td></td>
<td>x</td>
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<tr>
<td></td>
<td>Build new business model</td>
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<tr>
<td><strong>Drexel</strong></td>
<td>Reach diverse audiences</td>
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<tr>
<td>Offer exclusive opportunities to view quality films</td>
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<td></td>
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<tr>
<td>Partner to encourage economic development</td>
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<td></td>
<td>Artistic Vitality</td>
<td>Financial Sustainability</td>
<td>Public Value</td>
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<td>Opera Columbus</td>
<td>Return as fully producing company</td>
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<tr>
<td></td>
<td>Engage new and diverse audiences</td>
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<tr>
<td></td>
<td>Support up and coming artists</td>
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<tr>
<td></td>
<td>Expand in school programs</td>
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<tr>
<td>McCoy Center for the Arts</td>
<td>Bring diverse group of artists to perform</td>
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<tr>
<td></td>
<td>Expand cultural education programming</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Increase visibility and outreach</td>
<td></td>
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