

# Arts Leadership for the 21<sup>ST</sup> CENTURY

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During a session at a national conference a little over two years ago, one question posed to the panel especially caught my attention: Are you ready for succession? In the midst of what had been a fairly animated discussion, an awkward silence filled the room, before the senior arts leaders steered the conversation to other issues. I surmised then that my board and I were not alone in ignoring this critical yet sensitive issue that would surely confront our organization in the near future.

When I got home, I surveyed a list of executive directors of small to midsized arts organizations in Illinois and identified many who had led their organizations for some time. Although they were making considerable contributions to the field, it appeared likely that many would leave their posts in the next five to ten years. I talked with some of these colleagues and heard the same response: “No, we aren’t thinking about plans for succession yet.” I also witnessed some less than graceful departures of executives and wondered how well prepared boards were to conduct transition. The potential problem soon became clear. If our organizations are to thrive in this new century, we must move beyond the here and now and begin serious planning for future leadership. But how do we do it and do it well?

My board leadership concurred with my observations and saw an opportunity for the Illinois Arts Alliance Foundation (IAAF) to play a role in addressing this issue. As the state’s principal arts advocacy organization, we believe our research and programming over the last twenty years have advanced the vitality of arts organizations. Certainly, supporting strong and effective leadership has ranked high. We were pleased to learn that we were not alone in this concern. In The Chicago Community Trust, we found a partner with whom to explore the arts leadership issue.

It was heartening to learn that Sarah Solotaroff, vice president of programs at The Chicago Community Trust, recognized the immediacy of this issue and wanted to seriously position leadership transition as one of the three major focuses for the Trust’s arts funding. A providential breakfast meeting gave impetus to the project reported on here. All of us who care about the future of the arts are indebted to the Trust for supporting this project every step of the way.

This publication encapsulates what we learned through extensive research aimed at identifying the evolution of arts leadership—both generally and specifically—in Chicago. It is informed and shaped by the voices of hundreds of individuals active in the field, who, through their experiences, helped to identify the trends and opportunities impacting future leadership. Our research methods captured both the quantitative—through the use of multiple surveys—and the perceptual—through the use of focus groups, interviews, and white papers. Through this range of investigation, we attempted to encompass the bigger picture and define the complexity of the issue.

Of course, the arts are not the only field expecting a major generational leadership shift with the retirement of the “boomers.” Front-page stories have appeared in the media highlighting the challenge to education. A *Newsweek* cover story reported that 50% of today’s teachers will be gone from the classrooms ten years from now. The health field is also

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concerned about the loss of experienced nurses. Both fields are responding with incentives in pay, housing, and education as well as promotional campaigns to attract young people to their professions. We have much to gain by watching how other fields respond.

IAAF—on this project as on all projects—drew on the pertinent skills and background of its members, and assembled an advisory committee that helped focus and broaden our inquiry. This project was guided from the very beginning by astute committee chair Cheryl Yuen, who guided us into uncharted territory, and deputy director Julia Fabris, who helped to articulate and develop our planning.

We began the first phase of our research by talking to prominent arts and nonprofit leaders, immersed in their respective fields and aware of its particular issues. Fran Barrett, executive director of Community Resource Exchange in New York City, suggested that we look at the reshaping of executive leadership being explored by social service nonprofits. Focusing on retiring executives, Ted Berger, executive director of the New York Foundation for the Arts, lamented our culture's lack of respect for the aging and the lack of resources available to most executives for retirement. Greg Kandel, partner in Management Consultants for the Arts, confirmed the special challenges of working in a field with joint artistic and management leadership positions. From research she had conducted in the nonprofit social service area, Harvard University Hauser Center researcher Frances Kunreuther spoke about current executives' misperceptions of emerging leaders' aptitude and passion for the job. Drawing on his extensive experience heading an executive search firm, Frederick Wackerle—a Chicago-based search consultant—related our situation to that of the corporate world and directed us to Toni Smith, whose insights from a career in nonprofit executive search served us well. Having observed the field carefully over many years, Joan Harris, president of The Harris Foundation, reminded us that the underlying purpose of this work should be to keep organizations strong. All of these conversations reconfirmed the need to support new and existing leaders and to make the succession process easier and more successful. As our inquiry broadened, we were amazed at the willingness and enthusiasm of a broad range of participants eager to share their perspectives.

Interested to know what written resources existed to assist our field in leadership succession and not wanting to reinvent the proverbial wheel, we asked the Cultural Policy Center at the University of Chicago to conduct a literature scan. The results confirmed a lack of serious research on nonprofit arts succession, as well as a dearth of guides or planning materials specifically geared to helping cultural organizations undertake the process. Further, existing materials designed for the nonprofit field were often drawn from for-profit models. Though helpful, they did not address the particular complexities of the arts, where leadership is often divided between the artistic and the managerial. Recognizing the absence and thus the need, a goal of the project became the preparation of succession planning materials and other user-friendly tools to help all involved with executive transition. The three affected constituencies—executive directors, boards, and emerging leaders—shared the focus in our investigations. We were convinced that there would be no way of addressing leadership transition unless each of the three groups and their interrelationships were carefully considered.

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It was on a research trip to California that the project came into clear focus. We were redirected by conversations with John Kreidler, executive director of Cultural Initiatives Silicon Valley, who alerted the field to the challenge of replacing leaders in his seminal essay, “Leverage Lost.” John pointed out that cultural organizations are flourishing in this country due in great part to the discounted labor of a generation that entered the field buoyed by the lofty philosophies of the seventies and working for limited compensation compared to what they could earn in other professions. Their contributions shaped the arts landscape as we know it today. Obvious questions about the structure of our executive positions followed. Are the children of this boomer generation equally willing to assume demanding leadership posts without adequate compensation? Is the position of executive director as appealing now as it was thirty years ago? The majority of those executives learned on the job and shaped it as they moved along. Should the position be reshaped to meet current demands and personnel?

At the same time, we learned that CompassPoint in San Francisco, the nation’s largest service organization for nonprofits, had conducted research on job satisfaction of nonprofit executives and found that 80% of them were not willing to take another executive director job. Fearing a similar response from Illinois nonprofit arts executives, we engaged researchers Siu Yui Pang and Christopher Perrius to modify the CompassPoint survey and administer it to both executive directors and emerging leaders in the Illinois arts. Before even approaching the succession process and the development of planning materials, we wanted to know if the position as currently described was so problematic that, as the San Francisco research suggested, the talent pool might not be there.

We were heartened by the more encouraging results of our research. The survey revealed that though 70% of executives would leave their current posts in the next five years, 46% planned to be executive directors again. More startling than the results themselves was the 65% response rate. The willingness of survey respondents to participate reinforced our sense that we had touched a nerve and that our executives recognized the need to provide support for nonprofit cultural organizations and the people who lead them. In addition, the survey provided rich information on professional development and training, career path and future plans, perceptions of work and organizational effectiveness, satisfaction and dissatisfaction with the job, the level of succession planning at organizations, and individual and organizational demographics that have impacted the evolution of our programmatic responses.

The most encouraging result was the high level of satisfaction with the post. Using a range of 1 to 5, most people gave a rating of 4 when citing the importance of the mission, the value of professional relationships, and the engagement with art. The sources of dissatisfaction were—and this is no surprise—the strain of managing finances, fund-raising, high stress, and long hours. As one executive director put it, “This is a job I love, but I wouldn’t wish it on anyone else.”

And what about future executive directors? Who are they and where are they coming from? We administered the same survey to a self-identified pool of emerging leaders as well as emerging leaders selected by current executives. Though the response rate was lower for this group, we found a similar passion for the arts. These future leaders cited the artistic reputation of the organization as the chief source of satisfaction, followed closely by mission and work relationships.

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A main source of job dissatisfaction was conflict with management, reinforcing the difficulty in this area cited by executive directors. These current leaders, many of whom learned on the job, recognized this area as one of friction and attributed it in part to their lack of both personnel management skills and human resources training.

Reaching beyond the quantitative to delve more into the actual experiences of the field, we engaged Dona Vitale of Strategic Focus, Inc., to conduct focus groups with former executive directors who left their positions for other kinds of work, emerging leaders, and board members who had served during leadership transitions. In addition, Vitale conducted nine interviews with knowledgeable outsiders, including funders, service organization leaders, educators, and search consultants.

Many participants cited organizational stress at the time of transition. They described boards that were frequently slow to react, unprepared, and often in crisis. Professional development opportunities were limited and performance evaluations rarely given, although both executives and emerging leaders indicated their value. They provided personal stories rich with insight, reconfirming the findings of the surveys and contributing ideas for future actions. Based on her analysis, Vitale recommended that IAAF play a role in increasing visibility on the issue of leadership transition and making information available broadly to the field. She suggested that IAAF become an advocate for professional development with a special emphasis on person-to-person assistance through coaching, mentoring, or peer-to-peer referral. The breadth of her findings affirms what we all know—that the best ideas come from those working in the field.

Our research was capped with the commissioning of seven white papers written by current and future arts leaders throughout the country. Thoughtful and passionate, these papers offer diverse, personal yet global perspectives on different aspects of the leadership succession puzzle. Looking for a local context, we asked Michael Wakeford, a Ph.D. candidate in cultural history at the University of Chicago, to document the development of arts management in Chicago since 1970, as we had discovered that no such record had ever been assembled.

Conversations with the eloquent arts veterans who have lived through and shaped the development of arts institutions over the last thirty years provided the meat for Wakeford's essay. These veterans reach back to and comment on the spirit of the 1970s, when hundreds of organizations were founded in Chicago, describing the character of their artist-founders, as well as the role that funders, boards, and service organizations have played in the development of the arts profession. In this area, as in others taken up in the white papers, Wakeford sets the stage for important dialogue on where the Chicago arts community has come from and where it is heading.

Also looking back, Ted Berger, executive director of the New York Foundation for the Arts, gives an account of a field that rushed to seize artistic opportunities and failed to take on serious workforce issues related to compensation and succession, resulting in a fragile infrastructure unable to support growth. In his passionate essay, he calls out for support for the retiring senior leaders and urges us to listen carefully to the new voices.

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Zeroing in on our rapidly changing, technologically charged world, Ben Cameron, executive director of Theatre Communications Group, looks at its profound impact on leadership. He draws on numerous sources to reaffirm the flexibility required of today's leaders, whether in industry or the arts. As he asks us to help our leaders leave the field with honor and sufficient compensation to retire, he also asks us to vigorously imagine the next chapter of our organizations while listening to all involved. The theme of mentorship reappears, but in this version, we find both the elder and the younger learning from each other and together growing the organization.

The younger generation speaks for themselves in the paper prepared by Jennifer Armstrong and Leslie Ito. Active with the Americans for the Arts' Emerging Leader Task Force, they are working with other young people to proactively address the professional needs of the next generation. More than anything else, their paper calls for respect from their elders, a recognition of the importance of vocational choice on the part of the emerging leader, and the importance of mutual commitment and collaboration when forging ahead. In addition to listing the existing programs that are growing new leaders, they ask the young to secure their own growth through meaningful interaction, and ask the field as a whole to open doors and opportunities for them.

Continuing the focus on future leadership but looking at it from a specific angle are Lauren Gumbs, an executive search consultant, and Wayne Winborne, vice president, Business Diversity Outreach at Prudential Financial, who examine the roles African Americans now play and could play in arts organizations. They describe a leadership primarily Caucasian, and urge the field to consider the importance of diversifying leadership and the risks we take if we fail. They cite the inherent problems of developing leaders when the executive—an often strong and charismatic individual—rejects those same qualities in a younger person. They note how businesses have taken up succession more deliberately, particularly with diversity in mind, knowing that the new generation of customers will come from a more diverse world of color than ever before. Their injunctions are particularly relevant when our survey reveals that just 9% of executive directors are African American.

Two final papers focus on the role of the board in leadership succession. Merianne Liteman, a national consultant who has worked extensively in this field, assembled a compendium of information on the role of the strategic plan in the succession process, and on the need to include many and diverse voices. She asks the right questions and recommends a timeline for effective transition. Her paper serves as the groundwork for a planning guide for short- and long-term transition. A veteran of many transition processes, Prudence Beidler, a board member of The Chicago Community Trust, shares her personal experiences from the battlefield, as both board member and consultant, describing in great detail the successes and failures of organizations engaged in transition, and providing a keen analysis of their experiences.

How did we respond to what we learned? Our research culminated in a forum held in January 2002 to review the results of our research and to recommend steps for addressing leadership-succession issues. Based on discussion and suggestions from the 50 leading arts managers, board members, funders, and scholars from across the nation who attended the forum, new programs, further research, and advocacy priorities have been developed.

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To that end, and through the continued support of The Chicago Community Trust, IAAF will take an integrated, holistic approach designed to empower arts organizations to use the leadership-transition process as an opportunity to expand their ability to successfully fulfill their missions and enrich their communities. Our response also includes: broad dissemination of our research results through this publication, the initiation of a special section on the IAAF Web site, a symposium hosted by the Chicago Department of Cultural Affairs in January 2003, and participation in local, regional, and national conferences; further research into executive compensation, alternative organizational structures, and the motivations and needs of our next generation of leaders; the promotion of specific professional development opportunities and other resource materials, including the creation of a succession-planning tool kit in collaboration with the Arts & Business Council of Chicago; and the development and implementation of Leadership for a Creative Community, a new initiative designed to enhance, sustain, and renew the vitality of arts leaders.

We began our investigations, surveys, conversations, focus groups, interviews, and white papers during a different time. The economy was robust, spirits were high, and the events of September 11 had not yet occurred. Yet we firmly believe that what we have learned remains relevant—particularly so since these times ask so much of the arts and its leaders.

Through the thoughts and recommendations of the many committed and creative people who contributed to this project, we have learned that we still possess the fire and energy to meet the unique and complex challenges of our times. But the field needs assistance in finding the way. Our many voices tell us that we are not sufficiently prepared for the future, and that the direction and support must come from those involved.

It is our sincere hope that this publication will provide the fuel for continued dialogue, for it is only when the general becomes specific and actual that meaningful change can take place. We want to encourage nationwide dialogue that engages a broad range of individuals who care about the future of arts organizations. Conversations need to begin in boardrooms, at arts community gatherings, and on the national agenda. Business and government policy makers as well as the media have much to offer, as the solutions will be found both within and outside of the field. We encourage you to use what we have assembled in this publication to open the door to dialogues that are critical to the future health of the arts in our country.

As expansive and technologically complicated as the world is today, the same human qualities that shaped our current leadership need to be nurtured in future leaders through new and tested means. **The future is promising; the talent is ready. We all have a part to play.**

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