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Articulating What Matters:

Framing organizational plans and impacts into a fundraising campaign dynamic

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Editor's Note: In the October 2014 edition of *Arts Insights*, ACG interim management expert Kathryn Martin wrote that, "Some of the most transformational moments for an organization may come when it is in a moment of transition; acutely aware of pressing issues and knowing it is not in status quo mode." While this statement ignited a fascinating conversation about leveraging leadership transitions, it also posed a question about the reverse scenario: How can an organization remain a priority in the minds (and checkbooks) of donors even when it is in a normal, non-crisis, status quo mode? In this edition, Ms. Martin will delve into the issue.

STRATEGIC TRAJECTORY AND COMMUNITY IMPACT

Arts and culture organizations seldom run in status quo mode. Funding streams shift, grantors initiate new expectations, community demographics change, and donors become more discerning and protective of where they invest their support. Organizations strive to keep or gain market share in an increasingly lively arts landscape while faced with the annual challenge of increasing contributed income.

The constant pressure to increase support often generates an impulse to create something new in order to drive funding and public interest — a new fundraising event, a new educational program, a new artistic offering. This is entirely justifiable; funders tend to respond to new opportunities that broaden or deepen their philanthropic impacts. New programs also create opportunities to generate media coverage, gain public attention and make the case for increased support. In the most effective situations, organizations plan their seasons, calendars and budgets around events designed to stimulate attention and rally funders to the cause. These moments — building a new cultural facility, creating an endowment, launching a new program or tour — generate a sense of vitality and an easy-to-understand goal that moves people to action.

However, the impulse to create new fundraising "hooks" can also be a trap. Arts and culture organizations cannot build a new cultural facility or tour each year. Creating new programs, initiatives and historic events for the purpose of having something to talk about — relying on the "prop" of newness — can lead to a loss of organizational focus that turns annual planning into transactional process, and creates internal one-upmanship as staff strive to create "more" each year for the sole purpose of generating attention.

IS STATUS QUO MODE COMPELLING (ENOUGH)?

For the moment, let's assume that your current programs serve your mission, and therefore, these programs must stand on their own in a compelling enough manner to both engage current funders *and* appeal to new funders. Now what? How do you articulate what you do in ways that will increase engagement and support?

Organizations must be able to articulate the daily good achieved by ongoing programs — why what you do matters and to whom — in ways that will resonate to loyal aficionados *and* to those who may not have any connection to an organization (but who indirectly benefit). By articulating the impact the organization has, and aims to have, an understanding of the urgency is also revealed.

Organizations also tend to gravitate toward discussing program features or other fundraising “hooks” because it is much easier to do than stopping to think about the problems that programs solve. Although those dedicated to advancing arts and culture organizations know intuitively the power and value of the arts, few have mastered the art of articulating a value proposition: a statement that explains the benefits the organization provides and the positive impacts achieved¹.

Articulating the value of programs is challenging because it pushes an organization to explore and question the value of its programs from the perspective of those it aims to serve, not from the organization’s focus on balancing budgets, selling tickets and receiving critical acclaim. Without a major opportunity or crisis, most cannot answer these often unspoken donor questions:

1. “What is your impact in the community?”
2. “Why does it matter?”
3. “Why should I donate now?”

ARTICULATING AN ORGANIZATION’S VALUE PROPOSITION

Arts and culture organizations must always be in *campaign mode* — moving in an articulated direction. If your organization struggles with conveying its value to donors, consider working through the following exercises, which can have profound results. These exercises are a jumping off point for honest, deeper discussion that can fuel organizational revitalization. The process can be done informally, or through a visioning summit or workshop.

EXERCISE 1: **Articulate Positive Impacts**

Donor Question: Why should I make a donation to you? (What will the return on investment to the community be if I support you?)

- Make a list of at least 10 positive impacts. This may be harder than you think. If all you will do for the next three years is what you currently do, and no new projects are planned, what will the impact be and for whom?
- Re-read your list and ask, “So what?”

Likely, your list included statements such as, “introduced 10,000 schoolchildren to classical music.” Instead of focusing on metrics, remember that measuring success is neither solely about numbers nor is it about **you** as an organization. Every response to your “so what?” question should read as a compelling statement that communicates understandable values to a range of community members. The measurement must cite rich data, including research-backed statements as well as observations and anecdotes collected from those impacted.

EXERCISE 2: **Articulate Positive Urgency**

Donor Question: Why should I support you NOW rather than another organization that has an urgent project?

¹ “4 Steps To Building A Compelling Value Proposition” Michael Skok. Forbes.com April 2013.
<http://www.forbes.com/sites/michaelskok/2013/06/14/4-steps-to-building-a-compelling-value-proposition/>

- Make a list of your potential responses. Again, this may be harder than you think. Recall that this is not about you. Saying, “We need your support in order to balance our budget...” cannot be the message (even if it is true).

Feeling the need to create a “new” initiative, a “new” membership level, or a “new” special event only **distracts** an organization (in this exercise) from challenging itself to answer the questions: Why is your work vital to the community today? What is at stake for those you serve?

EXERCISE 3: **Articulate Connections that Leverage Donor Values**

Organizations tend to communicate from the perspective of what they need, rather than articulating what will resonate with donors. Consider whether the following common statements are similar to what your organization communicates verbally, and in its marketing and development materials, and if the ranking below reflects the frequency your organization uses them:

1. Help us with funding challenges. (Ticket sales only cover a small portion of costs; government funding is declining, etc.)
2. Donate and receive excellent benefits.
3. Donate and receive a tax deduction.
4. Help our organization achieve our potential. (If only we had \$\$, we could...)
5. Support the arts. (It’s your duty.)
6. Support something you enjoy.
7. Support us because we benefit the community.

Now compare your answers to **what donors said motivate them** to give to cultural organizations, according to the 2014 [LaPlaca Cohen Top Line Report](#)², the largest national study on the attitudes and behaviors of U.S. cultural consumers. Donors want to:

1. Support organizations that benefit their community.
2. Support organizations they enjoy.
3. Support the arts.
4. Help with funding challenges.
5. Secure tax deductibility.
6. Help organizations achieve their potential.
7. Receive benefits.

Compare the lists. If your organizational messaging differs from what the study respondents indicated, you have opportunities to increase your donor engagement by shifting your emphasis. You can create statements that incorporate your impact, your urgency — and address the top motivations.

WHAT IS YOUR ORGANIZATION’S COMMON GOAL IN TERMS OF IMPACT?

Have you noticed the excitement and high levels of engagement created by a building project, campaign thermometer or festival? A group of people working toward a shared goal is an exciting dynamic, as it creates unparalleled opportunities to tell your organization’s story and increase levels of giving.

EXERCISE 4: **Create a Campaign Dynamic**

Armed with the statements you created in Exercises 1 to 3, add the last component: **context and trajectory for your annual plan**. Articulate your momentum. Every year when you balance your budget, you will have impacted someone (see your list above). What were these impact milestones?

² LaPlaca Cohen **CULTURE TRACK 2014 TOP-LINE REPORT**: <http://www.laplacacohen.com/culturetrack/>
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Now, frame this in a larger context of 3 to 5 years in order to articulate your momentum and strategic trajectory. Remember, this is meant to be a way of reframing your status quo in terms of truthful facts — but in the context of impact and thus an urgent case for support — because what you do matters and needs support now.

Step 1: In looking back over the years, what were the major impact milestones? (As in Exercise 1, this is not a list of what you did but the **impact** of those actions.)

- “We presented 10 performers from 10 different countries,” may turn into, “Created community dialogue and shared understanding between the diverse cultures in our city.”
- “We moved to a new location,” may become, “Created multi-generational and multi-neighborhood interaction through shared, positive experiences.”
- “We were featured on *Good Morning America*,” may become, “Created national recognition and positive media coverage for our city, resulting in increased tourism revenue.”
- “ABC Corporation became our major event sponsor” may become, “Our impact in the community reached an important attendance milestone, so significant that ABC Corporation came on board to support our next phase.”

Step 2: Add your current year impacts.

Step 3: Articulate the impact you aspire to have in the future (i.e. 3 to 5 years).

These steps are simply building blocks. By articulating your organization’s value proposition through a variety of exercises, you will have a *cause* that resonates with the community, as well as multi-year context, reinforced by multi-year budgets, goals and thermometers.

CONCLUSION

The above exercises cut to the core of the responsibility arts and culture leaders share as stewards of their respective organizations, and call on leaders to:

- Know and **articulate** the relevancy arts organizations have in their communities *and* the value the community places on the programs and services provided.
- **Share and declare** these impact statements and not just hope that a small group of core donors will continue to know intuitively why they “should” support arts and culture.
- Frame these impacts in a **longer line of organizational trajectory** — past, present and future. (“This is an exciting time, and we have big plans!”)
- Take the responsibility to lead (i.e. **not blame**) the community for a perceived failure to understand the value of the arts.

More lively and energizing than a strategic plan, this process brings to the forefront the impact of an organization’s past, present and future — and thus, creates a rally cry to all who work in the arts to be bold and confident in their mission. This process also creates positive statements of momentum and trajectory on a regular basis, rather than framing organizational messaging in terms of the negative aspects of donor fatigue, graying audiences, economic downturn, lack of arts education in schools, staff turnover, short audience attention spans, or competition for entertainment dollars as the reasons for its challenges. These are all tangible factors, but have become irrelevant to achieving increased support and engagement. Generalized statements — even if truthful — are empty messaging.

Articulating an organization’s value proposition — the impact of the organization over time — results in the creation of the longer line: to motivate, to let people be a part of your success, to create an exciting urgency, and to help staff and volunteers remain motivated beyond the current year. When an arts and

culture organization's value is well articulated, it is immediately more worthy of a broad base of community support. The organization is understood as having an important role in the community, with goals and solid plans. Donors who give their support today will have an authentic sense of being part of something successful and significant.

Value messaging can immediately provide an organization with a feeling of being more effective and strategic than before, and external stakeholders often view the organization as one in a new phase or chapter (even though no new programs were created). This approach creates a multi-year arc of context, which lends itself well to multi-year planning, budgeting and fundraising — a *campaign*, a common goal. Start every conversation with statements that convey, "This is an exciting time for us, and we have big plans!" — and you will transform your organization.



Kathryn R. Martin, Vice President at Arts Consulting Group, is an arts and culture management expert with more than 25 years' experience leading major arts and culture organizations and mentoring individuals. Since joining ACG in 2003, Ms. Martin has helped numerous organizations strategically move through periods of leadership transition and increase their earned and contributed income by bringing clarity and focus to their efforts. Based in San Diego, she is the lead of ACG's interim management practice and is currently serving in her seventh interim engagement as the Interim Executive Director of the Linda Pace Foundation in San Antonio, Texas.

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