

Regarding human resources, organizations may choose to consider partial furloughs or broad-based pay reductions rather than eliminating roles completely. Taking a cut from the top down is usually a more compassionate response to maintain a spirit of togetherness. Protecting the organization's investment in its human resources is important and experience should not be undervalued. Specialized knowledge, institutional memory, and talent will be critical when organizational activities resume. Furloughs or pay cuts can be necessary to buy time while waiting for government measures and philanthropic support to reach arts and culture organizations.

5. Seek Emergency Support and Engage with the Broader Issue

In an emergency, outside resources and support exist. Organizations should dedicate staff or board members to research and secure emergency funding from individuals, corporations, foundations, or government. Pay attention to the active voices in the national conversation to learn how others are approaching the same problems. Government agencies or service organizations gather data, create support networks and industry dialogues, and advocate on behalf of distressed organizations. Arts and culture leaders should maintain contact with their regional and local arts agencies to monitor governmental assistance that will likely flow through their funding processes.

6. Create Multiple Operating and Financial Scenarios

There are always unknowns in an evolving crisis. It is important to consider multiple scenarios and the triggers that will cause an organization to make various decisions. These scenarios are usually directly informed by the total financial assets available, newly generated cash flow projections, and operational realities of program delivery. Once created, walk the board, major funders, and senior leadership through a range of scenarios, from best to worst case. This allows everyone to be in alignment about the steps to be taken at each juncture, shifting the organization's energy from fear to determination. In periods of extreme disruption or uncertainty, leadership should create scenarios based on each of the following organizational categories:

Continuing – maintaining all main activities through and after the crisis

Reducing – cutting back on major activities but maintaining some mission delivery

Hibernating – suspending activity with no mission delivery but with the intention to revive at some point

Liquidating – coming to a full stop, divesting of all assets, and shutting down legally and permanently

Within these categories, develop scenarios based on financial or time trigger points by asking questions such as:

- What is the deadline to secure a new performance/exhibition space before needing to cancel upcoming events?
- Can alternative programming be delivered with reduced resources that align with mission and values?
- How much emergency money must be committed before some or all of the staff needs to be laid off?
- How much cash is needed on-hand on the first day of hibernation to ensure all patrons can be refunded?

7. Innovate

While in the midst of a crisis, organizations can innovate around their programs and communities in ways that both solve immediate problems and create long-term benefits. A crisis requires an organization to review its mission, assets, human resources, finances, and operations in much the same way that it would during an organizational assessment or strategic planning process. The team should not miss the opportunity to evaluate other ways it can operate that would benefit the organization in its new reality. History has shown that "The good news for companies evaluating their innovation investments is that innovation is one area where less truly is more."⁷ Crisis, constraints, and limitations can fuel new ideas as much as or more than abundance, tradition, and habit. Use disruption to deliver on mission, connect with the community, make the case for contributed revenue, or generate earned revenue in new ways—building new paths of access and connection to the artists and the art.

8. Execute, Evaluate, Communicate, Repeat

With clear scenarios created and constituents informed of the situation, it is time to move forward. Arts and culture organizations should continue building support and taking action day by day until a previously identified trigger point is reached or something unexpected occurs. Leaders should then reassess the scenarios, revisiting them with the appropriate mix of constituents, and move back into action. As circumstances evolve, the team can follow the plans while maintaining an open mind to ideas that can inform new scenarios and avenues to explore. The organization should repeat this cycle of execution, evaluation, and communication until a new steady state is reached.

⁷ Scott D. Anthony, "After Lehman: How Innovation Thrives in a Crisis," *Harvard Business Review*, <https://hbr.org/2009/09/how-innovation-thrives-in-a-cr>.

9. Give Thanks

As the crisis is overcome, arts and culture leaders should recognize and express appreciation to those who supported the organization through the crisis. Acknowledge the loyalty of patrons who donated their tickets or memberships rather than ask for a reimbursement. Thank the donors and funders who stepped up in new ways that allowed the organization to meet payroll. If compensation reductions or furloughs were implemented, the board can devise a plan to provide one-time bonuses or other appreciations to the staff once the organization's financial conditions are solidified. Embracing all the people who have made the organization successful in the past and through the crisis will keep the organization together and moving into a new future.

Leaders of cultural organizations should also maintain perspective on struggle overall. Australian filmmaker Benjamin Gilmour reminds us that all heroes have gone through times of crisis. "Every story we love, from Luke Skywalker to Harry Potter, is about the hero who goes through obstacles. Everyone loves the hero. But the obstacles are what makes the hero. The only way to become the hero is to go through the obstacles!"⁸

Douglas R. Clayton, Senior Vice President

Douglas R. Clayton joined ACG in 2019, bringing more than 20 years of experience in the arts and culture industry, specifically within opera, theater, and arts service organizations. Passionate about innovative business models in the arts and culture sector, he leads ACG's Planning & Capacity Building area, guiding strategic planning and community engagement, facilities and program planning, organizational benchmarking studies, board governance summits, team building retreats, and a variety of services that strengthen nonprofit organizations, universities, government agencies, and the communities they serve. Mr. Clayton has an extensive background in cross-sector collaboration in public-private partnerships and the dynamic relationships that exist in the creative industries. Prior to joining ACG, Mr. Clayton served in various roles at Chicago Opera Theater, ultimately becoming General Director. He has also served as Director of Programming and Operations for LA Stage Alliance, as Chair of the Host Committee for the record-breaking 2011 Theater Communications Group national conference, and as a member of the Directors Lab West's steering committee. Mr. Clayton has worked artistically as a stage director, playwright, and performer and has hands-on experience as both an artist and producer with a range of theatrical unions in the United States, including the Stage Directors and Choreographers Society, Actors' Equity Association, American Guild of Musical Artists, and United Scenic Artists. Mr. Clayton holds a bachelor of science from the University of Southern California and earned a master of business administration from the Anderson School of Management at the University of California, Los Angeles. In 2018 he was named to Crain's Chicago Business 40 under 40 list as a leading innovator in the business of culture.

Susan E. Totten, Senior Vice President

Joining ACG in 2019, Susan E. Totten brings more than 25 years of experience in capital, operating, and endowment campaign fundraising for arts and culture, higher education, and medical institutions. Overseeing the firm's contributed and earned revenue enhancement areas, Ms. Totten has also demonstrated success in strategic planning, board development, and mobilizing resources to advance organizational mission and vision. She recently served as Chief Development Officer at the University of Southern California Radio Group, where she planned a \$130 million capital campaign. Ms. Totten previously served as Executive Director, Office of Regional Giving at University of California, Los Angeles and as the Assistant Vice Chancellor, Health Advancement at the University of California Irvine (UCI), where she managed a \$2.3 million budget and was responsible for the \$500 million goal for the Medical Centers and School of Medicine. Within the arts and culture sector, Ms. Totten has held roles as Director of Resource Development for Opera Pacific, Vice President of Development for Pacific Symphony, and Director of Development for the School of the Arts at UCI, where she completed a successful capital campaign to endow professorships, raise scholarship funding, and renovate and build new facilities. Ms. Totten has led conference sessions at the League of American Orchestras, Association of California Symphony Orchestras, and the Council for the Advancement and Support of Education on topics ranging from capital campaign planning to annual fundraising best practices. She holds a bachelor of arts in English literature from the University of California, Berkeley, where she also focused on art history and languages.

⁸ Nathan Furr, "You're Not Powerless in the Face of Uncertainty," *Harvard Business Review*, <https://hbr.org/2020/03/youre-not-powerless-in-the-face-of-uncertainty>.



María Muñoz-Blanco, Vice President

María Muñoz-Blanco joined ACG in 2020, bringing more than 25 years of experience in the arts, culture, and public sectors, specifically within arts service, venue management, and grantmaking organizations. Her work in the public sector has focused on improving quality of life in diverse communities, expanding programs and services in the arts and parks, and successfully integrating diverse voices from a broad spectrum of creative organizations and artists. Prior to joining ACG, she led public agencies in Dallas, Houston, and Memphis, managing multidisciplinary programs, capital projects, and public-private partnerships with performing arts organizations, museums, cultural centers, and sports and recreational facilities. She has implemented arts education and literacy programs for youth in multiple settings, capacity building programs for emerging and midsize cultural organizations, public

art programs with strong local artist participation opportunities, and a wide array of grants and funding programs. Ms. Muñoz-Blanco has secured increased public investment in the arts and has sought opportunities for private investment in public projects, most recently managing a \$4.5 million program from a health corporation for the redevelopment of a neighborhood park. Her capital project experience includes opening the \$40 million Moody Performance Hall, planning for a cultural center in Dallas' Oak Cliff neighborhood, and managing \$5 million in improvements to the historic Liberty Bowl Memorial Stadium in Memphis. Ms. Muñoz-Blanco holds a bachelor of arts in art theory, graduating magna cum laude from the University of Puerto Rico, and a master of arts in art history from Rutgers, The State University of New Jersey. She has also pursued graduate studies in mass communication and public relations at Florida International University and is a graduate of the Leadership Memphis program. She has served on the Texans for the Arts Board of Directors and co-chaired the Civic Common Areas and Open Spaces working group of the Memphis 3.0 Comprehensive Plan.



Wendy Clark, Senior Advisor

Wendy Clark joined ACG in 2020 with more than 35 years of experience in museums, visual arts, and design. Her areas of expertise include grantmaking, programming support, and project management on a national scale. She also has extensive training and experience in the areas of diversity, equity, inclusion, implicit bias, ethics, anti-harassment, the Hatch Act, leadership, cyber-security, and executive coaching. Serving as Director of Museums, Visual Arts, and Indemnity at the National Endowment for the Arts (NEA), she managed policy, program development and evaluation, peer review, and the federal grant making portfolios for the nation's museums and visual arts fields. During her tenure, she was responsible for oversight of the Arts and Artifacts Indemnity Program of the Federal Council on the Arts and Humanities and directed the NEA's Blue Star Museums initiative. Ms. Clark also worked to

make the NEA more accessible to Native American communities, tribal governments, and Historically Black Colleges and Universities. She oversaw the Rosa Parks Sculpture Competition for the Architect of the Capitol, recruited hundreds of national museum professionals and artists annually for peer review, and adjudicated proposals for federal investment in exhibitions, conservation, care of collections, artist commissions, and public art. She also served as a Grant and Public Affairs Specialist for the Illinois Arts Council, where she developed, promoted, and implemented \$1 million statewide grants initiative for local cultural facility planning and development. Ms. Clark holds a bachelor of arts degree in political science from the University of Michigan and studied Elizabethan history, art, and literature at New College, University of Oxford.

Contact ACG for more information on how we can help your organization's crisis management efforts.

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