



# What Are the Paradigm Shifts Necessary for the Arts Sector to Nurture More Sustainable **THRIVING** Institutions of Color?

Learnings from practitioners in New York City-based organizations that serve African, LatinX, Asian, Arab, and Native American Culture and Communities

**A Yancey Consulting Report**

Commissioned by Doris Duke Charitable Foundation and The New York Community Trust

January 2018

## LET'S BE INTENTIONAL WITH OUR WORDS.

### What is **Sustainability**?

- Able to maintain viability by using techniques that allow for continual reuse: sustainable agriculture.
- Capable of being supported or upheld, as by having its weight borne from below: a sustainable structure.
- Able to be maintained or kept going, as an action or process: a sustainable negotiation between the two countries.
- Able to be confirmed or upheld: a sustainable decision.
- Able to be supported as with the basic necessities or sufficient funds: a sustainable life.

*(Source: Dictionary.com)*



The Bronx Academy of Arts and Dance (BAAD)

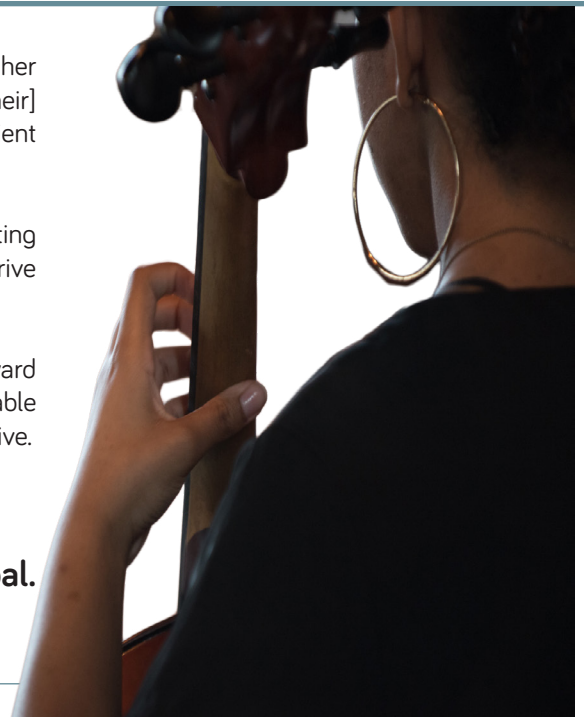
In light of these definitions, Yancey Consulting asked the question whether sustainability is the true intent. Is the desire for organizations to “maintain [their] own viability” or be “able to be supported with the basic necessities or sufficient funds”?

We found that sustainability is the start but not the end. More viable operating conditions are irrefutably desired, but organizations ultimately aspire to thrive [“flourish,” “prosper,” and “grow vigorously”].<sup>1</sup>

So, for the context of this report, our findings and analyses for moving toward sustainability are intended as critical steps in creating a more equitable environment for historically disinvested arts and culture organizations to thrive.

**Thrivability** is the ultimate goal.

<sup>1</sup> See <http://www.dictionary.com/browse/thrive?s=t>.



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# ACKNOWLEDGMENTS

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The people directly affected by issues are the most innovative in sourcing solutions.

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We say, “Well done” to the Doris Duke Charitable Foundation and The New York Community Trust for commissioning a process that lifted the voices of New York City–based administrators and creative entrepreneurs stewarding arts and culture organizations that serve African American, LatinX American, Asian American, Arab American, and Native American culture and communities. Each of the study participants represented their organization’s distinct history and cultural practices while weaving a coherent narrative as to how philanthropic investments and behavioral shifts could have transformational impacts.

Yancey Consulting acknowledges . . .

## FUNDERS

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**Maurine Knighton**, Program Director for the Arts | Doris Duke Charitable Foundation

**Kerry McCarthy**, Program Director, Thriving Communities Arts & Historic Preservation | The New York Community Trust

**Michele Kumi Baer**, Program Associate, Thriving Communities | The New York Community Trust

**Valerie Bailey**, Program Associate for the Arts | Doris Duke Charitable Foundation



## ORGANIZATIONS THAT PARTICIPATED IN THE SURVEY

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Alliance for Inclusion in the Arts

Alvin Ailey Dance Foundation, Inc.

American Indian Artists, Inc. d/b/a AMERINDA

ARTs East New York, Inc.

Arthur Aviles Typical Theater, Inc.

Asian American Arts Alliance, Inc.

Asian American Writers Workshop, Inc.

BAAD! Bronx Academy of Arts and Dance

Ballet Hispanico of New York, Inc.

Bedford Stuyvesant Restoration Corporation

Black Public Media

Bronx Arts Ensemble, Inc.

Bronx Council on the Arts, Inc.

Camera News, Inc. d/b/a DreamYard Project, Inc.

Casita Maria, Inc. d/b/a Casita Maria Center for Arts & Education

Cave Canem Foundation, Inc.

H.T. Dance Company, Inc./ Chen Dance Center

City Lore, Inc.

DreamYard Project, Inc.



## ORGANIZATIONS THAT PARTICIPATED IN THE SURVEY-CONT'D

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Elisa Monte Dance	Mind Builders Creative Arts Co. (Mind Builders Creative Arts Center)
Spanish Dance Arts Co Inc. a.k.a Flamenco Vivo Carlota Santana	Museum of Contemporary African Diasporan Arts
Groundswell Community Mural Project, Inc.	Multicultural Music Group, Inc.
Harlem School of the Arts, Inc.	New York Live Arts, Inc.
Aaron Davis Hall, Inc. d/b/a Harlem Stage	Noel Pointer Foundation, Inc.
Hip-Hop Theater Festival, Inc. d/b/a Hi-ARTS	Pan Asian Repertory Theatre, Inc.
Ifetayo Cultural Arts Academy, Inc.	Pregones/Puerto Rican Traveling Theater, Inc.
International African Arts Festival, Inc.	Spanish Theatre Repertory Co., Ltd. d/b/a Repertorio Espanol
Jamaica Center for Arts and Learning, Inc.	The Laundromat Project, Inc.
Kings Majestic Corp. d/b/a 651 ARTS	Theatre of the Oppressed NYC, Inc.
Kyle Abraham/Abraham.In.Motion, Inc.	Tibet House, Inc.
Lotus Fine Arts Productions, Inc. d/b/a Lotus Music & Dance	Topaz Arts, Inc.
Louis Armstrong Educational Foundation, Inc.	Tropicalfete, Inc.
	Urban Word NYC, Inc.

## SMALL-GROUP PARTICIPANTS

---

<b>Alton Aimable</b> , President & Founder   Tropicalfete	<b>Kamala Cesar</b> , Artistic Director & Founder   Lotus Music & Dance
<b>David Archuletta</b> , Chief Development Officer   New York Live Arts	<b>Raymond Codrington</b> , Executive Director   Hi-ARTS
<b>DJ Brumfield</b> , Chief Consultant, External Relations Strategies (ERS)   Louis Armstrong Educational Foundation	<b>Patricia Cruz</b> , Executive Director   Harlem Stage
<b>Tisa Chang</b> , Artistic Producing Director   Pan Asian Repertory Theatre	<b>Dian Dong</b> , Associate Director   Chen Dance Center
<b>Lillian Cho</b> , Interim Executive Director   Alliance for Inclusion in the Arts	<b>Jesse Ehrensaft-Hawley</b>   Executive Director   Global Action Project
	<b>Abby Felder</b> , Former Managing Director   Pan Asian Repertory Theatre

## SMALL-GROUP PARTICIPANTS-CONT'D

**Leslie Fields-Cruz**, Executive Director | Black Public Media

**Diane Fraher**, Director | AMERINDA

**Hanaah Frechette**, Executive Director | Flamenco Vivo Carlota Santana

**Daniel Gallant**, Executive Director | Nuyorican Poets Cafe

**Justin Garlinghouse**, Director of Institutional Giving | Alvin Ailey Dance Foundation

**Bryan E. Glover**, Grants Director | Bronx Council on the Arts

**Andrea Gordillo**, Program Outreach Manager | Loisaida

**David Harrell**, Disability and Programming Associate | Alliance for Inclusion in the Arts

**Gail Heidel**, Associate Director of Creative Arts Programs | Casita Maria Center for Arts & Education

**Cathy Hung**, Executive Director | Jamaica Center for Arts and Learning

**Becky Y. Kinard**, Development Officer | Noel Pointer Foundation

**Sulu LeoNimm**, Joker and Program Director | Theatre of the Oppressed NYC

**Arnaldo Lopez**, Development Officer | Pregones Theater/Puerto Rican Traveling Theater

**Tim Lord**, Co-Executive Director | DreamYard Project

**Andrea Louie**, Executive Director | Asian American Arts Alliance

**Dora Lu**, Board Member | Pan Asian Repertory Theatre

**Ellen Pollan**, Director of Advancement | Bronx Arts Ensemble

**Eric G. Pryor**, President | Harlem School of the Arts

**Charles Rice-Gonzalez**, Co-Founder | BAAD! The Bronx Academy of Arts and Dance

**Rosalba Rolón**, Artistic Director | Pregones Theater/Puerto Rican Traveling Theater

**Carlota Santana**, Artistic Director & Founder | Flamenco Vivo Carlota Santana

**Charlie Vazquez**, Bronx Writers Center Director | Bronx Council on the Arts

**Eduardo Vilaro**, Artistic Director and Chief Executive Officer | Ballet Hispanico

Yancey Consulting is deeply appreciative to all survey and small-group conversation participants. Together, we chart the path to a more fertile ecosystem where sustainability is the baseline and **THRIVABILITY** is the goal.



# PREFACE

**This is a study about righting a wrong.** The wrong is “that despite important efforts by many leading foundations, funding overall has gotten less equitable, not more, over the past five years.”<sup>2</sup> The righting is seeking solutions that could radically disrupt this dogged trend of disinvestment and make bold philanthropic investments and sector-wide behavioral shifts over a sustained period. The focus of this study is on New York City–based arts and culture organizations with budgets over \$200,000 that are run by or in the service of African, LatinX, Asian, Arab, and Native American (ALAANA) culture and communities.<sup>3</sup>

Equity as an ideal and ambition permeates the nonprofit arts and culture philanthropy. Americans for the Arts established its Statement on Cultural Equity, which “embodies the values, policies, and practices that ensure that all people—including but not limited to those who have been historically underrepresented based on race/ethnicity, age, disability, sexual orientation, gender, gender identity, socioeconomic status, geography, citizenship status, or religion—are represented in the development of arts policy; the support of artists; the nurturing of accessible, thriving venues for expression; and the fair distribution of programmatic, financial, and informational resources.”<sup>4</sup> Grantmakers in the Arts has made racial equity in arts philanthropy a primary focus of the organization with a host of dedicated actions in its Racial Equity in Arts Philanthropy Statement of Purpose.<sup>5</sup> Investments of Art Equity, Race Forward, Leveraging a Network for Equity, World Trust, and the People’s Institute for Survival and Beyond are examples of the investments philanthropy has been making in board and leadership trainings, equity-centered convenings, publications, tools, templates, and other material manifestations in this movement for a more just, inclusive, and equitable society.<sup>6</sup>

There is no shortage of actions that one could point to that suggest there exists a pregnant consciousness around equity within the arts and culture sector from local to national funders. Yet, the distribution of funding that should reflect the evolving diversity of our cultural landscape continues to trend in the wrong direction. Why is that? ***We know the stronghold of social injustices is deeply entrenched in the structural fabric of American culture, but is it impenetrable to sustaining change?*** History has shown that when applied with persistence and unified efforts, integrated strategies, meaningful resource investments, and public activation toward empathetic engagement can foster change. If we do not see the transformations that we envision, we have to lean into the bold, radical ideation space more and vet strategies that activate more allies.

By targeting this study, Doris Duke Charitable Foundation and The New York Community Trust created the opportunity for rich solutions-based discussions directly with practitioners affected by funding inequities.

<sup>2</sup> Helicon Collaborative, Not Just Money: Equity Issues in Cultural Philanthropy, 2017, [http://heliconcollab.net/our\\_work/not-just-money/](http://heliconcollab.net/our_work/not-just-money/).

<sup>3</sup> The \$200,000 budgetary threshold was established as a marker of organizations that were more likely to have existing data available in external databases, be eligible for funding consideration by institutional grantmakers, and have the capacity to fill out the survey or participate in the in-person conversations. We acknowledge there is additional information that can be gained from the 147 NYC–based ALAANA organizations that did not meet this budgetary threshold at the time of the study. We also acknowledge the many informal cultural practitioners that enrich ALAANA communities.

<sup>4</sup> Americans for the Arts Statement on Cultural Equity, <https://www.americansforthearts.org/about-americans-for-the-arts/statement-on-cultural-equity>.

<sup>5</sup> Racial Equity in Arts Philanthropy Statement of Purpose and Recommendations for Action, <http://www.giarts.org/sites/default/files/GIA-racial-equity-statement-of-purpose.pdf>.

<sup>6</sup> Art Equity, <http://www.artequity.org/>; Race Forward, <https://www.raceforward.org/>; LANE: A New NPN/VAN Program. <https://nprweb.org/2015/03/25/leveraging-a-network-for-equity/>; World Trust: Social Impact through Film and Dialogue, <https://world-trust.org/>; Undoing Racism. <http://www.pisab.org/>.

## ABOUT ALAANA

Yancey Consulting analyzes the findings in this report by asking, Where are the bright spots and opportunities for innovations when piloting an initiative that could produce radical change?

**If we aren't vigilant about safeguarding our identities and telling and documenting our stories in our own voice, someone else can and will rewrite and define who we are.**

*—Lisa Yancey*



The Bronx Academy of Arts and Dance (BAAD)

Cultural appropriation, pervasive experiences of revisionist history, and the erasure of distinct indigenous practices and identity norms require vigilance in safeguarding native differences. This is why resistance sometimes emerges when acronyms are adopted that may appear to conflate a myriad of identities into a homogenous persona—as if the differences are inconsequential. The stewards at Doris Duke Charitable Foundation, The New York Community Trust, and Yancey Consulting, LLC, who were responsible for commissioning and producing this report, value and uplift cultural differences. They are sensitive to the use of summative phrases like people of color and culturally specific, the term minorities, and the acronym ALAANA, which stands for African, LatinX, Asian, Arab, and Native American culture and communities. They understand that brevity often comes at a price when conceiving public policies and attempting to effectuate social change.

The use of ALAANA throughout this report was chosen with these considerations in mind. We caution the reader from perceiving that the needs, challenges, and aspirations of all of the African, LatinX, Asian, Arab, and Native American participants in this study are the same. There are undoubtedly aligned themes, but we hold true that the distinct lived experiences across and within the breadth of these cultural organizations equally matter.

Our purpose for choosing to use the acronym ALAANA was brevity. Among the imperfect options, ALAANA acknowledges and attempts to call out each of the targeted cultural communities in this abbreviated form by name. We are aware that each of these letters read together repeatedly over the course of the report as ALAANA can have the similarly aggregated effect as people of color does. So, we ask that you remain vigilant in resisting that adoption.





FlamencoVivo\_ChristopherDuggan

ALAANA organizations primarily grow from need. A community or group of people have a need and usually people from that community rise up to meet it. So, it's challenging to think of framing. Framing to who? White funders? Then, I would say that the stability of the fabric of American societies depends on the health of ALAANA organizations to serve their constituencies.

—Survey participant

# INTRODUCTION

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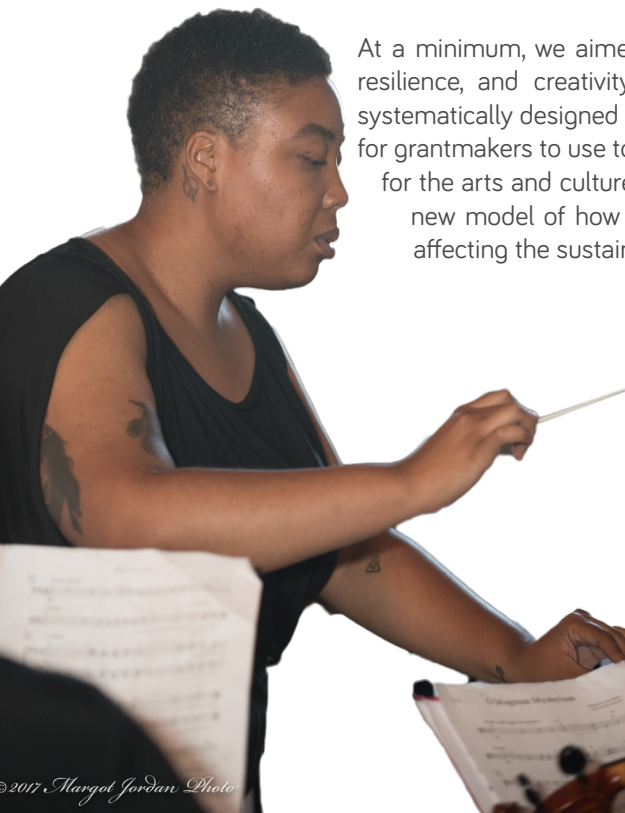
The purpose of this study was to assess the state of agencies created by, for, and about ALAANA culture and communities in New York City. These organizations had to have established operating budgets of \$200,000 or more. This budgetary threshold was established as a marker of organizations that were more likely to have existing data available in external databases, be eligible for funding consideration by institutional grantmakers, and have the capacity to fill out the survey or participate in the in-person conversations.

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The objectives of the assessment were to

- I. Better understand the complex conditions that influence the sweeping health of these organizations;
- II. Identify meaningful metrics and patterns that could project future trends and these organizations' capacities and readiness for change;
- III. Elevate the visibility and credibility of inequitable realities in a context that does not derive from a fault-based or deficit-based lens, understanding that most of these organizations are undercapitalized and not inherently challenged;
- IV. Build upon existing data to deepen the commissioning foundations' understanding of this subset of cultural organizations, and
- V. Inform near-term grantmaking strategies to enhance the viability of these institutions.

At a minimum, we aimed to identify challenges while simultaneously illuminating the strength, resilience, and creativity of these organizations' ability to sustain in environments that are systematically designed to impair their ability to thrive. Our ultimate goal is to provide information for grantmakers to use to produce, pilot, and test radical ideas that could yield long-term solutions for the arts and culture sector. Aligned and sustained efforts of a dedicated few could launch a new model of how arts and culture stewards collaborate to dismantle persistent inequities affecting the sustainability and thriving of ALAANA organizations.



Ideas that emerged during this study include the following:

## I. Increase Financial Investments and Continue General Operating Support (GOS) Flexibility

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- **Increase investment amounts.** One-third of the organizations participating in this study cannot offer fair wages or benefits to their staff with current operating budget amounts. The average contributed revenue amount made to ALAANA arts and culture institutions in ten major US cities, including New York City, in 2016 was \$519,379. Comparatively, organizations primarily focused on Western art traditions received an average of \$1,897,535 in contributed revenue.<sup>7</sup>
- **Increase investment amounts over sustained periods of time.** The median arts and culture grant size of \$25,000 has not changed for decades and, in fact, has decreased due to inflation.<sup>8</sup> Local governmental funding agencies have a practice of sustained support over an organization's life cycle, and although these donations are deeply needed, appreciated, and validating to these organizations, they are often small amounts. The National Assembly of State Arts Agencies reported the median size of state arts agencies' GOS awards was \$9,149 in 2015.<sup>9</sup> Also, "on average from 2004–2010, only one-tenth of all sampled funders reported some multi-year grantmaking; of those that did, an average of 41% reported giving at least half of their grant dollars as multi-year grants."<sup>10</sup> This 2011 report suggests that less than half of a tenth of funders, 4% to be exact, had a practice of multiyear grantmaking. Although an updated survey on the state of multiyear funding that covers a similar six-year span could be enlightening (capturing trends from 2011 through 2016), Jagpal and Laskowski's findings revealed that nearly 96% of the funding landscape could enhance both the viability and continuance of more institutions by adopting multiyear funding practices.
- **Allow grants to support a larger portion of general operating expenses.** All participants noted the continued need for GOS to cover expanding costs for health insurance (for those able to offer it), staff development, industry-standard compensation levels, board development, and external communications. These expenses are often deprioritized to meet budgetary restrictions and constraints, compromising the steady state needed for sustainability. Research shows that providing long-term GOS and multiyear grants "enables grantees to use their discretion in determining individual, organizational needs."<sup>11</sup> Unfortunately, only 40% of foundation support in 2016 was GOS grants.<sup>12</sup>

<sup>7</sup> Helicon Collaborative, *Not Just Money*.

<sup>8</sup> Arts Funding Snapshot: GIA's Annual Research on Support for Arts and Culture,' GIA Reader 25, no. 3 (fall 2014).

<sup>9</sup> State Arts Agency Fact Sheet, "General Operating Support," National Assembly of State Arts Agencies, 2017.

<sup>10</sup> Niki Jagpal and Kevin Laskowski, "The State of Multi-Year Funding," National Committee for Responsive Philanthropy, 2011.

<sup>11</sup> Niki Jagpal, *Criteria for Philanthropy at Its Best: Benchmarks to Assess and Enhance Grantmaker Impact* (Washington, DC: National Committee for Responsive Philanthropy, 2009).

<sup>12</sup> Foundation Source Report on Grantmaking, Foundation Source Philanthropic Services, 2017.

## II. Build Capacity within Organizations

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- **Complement technical assistance support with professional development training** so that the added capacity of the organization enhances and remains with the team after the professional consultancy period expires. This professional development investment is designed to leave entities with more than templates and tools created by the consultant.
- **Increase the number of experienced operating staffing in areas of development, marketing, and financial forecasting and management.** There is not a capacity deficit in areas of programming. In fact, organizations could better balance dedicated programming staff with core operating support. Archiving and legacy preservation also emerged as an area requiring greater attention in conversations regarding sustainability.

## III. Foster Peer Connections and Behavioral Shifts

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- **Support more in-person convenings and opportunities for creative exchange and peer learning.** People desire to see and learn from each other more. Elevate spaces for sharing learned experiences and tactical approaches employed by administrators to sustain and expand their organization's impact.
- **Foster conversation spaces that allow administrators and managers to have safe and candid dialogue about organizational management behaviors that challenge institutional growth and thrivability.** Exposure to ideas and experiences helps managers know that they are not alone in figuring out how to lead in changing environments. We know best until we learn better.

## IV. Make a Bold Commitment

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- **Create a manifesto that is bold. Grantmakers could establish a quantifiable percentage of funds to commit to the ALAANA arts and culture sector sustainability by a set date.** Just as renewable energy sustainability goals have been set by agencies across the nation, arts and culture funders could commit to adjusting fund allocations to reflect the cultural diversity of that area. Imagine grantmakers committing to this kind of intentional disbursement to shift the tide of inequitable distributions, until the practice of equitable philanthropy becomes the norm.
- **Approach sustainability goals as a field-wide effort versus an organization-by-organization initiative.** The response to resourcing a single community-valued arts organization one emergency at a time compromises the ability to change the sector. The principal question explored in this study is “How do we enhance the sustainability of ALAANA arts and culture organizations in New York City to foster an ecosystem where these organizations have an ability to thrive?” not “How do we enhance the sustainability and thrivability of a few ALAANA arts organizations?” Starting from this nuanced point of departure will guide how grantmakers think about community-wide sustainability.



Jamaica Center for Arts & Learning (JCAL)

Not all things have to be new to be right.  
Sometimes the slightest tweak can change the  
course of history.

—Lisa Yancey



# ORGANIZATIONAL SNAPSHOT OF PARTICIPANTS

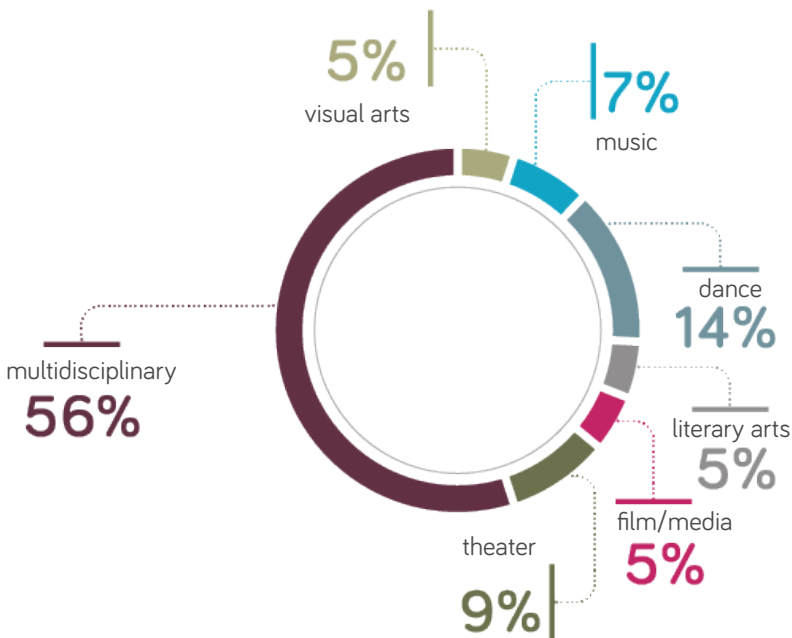
The following findings reflect the data gathered from Yancey Consulting's field scan of relevant databases, survey respondents, and facilitated small-group discussions.

## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Profile

- Average years of existence is 33.
- 91% of organizations are older than 10 years.
- The proportion of organizations in each discipline is as follows:



## NYC ORGANIZATIONS THAT FIT THE CRITERIA WITH ACCESSIBLE DATA

(Sample size: 97 of the 137; data reflect FY15)

### Profile

- Average years of existence is 35.
- 92% of organizations are older than 10 years.

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## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

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### Survey sample breakout by budget size and average organization age

- **\$200K–\$500K - 28%** of participants  
average organization age 33 years
- **\$500K–\$1MM - 21%** of participants  
average organization age 22 years
- **\$1MM–\$3MM - 35%** of participants  
average organization age 34 years
- **\$3MM–\$5MM - 5%** of participants  
average organization age 68 years
- **\$5MM–\$10MM - 7%** of participants  
average organization age 25 years
- **\$10MM and up - 5%** of participants  
average organization age 55 years

## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Budget

- The median size budget of the organizations is **\$1,100,000**.
- The average median budget growth since 2015 is **9%**.
- **19%** of organizations project net negative for 2017.
- **21%** of organizations project to break even for 2017; most of these organizations are under \$500K focusing on dance and music.
- **26%** of organizations have cash reserves of median \$100,000.
- **19%** of organizations under \$1MM have a line of credit.
- About one-third of organizations cannot offer fair wages or benefits to staff with their current budget.
- Earned to contributed revenue sources average **35%:65%**.
- The top 3 contributed revenue sources are government, foundations, and individual giving.
- The top 3 earned revenue sources are program fees, rental income, and sales.

## NYC ORGANIZATIONS THAT FIT THE CRITERIA WITH ACCESSIBLE DATA

(Sample size: 97 of the 137; data reflect FY15)

### Budget

- The median size budget of the organizations is **\$853,961**.
- **42%** of organizations ended the year net negative.

## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Assets

- Real estate
  - 12% of organizations with a budget under **\$3MM** have real estate.
  - 86% of organizations with a budget over **\$3MM** have real estate.
- Endowment/asset-based fund
  - 11% of organizations with a budget under \$1MM have an endowment/fund.
  - 36% of organizations with a budget between \$1MM and **\$3MM** have an endowment/fund.
  - 57% of organizations with a budget above **\$3MM** have an endowment/fund.
- Equipment
  - 72% of organizations own equipment.
- Working capital
  - The median number of months of working capital is 3.

## NYC ORGANIZATIONS THAT FIT THE CRITERIA WITH ACCESSIBLE DATA

(Sample size: 97 of the 137; data reflect FY15)

### Assets

- Real estate/space
  - Own - 6%
  - Rent - 72%
  - Donated /in-kind - 23%

**\$3MM** emerged as a distinct marker in Yancey Consulting's survey regarding ALAANA organizations' in NYC's abilities to aggregate assets.

## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Liabilities

- Accrued debt
  - Roughly one-third of organizations with a budget under \$3MM have accrued debt.
  - **57%** of organizations with a budget over \$3MM have accrued debt.
- Mortgages/notes
  - **9%** of organizations with a budget under \$3MM have mortgages/notes.
  - **57%** of organizations with a budget over \$3MM have mortgages/notes.
- Accounts payable
  - A little bit over one-half of organizations have accounts payable.

### Fundraising

- The average number of yearly fundraising events is 2.
  - **63%** of organizations would modify the nature of the fundraising events in the following ways:
    - Increase geographic coverage (organize in other cities)
    - Increase the number of small fundraising events (like house parties)
    - Increase attendance and have more higher profile and net-worth attendees

### Constituencies served

- Over **50%** of organizations continue to serve the same constituencies (no change over the years).
- **45%** of organizations (n = 38) said that their constituency has changed over the years.
- **47%** of organizations (n = 17) said that their constituencies expanded due to
  - Covering more geographic area,
  - More immigrants,
  - More inclusive programming, and
  - Using social media.
- **6%** of organizations (n = 17) explicitly said that their audiences decreased.
- **6%** named gentrification as a major factor in the change of constituencies served.



## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Staff\*

- 12% of organizations state they are sufficiently staffed.
- The median number of FT employees is 4.
- The median number of PT employees is 6 (equivalent of median 3 FT positions).
- A median of **42%** of staff is dedicated to programming, as compared to
  - 13% to fundraising,
  - 8% to finance,
  - 8% to marketing, and
  - 8% to HR.
- Capacity needs are prioritized as follows:
  - Development staff (**29%** of organizations)
  - Communications/marketing (**24%** of organizations)

*\*A detailed staff profile snapshot is provided below this table.*

## NYC ORGANIZATIONS THAT FIT THE CRITERIA WITH ACCESSIBLE DATA

(Sample size: 97 of the 137; data reflect FY15)

### Staff

- The median number of FT employees is 5.
- The median number of PT employees equivalent to FT positions is 1.

*\*A detailed staff profile snapshot is provided below this table.*

## YANCEY CONSULTING'S STUDY PARTICIPANTS

(Sample size: 45 organizations)

### Board

- Average board size is 13.
- **88%** of organizations view their boards as active.
- **66%** organizations have boards where all board members contribute financially.
- **89%** of organizations would like to adjust their current board makeup to have more expertise and diversity (age, race, gender) and to be fiscally stronger

### Volunteers

- More than **70%** of organizations have volunteers that assist a few times a year and are mostly returning volunteers.
- All organizations above \$3MM have volunteers.
- Smaller organizations are challenged to manage volunteers.

## NYC ORGANIZATIONS THAT FIT THE CRITERIA WITH ACCESSIBLE DATA

(Sample size: 97 of the 137; data reflect FY15)

### Board

- Average board size is 11.

### Volunteers

- **74%** of organizations have volunteers that assist a few times a year.
- Median number of volunteers is 6.

## YANCEY CONSULTING'S STUDY PARTICIPANTS

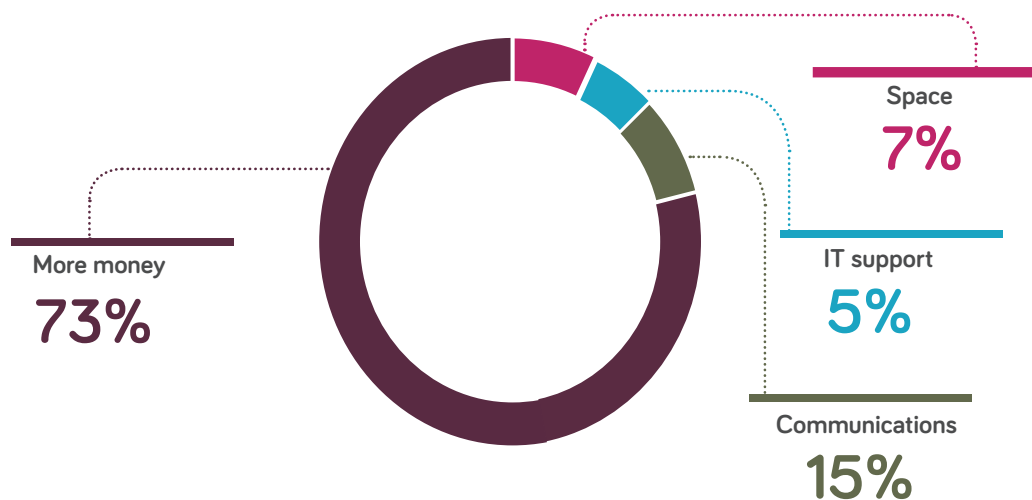
(Sample size: 45 organizations)

### Networks

- 77% of organizations that consider themselves being part of a network noted that networks meaningfully augment their capacity in the following ways:
  - Allow them to share resources
  - Amplify their mission-driven advocacy
  - Provide collaboration opportunities

### Top greatest organizational needs (percentage of participants that stated the need)

- More money (more earned revenue, more capacity to fundraise, cash reserves) - **73%**
- Communications (clear message, greater audience reach) - **15%**
- Space (obtain space, build out space, maintain space) - **7%**
- IT support - **5%**




## DETAILED STAFF PROFILE

### Survey participants' employee profile

Organization's budget size	Average number of full-time employees	Average number of employees in executive management positions
\$200-\$500K	1.58	1.5
\$500K-\$1MM	3.11	1.56
\$1MM-\$3MM	8.4	3.13
\$3MM-\$5MM	15	4.5
\$5MM-\$10MM	25.67	3.33
\$10MM and up	103	5.5

### Percentage of employees dedicated to specific staffing areas (average within budgetary brackets)

Organization's budget size	Programming	Fundraising	Finance	Marketing	HR/Ops
\$200-\$500K	53%	15%	11%	18%	8%
\$500K-\$1MM	75%	13%	12%	12%	11%
\$1MM-\$3MM	30%	9%	7%	5%	7%
\$3MM-\$5MM	77%	3%	5%	3%	4%
\$5MM-\$10MM	76%	5%	3%	3%	5%
\$10MM and up	65%	3%	3%	4%	4%



Noel Pointer Foundation

## CONTEXTUALIZING DATA

Data is illuminating and powerful when contemplating change. It is the anchor to new ideas. The paper and ink when crafting a story.

Data, however, has no loyalty. It is used to tell any story desired by the author.

This is why data must be in the service of a bold, radical vision.

It is vision and artistry that spark culture shifts and inspire people to demand and sustain change.

—Lisa Yancey



# FINDINGS

## What We Learned from the Survey

### SELF-IDENTIFIED STRENGTHS FROM RESPONDENTS

- Programming that reflects and gives voice to the communities served
- Providing opportunities to artists of color
- Commitment to the mission and vision
- Cultural diversity in constituencies served
- Self-reliance and dedication
- A dedicated team (**72%** of the organizations have staff that have been with the organization for over ten years.)



How do you assess commitment and passion when evaluating sustainability?

—Small-group conversation participant

The Laundromat Project

### BRIGHT SPOTS

- Marginal increase in earned revenue contributions in 2017 as compared to the national average of nonprofits in 2014. Nationally, nonprofits' contributed to earned revenue ratio was **40% to 60%**, whereas survey participants' earned to contributed revenue ratio was 35% to **65%**.<sup>13</sup>
- Improved financial forecasting. **65%** of organizations of color in the 2015 DeVos Institute of Arts Management survey sample reported deficits in FY13,<sup>14</sup> whereas only **19%** of organizations project net negative for FY17. The DeVos survey had a national reach and focused solely on African American and Latino museums, dance companies, and theater companies, so the comparative percentage is not apples to apples. That said, we believe that the percentage difference is relevant because New York City had the highest percentage of African American and Latino organizations represented in DeVos's survey, thus a significant margin of the **65%** noted reflects New York City. Even with the improved financial forecasting, it is important to note here that only **12%** of the organizations in Yancey Consulting's survey consider their operations "sufficiently staffed"; and only about  $\frac{2}{3}$  of surveyed organizations can afford to offer fair wages and benefits. So, there are more improvements to be had.

<sup>13</sup> Mina Para Matlon, Ingrid Van Haastrecht, and Kaitlyn Wittig Mengüç, Figuring the Plural: Needs and Supports of Canadian and US Ethnocultural Arts Organizations, School of the Art Institute of Chicago/Art Institute of Chicago, 2014.

<sup>14</sup> DeVos Institute of Arts Management, Diversity in the Arts: The Past, Present, and Future of African American and Latino Museums, Dance Companies, and Theater Companies, 2015.

- Enhanced effectiveness of NYC ALAANA board members:
  - **74%** of respondents affirmed their board members bring access to different networks.
  - **88%** of participants refer to their boards as “active.”
  - Approximately 66% of the organizations have boards where all members contribute financially (although more board members with greater financial contributions and wealthier networks are a priority need according to participants).
  
- Consistency on the type of investments that could make a “catalytic” difference to organizations’ sustainability:
  - **29%** noted leadership transition.
  - **26%** noted space/infrastructure.
  - **18%** noted capacity building.
  - **16%** noted the need for greater investments in innovation and risk taking; pivoting to greater business practices.
  - **16%** noted investments in new programming or shifts in current programming.

## NOTED CHALLENGES

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- The revenue generating capacity of boards. **90%** of organizations would like to adjust the current makeup of their boards by bringing more financial power, diversity in ethnicity, age, and expertise to governance leadership.
- Need for deeper investments in operational competencies (finance, reach, scale, communications, and revenue diversification)
- Capacity (fundraising, marketing, financial management, archives/legacy preservation, and board development)
- Little to no investments available for meaningful professional development of staff
- Minimal time invested for reflection (within staff and with board)
- A culture of exhaustion and perpetual hand-to-mouth operations
- Lack of financial planning and business modeling expertise
- Reliance on contributed income. Despite the fact that the median contributed revenue ratio of participants is **35%**, organizations with budgets between **\$200,000** and **\$500,000** heavily rely on contributed income (**65%** of revenue is contributed).

Founders of many of these organizations have dedicated their lives to this work. The life-dedication trend started to shift with Gen-X administrators and is distinctly different in the millennial generation. Understanding the needs and non-negotiables of the future workforce within this sector is critical for sustainability.

—Yancey Consulting



The Bronx Academy of Arts and Dance (BAAD)

## REGARDING FRAMING OF ALAANA ORGANIZATIONS

### FROM SURVEY PARTICIPANTS:

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- **92%** of organizations (**n = 37**) said that it is necessary to distinguish the needs of ALAANA organizations from white cultural organizations.
- “ALAANA organizations make for a more inclusive, more democratic world, which in itself is priceless.”
- “The populations that these organizations serve and the work they feature have relevance to wide populations. As such, these organizations should be seen as active partners in better understanding the experiences of all people.”
- “We are critical to the landscape. We are the future of America.”
- “I think a large part of the discussion about ALAANA organizations mostly has to do with budget size. For a variety of reasons, ALAANA organizations tend to be smaller; so I think sometimes the conversation turns to cultural specificity when really it might be about money and capacity.”

- “Perhaps it’s necessary to have framing, but it does ghettoize ALAANA organizations by its very nature. ALAANA artists are artists—like any other artists. It is funders—individual, corporate, foundation—and audiences who need to understand that the work of ALAANA organizations is not the work of ‘others.’”
- “Many of these organizations are community based and were created to serve a specific need within their community. With this focus on community also comes a set of shared values that many of these organizations share as a common philosophy for serving the community.”
- “ALAANA organizations can be framed as community-based service providers and agencies that have a vision to improve the quality of life for underserved multicultural communities by being a voice advocating for the reduction of ethnic disproportionalities.”
- “It is not a one-size-fits-all conversation.”
- “Cease using the term mainstream to define non-ALAANA organizations.”
- “We eat Chinese food; we don’t think of it as being only for Chinese people, for example, unless the menu wasn’t translated, I suppose. Culture and identity are over politicized.”



Even if the blinds are down, we still see the sky.

—*Small-group conversation participant*

The Bronx Academy of Arts and Dance (BAAD!)

## WISH LIST FROM PARTICIPANTS

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- Three to five years of unrestricted funding to give “breathing room” and space for innovation
- Dedicated physical space for programming (long-term rental or ownership)
- Capacity building:
  - 29% of organizations identified the need for greater development capacity.
  - 24% of organizations expressed that strengthening marketing/communications is a capacity priority.
  - Administrative support (especially for organizations with budgets of **\$200,000** to **\$500,000**) was notable.
  - Financial planning support (particularly organizations with budgets ranging between **\$1,00,000** and **\$3,000,000**) was also prioritized.
  - “Leadership matters. ALAANA organizations tend to exist on the margins. We encounter obstacles in attracting white and ALAANA board members, ALAANA senior staff, and major donors. ALAANA organizations at every level face these challenges, and investments need to be made to enable organizations like ours to make the full impact we are capable of. If mere existence is the constant struggle, then we will be prevented from realizing our mission. Staff development resources are also very important, as organizations face challenges in providing professional development resources to talented staff, specifically in order to advance ALAANA staff to higher-level positions,” said a survey participant.
- Succession planning
- Active, diverse, and financially strong boards



We have the emotional capital, access to the community, and expertise. Fund us directly to do the work that big white institutions contract us to do.

—Small-group conversation participant

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## WHAT WE LEARNED FROM THE SMALL-GROUP CONVERSATIONS

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ALAANA as a term is problematic for some. We had one organization that chose not to participate while we conducted the study using that rubric. Yancey Consulting included a series of questions about the use of ALAANA in the survey and discussed it in the small-group sessions. Participants shared the following pros and cons:

### Pros

- The label is useful in resourcing the field.
- The label provides organizations a point of entry and becomes the framework for inclusivity, but “cultural sensitivity” is important.
- The label brings attention to organizations and communities that are under systematic oppression and marks the needs of specific communities. “I think every organization is different, but there is definitely a disparity of resources [for these] communities.”
- “It is important to have organizations say that they are here to identify and support their communities.”

### Cons

- The label is counterproductive in boxing an organization into a tight frame and pitting organizations against each other: “we versus they.”
  - ALAANA-defined organizations are specific, but they also face general organizational issues. “These organizations are very diverse and distinct when it comes to creating the art and serving our distinct communities.”
  - An umbrella label minimizes the diversity of these communities. The full story of an organization cannot be told looking at generalized descriptors. You lose defining nuances.
  - Labels are a generational self-identification thing. New terminology is not the solution.
  - An acronym does not encompass multicultural value.
  - It is about inclusion, not about labels.
- Being able to talk with others doing this work in person is important. Participants appreciated the opportunity to hear and learn from each other in the small-group conversations. They expressed appreciation that it “wasn’t a full room where folks are essentially competing to be heard.”

- There is not a sufficient supply of individuals within or across organizations who bring business management competencies for growing a cultural enterprise. This is often augmented by consultancies that temporarily bolster the organization. Take an organization that receives financial auditing consultancy support to affirm or clarify its financial positioning, for example. During the consultancy, leadership unearth operating practices that challenge the organization's ability to sustain financial acuity. The consultant conducts a comprehensive audit and identifies areas of concern. The organization has good information to move forward in the near term. The asset returns on this work are typically short-lived if the organization continues to lack the capacity to steward better business management practices.
- Limited capacity is tied to scarce capital. Operating from scarcity breeds creative problem solving but stagnates innovation.
- There is a desire and need to create more human-centric work environments that value employees' self-care, skills development, and relationship building with colleagues and within communities.



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- One-time workshops are not cutting it. “Everyone can’t get a master’s degree—nor should they—but we could build a community of learning.”
- There was a palpable need to better broadcast and publish available resources to organizations with smaller budgets, and what they need to do to access them. Despite efforts to ensure that all NYC-based ALAANA organizations are aware of the resources available to nonprofits, many of the organizations were either not aware or not actively utilizing these resources. It is reminiscent of having open and free events that are not well attended by all or specific populations. Something is getting lost in translation. The message, “This is for you” is not connecting as well as it should. Given that promotional efforts have been made to specific organizations and the public broadly, a targeted awareness and incentivized usage campaign should be considered as a field-wide effort. Without casting fault, it is not enough for organizational leaders to be told that resource lists exist, such as the one found at the New York City Department of Cultural Affairs website, when we know that such support systems are being underutilized by this subset of ALAANA organizations.<sup>15</sup> Perhaps efforts can be made in partnership with the New York City Department of Cultural Affairs to launch a campaign to enhance grantees’ awareness and usage of existing resources. Not only would it maximize the return on NYC’s existing suite of services (presuming that they have the capacity to handle increased demand), it is a cost-efficient way to have greater adoption and thus impact from the current cultural amenities ecosystem.

<sup>15</sup> NYC Resources, New York City Department of Cultural Affairs, <http://home2.nyc.gov/html/dcla/html/resources/resources.shtml>



# CROSS-LITERATURE COMPARATIVE DATA POINTS

## Interesting Comparisons from Existing Reports

Source	Data points from existing reports	Comparative findings with Yancey Consulting's study
<p><i>Not Just Money: Equity Issues in Cultural Philanthropy, by Helicon Collaborative, 2017.</i></p>	<ul style="list-style-type: none"> <li>■ The top revenue sources for organizations serving communities of color are the following:               <ul style="list-style-type: none"> <li>● Investments</li> <li>● Admission, box office, tuition</li> <li>● Government</li> <li>● Foundations</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ This study confirmed a similar revenue source lineup based on the size of contributions:               <ul style="list-style-type: none"> <li>● Box office, program fees (62% of organizations name as top revenue source)</li> <li>● Government (34%)</li> <li>● Foundations (34%)</li> <li>● Rental income (14%)</li> </ul> </li> </ul>
<p><i>Diversity in the Arts: The Past, Present, and Future of African American and Latino Museums, Dance Companies, and Theater Companies, by DeVos Institute of Arts Management, 2015.</i></p>	<ul style="list-style-type: none"> <li>■ Earned revenue as percentage of the total budget in the largest mainstream organizations is 59% compared to 40% for the largest African American and Latino organizations.</li> <li>■ The average board size of the largest mainstream organizations is 40. African American and Latino organizations' boards are an average of 13.</li> </ul>	<ul style="list-style-type: none"> <li>■ This study showed that the average earned to contributed ratio is 35% to 65% percent.</li> <li>■ The average board size of organizations surveyed is 13.</li> </ul>

Source	Data points from existing reports	Comparative findings with Yancey Consulting's study
	<ul style="list-style-type: none"> <li>■ 65% of organizations of color in the DeVos survey sample reported deficits in FY13.</li> <li>■ 30% of organizations of color reported an endowment.</li> <li>■ The average age of mainstream organizations is 72 years versus 35 years for culturally diverse organizations.</li> </ul>	<ul style="list-style-type: none"> <li>■ In this study, 19% of organizations project net negative for FY17.</li> <li>■ In this study, 26% of organizations reported an endowment/asset-based fund.</li> <li>■ The average age of organizations in this study was 33 years.</li> </ul>
<p><i>Figuring the Plural: Needs and Supports of Canadian and US Ethnocultural Arts Organizations, by Mina Para Matlon, Ingrid Van Haastrecht, and Kaitlyn Wittig Mengüç, School of the Art Institute of Chicago/Art Institute of Chicago, 2014.</i></p>	<ul style="list-style-type: none"> <li>■ 45% of organizations are multidisciplinary.</li> <li>■ The national average gross income is \$701,358.</li> <li>■ The national ratio of contributed to earned revenue is 40% to 60%.</li> <li>■ Financial resource needs:               <ul style="list-style-type: none"> <li>● Increasing contributed revenue (39% ranked 1)</li> <li>● Identifying new funding sources (30% ranked 1)</li> <li>● Grant assistance reported as not a challenge or need by 61% of respondents</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ The surveyed organizations closely mirror national breakdowns by discipline: multidisciplinary organizations are most prevalent (56%).</li> <li>■ In this study the average gross income is \$2.6MM (median: \$1.1MM).</li> <li>■ In this study the ratio of contributed to earned revenue is 35% to 65%.</li> <li>■ Financial resource needs:               <ul style="list-style-type: none"> <li>● Increased government and foundation support (30% ranked 1)</li> <li>● Increased earnings (27% ranked 1)</li> <li>● Increased individual contributions (27% ranked 1)</li> </ul> </li> </ul>

Source	Data points from existing reports	Comparative findings with Yancey Consulting's study
	<ul style="list-style-type: none"> <li>■ Organizational challenges:               <ul style="list-style-type: none"> <li>● Financial resources (86% ranked 1-2)</li> <li>● Organizational capacity building (53% ranked 1-2)</li> <li>● Space (21% ranked 1-2)</li> <li>● Audience development (20% ranked 1-2)</li> </ul> </li> <li>■ Top capacity building needs:               <ul style="list-style-type: none"> <li>● Increasing the number of paid staff (41% ranked 1-2)</li> <li>● Board development (29% ranked 1-2)</li> <li>● Obtaining appropriately skilled staff (25% ranked 1-2)</li> <li>● Marketing/promotion assistance (24% ranked 1-2)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Increased corporate support (13% ranked 1)</li> <li>● Administrative support (7% expressed the need) and grant compliance reporting revealed as issues with existing capacities in conversations and the survey</li> </ul> <ul style="list-style-type: none"> <li>■ Organizational challenges:               <ul style="list-style-type: none"> <li>● Financial resources</li> <li>● Organizational capacity building</li> <li>● Space</li> <li>● Audience development</li> </ul> </li> <li>■ Top capacity building needs:               <ul style="list-style-type: none"> <li>● 86% of surveyed organizations stated they are not sufficiently staffed.</li> <li>● 89% of organizations would like to adjust their current board makeup.</li> <li>● 29% of organizations need development staff.</li> <li>● 24% of organizations need marketing staff.</li> <li>● 14% need program staff.</li> </ul> </li> </ul>

Source	Data points from existing reports	Comparative findings with Yancey Consulting's study
	<ul style="list-style-type: none"> <li>■ Developmental constraints are characteristic of the organizational life stage “growth and renewal” and in some cases “stagnation” (Figuring the Plural, 298–99).</li> <li>● Need for unrestricted funds</li> <li>● Need to diversify revenue streams, increase individual contributions</li> <li>● Fundraising limitations due to capacity</li> <li>● Need for access to wealthy individuals, corporations, and foundations</li> <li>● Need to create leadership succession plan</li> <li>● Need to diversify board</li> <li>● Need to develop leadership</li> <li>● Need to have affordable, sustainable space</li> <li>● Need to educate the public on the value of arts</li> <li>● Lack of marketing expertise</li> </ul>	<ul style="list-style-type: none"> <li>■ Developmental constraints of surveyed and interviewed organizations are characteristic of the life stage “growth and renewal” and in some cases “stagnation.”</li> </ul>





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One cannot expect sustained change with temporary solutions that assuage symptoms without eliminating the core problems. We can only get to these core problems by investing differently and collaboratively in capacity, shared learning, and behavioral modifications that can lead to field-wide culture shifts.

—Lisa Yancey

## TOP TAKEAWAYS

### I. Funders are doing a lot of the right things. Don't stop. Go further.

Shifts in grantmaking practices over the years are creating more resilient organizations. All participants remarked that the following grantmaking practices, which are becoming more commonplace, have been critically important to their organization's ability to sustain and scale:

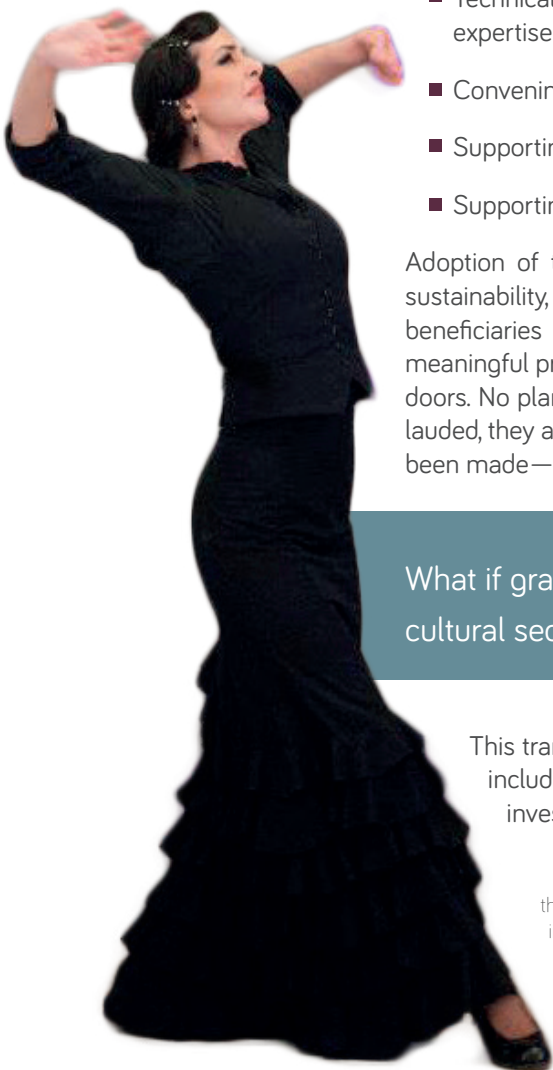
- Larger grant amounts
- Multiyear funding
- More general operating support to cover the people who make the programs happen
- Technical assistance support to augment capacity and integrate complementary expertise into the organization's intellectual assets pool (albeit temporarily)
- Convening clusters of grantees for strategic conversations
- Supporting and encouraging professional development of staff
- Supporting succession planning

Adoption of these practices by more funders will continue to fortify the field. For sector sustainability, the current challenge with these practices is their adoption case by case. The beneficiaries are often few. And the focus is singularly skewed, so all of the strategy and meaningful problem solving that could benefit others in the field are conducted behind closed doors. No plan or structure is in place for field-wide learning. So, when stories of success are lauded, they are almost exclusively about a specific entity in which enduring investments have been made—not in a cluster of a community of organizations.

What if grantmakers came together to transform the ethos of NYC's cultural sector into a nonprofit Silicon Valley?

This transformation would require abiding investments in the ecosystem broadly, which includes individual investments in organizations but understanding that the bulk of investments need to have broader reach throughout the field.<sup>16</sup>

<sup>16</sup> Inherent challenges with this idea are twofold. On the one hand, one might ask, Where is the appeal for the philanthropic reach to have broader touch points when given to white cultural organizations? Why are the investments in ALAANA organizations stretched so thin? And this, of course, is a valid question and critique. The other challenge is that the burden of determining opportunities for more organizations to benefit from investments in an allied organization cannot fall squarely on the shoulders of the grantee. Grantors, grantees, consultants, and other thought leaders in the field need more collective strategizing spaces to pilot sector-wide solutions.



## II. In building an ecosystem of thriving, ALAANA organizations need investments with a generational outlook.

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One remarkable statistic given the context of this study is the comparative data point noting that the average age of mainstream organizations is seventy-two years versus thirty-five years for culturally diverse organizations.<sup>17</sup> Yancey Consulting's study yielded a median organizational age of thirty-two years. This finding indicates that these organizations have sustained for over a generation, presuming a generation is approximately twenty-five to thirty years. The single-entity sustainability approach makes absolute sense given the average life cycle of ALAANA organizations. Now that we are seeking a paradigm shift, we have to plan for organizations to continue to exist within New York City's cultural tapestry for the next hundred years. It is time to fertilize environs where these organizations thrive season after season.

## III. We need an ecosystem approach to sustainability, breaking away from the practice of building one institution at a time.

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Now that ALAANA arts and culture organizations in New York City are moving into multiple generations of existence as a sectoral class, to nurture an environment that will foster sustainability and thriving over time, the broader landscape needs to be fortified with (1) leadership development as common practice; (2) solid operational and management skills situated within organizations, recognized as an effective mission-driven practice; and (3) spaces that foster idea sharing and collaborative learning.

Redirect the thinking from focusing on sustaining individual institutions to building a fertile ecosystem. This means developing and maintaining a lens where the question, How can this benefit the sector? is asked. The answer may include digital sharing platforms, convenings, publishing investment rationales, or resourcing institutional mentorship or experiential exchange initiatives for better sector-wide learning.

Build the people. Have more individuals understanding the business of sustainable operations that flow across institutions. Ecosystem sustainability will also require advocacy for better wages and fringe benefits across the field. Keep in mind sustainability is not the end goal. It is along the path to nurturing an environment where ALAANA organizations can thrive.

This takeaway does not suggest that individual institutions should not receive significant investments. Instead, it recognizes that investments in institutions should not be made without understanding the context of how that investment fortifies the field. The needle of sustainability won't move until the field is an ecosystem where generative ideas and cross-pollinated learning become normative practice.

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<sup>17</sup> DeVos Institute of Arts Management, Diversity in the Arts.





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## IV. Set an audacious goal that could shift the diversity and level of investments in ALAANA institutions (financial, time, strategic problem solving, peer knowledge exchange, etc.) to directly impact the long-term viability of these organizations in New York City.

What if grantmakers piloted a model focused on ALAANA organizations' thriving, seeking proof of concept within the next ten years, and built a brand that heralds New York City as a fertile ground where creative innovation thrives? There would be a concentrated focus on shifting an ecosystem to a culture of excellence, collaborative practice, experimentation, incontestable business operations, and well-compensated stewards. What if New York City's arts and culture sector was celebrated alongside other respected industries by people outside of the arts and culture orbit? What would it take to accomplish this recognition?

Create a goal that feels equally plausible and implausible to stretch beyond conventional thinking. Aspiring for a paradigm shift requires atypical thinking.

### I. Create an ALAANA arts and culture paradigm-shift think tank

Aggregate a group of thinkers to devise a series of tactics that a philanthropy cohort could implement in sum or part over a sustained period (five, ten, fifteen, twenty years, for example). Working with a consultant to facilitate the process, these culture-shift thinkers would identify specific indicators of sustainability (maintaining viability) and thriving (flourishing and prospering) to shape goals and steps to launch an improved cultural ecosystem. Once the goals and clear picture of sector-wide sustainability and thriving are canvassed, the think tank would suggest strategic actions that track directly with the targeted indicators, which the cohort could pilot as a prototype. Such actions would take into consideration other sectors that are excelling and assess the landscape that allows them to thrive.

The think tank would

- Build upon what funders are already doing well,
- Assess opportunities to expand field leaders' exposure to different growth and operational practices to manifest an audacious vision (getting beyond day-to-day operations),
- Create scenarios of capacity building that distinguish the needs of different budget sizes and offer ways to strengthen existing economic models and sharing platforms,
- Identify opportunities for transformative mentorship and skills development for staff and board members that allow the intellectual capital of the sector to grow over time, and
- Offer ways to cultivate idea sharing sector-wide so that such practices become characteristics attributed to how cultural leadership is practiced in New York City as the prototyping model.

A sample composition of this group includes artists, academics, poets, technologists, impact investors, entrepreneurs, policymakers, cultural workers, strategists, venture capitalists, renowned arts administrators, operations managers, and others who demonstrate a bold vision. How and how often they interface need to be designed to accommodate availability, but there should be a series of opportunities for these cross-sector thinkers to be in the same room imagining possibilities on central themes. Most should be familiar with New York City's cultural landscape, but that is not a requirement for all.

While the model is being created, specific actions that can be taken now:

#### **By grantmakers**

- Promote the existing resources available to NYC cultural institutions to enhance the awareness and usage of such support systems by ALAANA organizations
- Enhance considerations of investing in ALAANA organizations' capacity needs in grantmaking practices/priorities
- Elevate an approach that focuses on the building of an ecosystem of professional/personal development and collaborative learning
- Provide tools to integrate concept with practice
- Facilitate cross learning with grants seekers/grantees

#### **By grantseekers**

- Address bandwidth challenges in critical sustainability areas by enhancing resources dedicated to operational systems and staff development, even at the expense of reducing programming activities
- Support peer engagement and learning through cohort programs
- Shift organizational culture to maintain stronger sustainability practices subsequent to direct capacity support
- Ensure awareness and use of existing resources that are underutilized by ALAANA organizations
- Formalize cross-learning opportunities with funding partners

#### **For the field**

- Track and document process and learnings to share broadly
- Report out principal learnings and takeaways of cohort initiatives

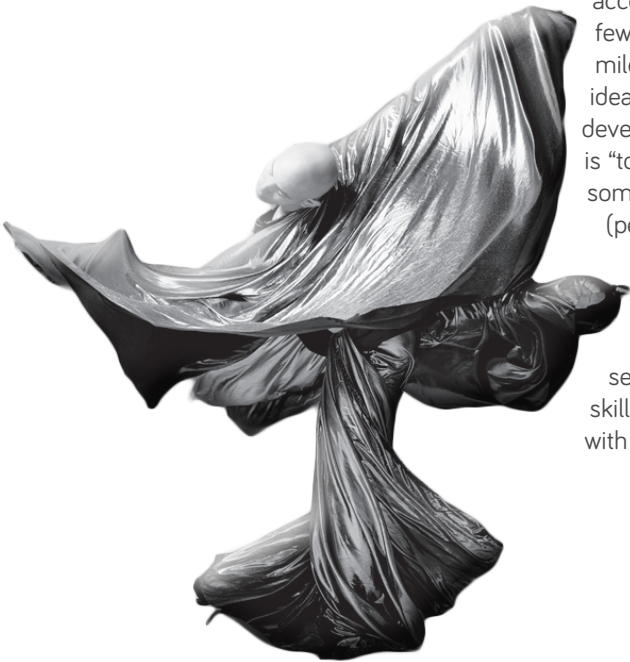
## V. Convene grantees to reinforce a culture of learning, risk-taking, and innovative ideation.

Participants repeatedly expressed interest in coming together in intensive, learning environments where people can commune and learn from each other as well as other technical experts, and feel safe to test ideas and take risks. Small-group participants remarked how much they appreciated being able to come together in an intimate, noncompetitive environment to openly share and hear how other colleagues approached similar challenges.

We are living in a time where accelerator and incubator programs are becoming the norm for entrepreneurs and innovators in high-performing industries. In a July 26, 2017, listing by the Founder Institute of New York City's best accelerator and incubator programs, not one centered arts and culture.<sup>18</sup> Although there are a couple of established culture innovation "labs" in the city,<sup>19</sup> we were challenged to find immersive accelerator programs dedicated to helping organizations flourish as a business enterprise. The closest we could find is The New Museum's New Inc. incubator, which was launched in 2014. New Inc. is "dedicated to supporting innovation, collaboration, and entrepreneurship across art, design, and technology." It is a co-working space that houses a twelve-month program where participants "engage in business and entrepreneurial training sessions with seasoned experts and mentors; group critiques; peer-to-peer learning; and critical discourse about the changing nature of culture, technology, and entrepreneurship."<sup>20</sup>

The critical distinction that we are making between a lab, incubator, and accelerator is that an accelerator program is typically a short (a few weeks to a few months) intense program that traditionally helps startups reach a business milestone. Labs are typically places where participants explore or experiment in ideas in hopes of inspiring change, and incubators are spaces where ideas are developed. To think of these three types of programs as infinitives, an incubator is "to develop" or "to start" something, an accelerator is "to advance" an existing something, and a lab is "to explore" or "to experiment" in the free flow of ideas (perhaps anchored around a theme).

With an ecosystem goal of moving toward thriving, we believe that there is a great opportunity to design an accelerator/incubator program for the creative entrepreneurs and cultural administrators in the arts and culture sector. This accelerator would focus on strengthening operational viability skills, incorporating educational, mentorship, and financing resources to work with dedicated groups for intense periods of time.



Asian American Arts Alliance, photo credit: Lois Greenfield

<sup>18</sup> Founder Institute. New York City's 32 Best Startup Accelerators & Incubators, <https://fi.co/insight/new-york-city-s-32-best-startup-accelerators-incubators>.

<sup>19</sup> Two renowned arts-driven innovation labs in New York are Race Forward's Racial Equity in the Arts Innovation Lab (<https://www.raceforward.org/practice/nyc-arts>), and EmcArt's Community Innovation Labs (<http://www.emcart.org/programs/community-innovation-labs>).

<sup>20</sup> "About New Inc.," New Inc., <http://www.newinc.org/about/>.

# YANCEY CONSULTING'S 5-POINT PATHWAY TO CULTURAL SHIFTS FOR PHILANTHROPY



Create the Space  
(emotional, physical)

01

02

Build the Trust

Provide the Tools

03

**OPENNESS** to change happens here

{At this stage, organizations are mentally and emotionally positioned to execute two critical steps in culture shifting: 1) **PRIORITIZING** the change; and 2) **DEDICATING** the **TIME** within their organizations.}

Incubate Learning  
Culture and  
Communities

05

04

Focus on the People and  
the Field at Large

**CULTURE SHIFTS** happen here



## CREATE THE SPACE



Although financial resources are always needed, to change the culture of disinvestment, centered in Helicon Collaborative's report *Not Just Money*, to a philanthropic ecosystem that enriches all organizations equitably, we have to address oppressive ideologies and structures and the resultant physical and emotional fatigue carried by the disinvested. To do this, we have to acknowledge the behavioral shifts needed to catalyze an openness to change. On a practical level, if one is to focus on a targeted group of people to pilot an initiative designed to test what it takes to create a thriving culture for ALAANA organizations, the participants in the pilot need to have space from their day-to-day duties to be fully present. Sometimes the challenge is underestimating how much people have overextended themselves in the service of their work. So, financial investments may ease the burden but not adequately compensate for the mental and emotional space needed to sustain a change.

## BUILD THE TRUST



Trust comes over time but accrues more swiftly with authentic intentions, open and honest dialogue, mutual respect, and persistent engagement. Participants have to trust that they have the space to engage honestly without compromising what they may believe to be their organization's viability. This step addresses physical, cognitive, emotional, structural, stereotypical, and behavioral realities. Trust is required, as is a lot of love. Investment cannot feel temporary if you are committed to disrupting patterns of inequitable behaviors.

## PROVIDE THE TOOLS



Consultants to augment capacity and tools designed to suit the needs of distinctly different organizations are needed to create the openness for change to happen. Once you create the space for change to occur (step 1), build trust (step 2), and provide tools (step 3), you begin to initiate culture shifts.

**OPENNESS** to change  
happens here



{When “openness” happens, leadership has the space to take two critical steps:  
 1) Make the COMMITMENT TO PRIORITIZE the change or changes sought; and  
 2) Enforce DEDICATED TIME within their organizations towards the change.}

## FOCUS ON THE PEOPLE AND THE FIELD AT LARGE



This report centers an ecosystem focus that premises building the people and culture that attract and retain the leadership and environment needed for institutions to thrive. This is a departure from concentrating resources on one establishment at a time.

## INCUBATE LEARNING CULTURE AND COMMUNITIES



There are different modalities for learning. Video, immersive experiential environments, virtual, and audio are a few examples. When designing learning experiences and curricula, moving beyond lectures, written forms, and dense lectures as primary modalities for learning is required.

Further, expertise does not always have to be imported into learning environments. Take advantage of the expertise people bring when fostering learning communities. Specialized expertise should augment experiences people bring and can share with each other. Creativity, learning, and innovation happen in networked spaces. When people come together to ideate, they push each other to imagine what is possible, building upon each other's lived experiences. Culture shifts require integrated, combustible spaces of learning and exposure to new and different ideas and perspectives. Shifts are less likely to happen in isolation.

**CULTURE SHIFTS**  
happens here

# CONCLUSION

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IN GENERAL . . . More of THIS. Less of THIS. Eliminate THIS.

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## MORE

- Collaborative ideation spaces
- Professional development and cohort training
- Collaborative strategizing on field-wide problems with dedicated support to move on the most compelling ideas
- Documentation and sharing with the field of learnings across different modalities (not only the written word)
- Dedicated communications of this field's work to elevate the mainstream public's consciousness

## LESS

- Isolated investments where people aren't coming together for shared accountability and report outs on the challenges they face (versus what's all good)
- Short-term investments of expertise without also building those skills throughout the field over time. Thus, every plan that offers technical assistance also integrates that competency within the organization (which could be through an alliance), so that the knowledge does not leave at the end of the consultancy term.
- Private problem solving. Always think of how the learnings can be framed as growth spurts for the field to attract new individuals to invest money, time, expertise, and advocacy.

## ELIMINATE

- Thinking that funders should not share ideas with field administrators on how to manage better
- Thinking that boards are going to fix institutional problems alone from a single training or workshop without being nurtured in an ecosystem dedicated to culture shifts and sustained investments over time
- Arbitrary limits on budget percentages to support the operations needed to produce quality programming
- The practice of low compensation without health insurance and retirement planning
- The practice of overproducing without accounting for the impacts on the wellness of the people and quality of the product

This is all to catalyze a paradigm shift, ushering in an environment that positions institutions to thrive.





# APPENDIX

- STUDY METHODOLOGY AND DUE DILIGENCE
- FULL LIST OF ELIGIBLE ORGANIZATIONS

# STUDY METHODOLOGY AND DUE DILIGENCE

## YANCEY CONSULTING'S METHODOLOGY INCLUDED

- Reviewing existing data reports and literature for useful metrics and analysis relevant to this exploration,
- Establishing a working definition of what constitutes an ALAANA arts and culture organization,
- Researching and affirming the slate of organizations that satisfy the New York City-based ALAANA arts and culture organization criteria with budgets over \$200,000,
- Developing and administering a comprehensive survey,
- Facilitating small-group listening sessions with administrators of ALAANA arts and culture organizations,
- Distilling findings and noting comparative data points with existing data reports,
- Facilitating a funders briefing, and
- Developing this report.

## DATABASE SOURCES EXPLORED

- Guide Star's online directory
- DataArts database
- Plural's online directory
- Doris Duke Charitable Foundation's and The New York Community Trust's grantee database
- National and local arts and culture networks such as the National Association of Latino Arts and Culture and Fractured Atlas
- Local arts councils such as the Brooklyn Arts Council, Bronx Council on the Arts, Lower Manhattan Cultural Council, and Queens Council on the Arts
- Google



## LITERATURE REVIEWED

The following materials were reviewed to ground this study with existing findings:

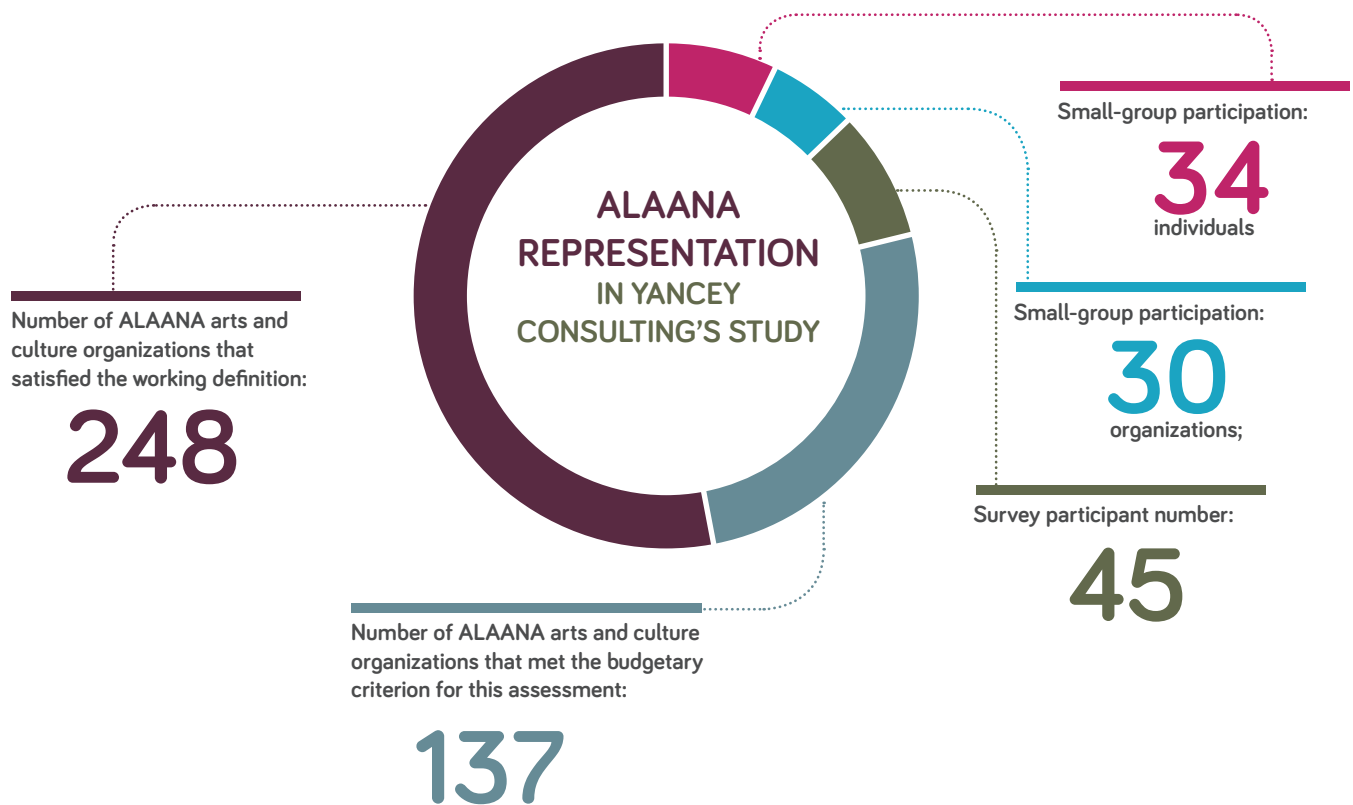
- *CreateNYC, New York City's Cultural Plan, 2017.*
- *Diversity in the Arts: The Past, Present, and Future of African American and Latino Museums, Dance Companies, and Theater Companies, by the DeVos Institute of Arts Management, 2015.*
- *Diversity in the New York City Department of Cultural Affairs Community, by Roger C. Schonfeld and Liam Sweeney, Ithaka S+R, 2016.*
- *Figuring the Plural: Needs and Supports of Canadian and US Ethnocultural Arts Organizations, by Mina Para Matlon, Ingrid Van Haastrecht, and Kaitlyn Wittig Mengüç, School of the Art Institute of Chicago/Art Institute of Chicago, 2014.*
- *National Center for Arts Research: Does "Strong and Effective" Look Different for Culturally Specific Arts Organizations? by Zannie Giraud Voss, Director, SMU National Center for Arts Research; Glenn Voss, Research Director, SMU National Center for Arts Research; Andrea Louie, Executive Director, Asian American Arts Alliance; Zenetta Drew, Executive Director, Dallas Black Dance Theatre; Marla Rubio Teyolia, Associate Director, SMU National Center for Arts Research, 2016.*
- *Not Just Money: Equity Issues in Cultural Philanthropy, by Helicon Collaborative, 2017.*

## WORKING DEFINITION OF ALAANA

For purposes of this assessment, Yancey Consulting compiled a list of African, LatinX, Asian, Arab, and Native American (ALAANA) arts and culture organizations that satisfied two benchmarks:

1. Organizations whose missions center advancing, celebrating, and serving the artistic and cultural interests and needs of ALAANA communities in New York City; and
2. Organizations whose primary constituents are ALAANA communities (even if their missions are not centered on advancing, celebrating, and serving the interests and needs of ALAANA communities).

Organizations that are predominantly led by people of color but are not primarily serving ALAANA communities were not included in this assessment. Once the universe of possible organizations was established, we refined the list to include organizations that met the \$200,000 or above operating budget criterion. (The list of eligible organizations can be found below.) The pool of eligible organizations decreased by 51%, from 284 to 137.



## ABOUT THE SURVEY AND SMALL-GROUP SESSIONS

The study was designed to have two points of interaction with participants: an online written survey and a series of small-group conversations/listening sessions with cultural administrators of participating organizations. The survey response rate was 32%, and we spoke with thirty-four individuals representing thirty organizations, which is approximately two-thirds of the organizations that participated in the survey. The data included in this report, however, are not limited to the forty-five organizations that participated in the study. As we had amassed data from our research due diligence, we were able to include and compare information from an additional fifty-two organizations that met the criteria.

Understanding that fatigue and limited capacity are real, pervasive conditions endured by ALAANA organizations, we elected to ensure that those organizations were represented in this report where possible. We maintain separate reporting of the non-participating organizations to refrain from compromising the direct data captured during this process. The parallels between both sample sizes reveal remarkable consistency. The inclusion of these additional organizations increased our assessment data to just over 70% of the 137 eligible organizations.<sup>21</sup>

<sup>21</sup> The data referenced here are limited to data points that matched the information captured in the survey.

# FULL LIST OF ALAANA ARTS AND CULTURE ORGANIZATIONS WITH BUDGETS OF \$200,000 AND UP IN NEW YORK CITY

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African Ceremonies, Inc.	Capoeira Foundation, Inc.
Afro Brazil Arts, Inc.	Caribbean Cultural Center African Diaspora Institute
Ahl Foundation, Inc.	Casita Maria, Inc.
Alliance for Inclusion in the Arts	Cave Canem Foundation, Inc.
Alvin Ailey American Dance Foundation, Inc.	Center for Traditional Music and Dance, Inc.
Alwan Foundation, Inc.	China Institute in America, Inc.
Amas Musical Theatre, Inc.	Chinese Community Center, Inc.
American Indian Artists, Inc. d/b/a AMERINDA	City Lore, Inc.
American Indian Community House, Inc.	Classical Theatre of Harlem, Inc.
Americas Society, Inc.	Clemente Soto Vález Cultural and Educational Center, Inc.
Amigos del Museo del Barrio, Inc.	Conscientious Musical Revues
Apollo Theater Foundation, Inc.	Cool Culture, Inc.
Art Start, Inc.	Creative Arts Workshops for Kids, Inc. d/b/a Creative Art Works
ARTs East New York, Inc	Cuban Artists Fund, Inc.
ArteEast, Inc.	Dance Theatre of Harlem, Inc.
ArtsConnection, Inc.	DreamYard Project, Inc.
Asia Society	El Puente de Williamsburg, Inc.
Asian American Arts Alliance, Inc.	Elders Share the Arts, Inc.
Asian American Writers Workshop, Inc.	Elisa Monte Dance
BAAD! Bronx Academy of Arts and Dance	Firelight Media, Inc.
Arthur Aviles Typical Theatre	Fist and Heel Performance Group
Ballet Hispanico of New York, Inc.	Spanish Dance Arts Co, Inc. a.k.a Flamenco Vivo Carlota Santana
Bedford Stuyvesant Restoration Corporation	Forces of Nature, Inc.
Black Spectrum Theatre Company, Inc.	Fourth Arts Block, Inc.
Bridges of Understanding Foundation	Fractured Atlas, Inc.
Bronx Arts Ensemble, Inc.	Global Action Project, Inc.
Bronx Community Cable Programming Corporation (BronxNet)	Globalfest, Inc.
Bronx Council on the Arts, Inc.	Groundswell Community Mural Project, Inc.
Bronx Documentary Center, Inc.	H. T. Dance Company, Inc./Chen Dance Center
Bronx River Art Center (BRAC), Inc.	Harlem Arts Alliance
Brooklyn Arts Council, Inc.	Harlem Gospel Choir on Tour, Inc.
Calpulli Mexican Dance Company, Inc.	
Camera News, Inc.	
Camille A. Brown & Dancers	

Harlem School of the Arts, Inc.  
 Aaron Davis Hall, Inc. d/b/a Harlem Stage  
 Hip-Hop Theater Festival, Inc. d/b/a Hi-ARTS  
 Ifetayo Cultural Arts Academy, Inc.  
 Indo-American Arts Council, Inc.  
 International African Arts Festival, Inc.  
 International Arts Relations, Inc.  
 Jamaica Center for Arts and Learning, Inc.  
 Japan Society, Inc.  
 Jazz at Lincoln Center, Inc.  
 JazzReach Performing Arts & Education Association  
 Josephine Herrick Project, Inc.  
 Kings Majestic Corp. d/b/a 651 ARTS  
 Kyle Abraham/Abraham.In.Motion, Inc.  
 Latin American Workshop, Inc. (El Taller Latino Americano)  
 The Laundromat Project, Inc.  
 Loisaida, Inc.  
 Lotus Fine Arts Productions, Inc. d/b/a Lotus Music & Dance  
 Louis Armstrong Educational Foundation, Inc.  
 Louis Armstrong House Museum  
 Mama Foundation for the Arts, Inc.  
 Martin Luther King Jr. Concert Series, Inc.  
 Ma-Yi Filipino Theatre Ensemble, Inc. d/b/a Ma-Yi Theater Company  
 Midori Foundation, Inc.  
 Mind Builders Creative Arts Co. (Mind Builders Creative Arts Center)  
 Multicultural Music Group, Inc.  
 Museum for African Art d/b/a Africa Center  
 Museum of Chinese in America  
 Museum of Contemporary African Diasporan Arts  
 Music From Japan, Inc.  
 Nai-Ni Chen Dance Company, Inc.  
 Black Public Media  
 National Black Theatre Workshop, Inc.  
 New Federal Theatre, Inc.  
 New Heritage Repertory Theatre, Inc.  
 New York Chinese Cultural Center, Inc.  
 New York Live Arts, Inc.  
 Noel Pointer Foundation, Inc.  
 Northern Manhattan Arts Alliance  
 Nuyorican Poets Cafe, Inc.  
 NY Writers Coalition, Inc.  
 Pan Asian Repertory Theatre, Inc.  
 Peace Islands Institute, Inc.  
 Point Community Development Corporation, Inc.  
 Pregones/Puerto Rican Traveling Theater, Inc.  
 Queens Council on the Arts, Inc.  
 Renaissance Youth Center Evidence, Inc.  
 Shadow Box Theatre, Inc.  
 Shen Wei Dance Arts, Inc.  
 Shield of David, Inc. d/b/a The Shield Institute  
 Society for the Preservations of Weeksville and Bedford-Stuyvesant History  
 Society of the Educational Arts, Inc.  
 SoHarlem, Inc.  
 Spanish Theatre Repertory Co., Ltd. d/b/a Repertorio Espanol  
 Studio Museum in Harlem, Inc.  
 Sugar Hill Children's Museum of Art and Storytelling  
 Teatro Circulo, Ltd.  
 Thalia Spanish Theatre, Inc.  
 Theatre of the Oppressed NYC, Inc.  
 Tibet House, Inc.  
 Topaz Arts, Inc.  
 Trisha Brown Company, Inc.  
 Tropicalfete, Inc.  
 UBW, Inc. (Urban Bush Women)  
 Union Settlement Association, Inc.  
 Uptown Dance Academy, Inc.  
 Urban Word NYC, Inc.  
 US-China Cultural Institute, Inc.  
 Voices of a People's History of the United States  
 West Indian American Day Carnival Association  
 World Music Productions, Inc.  
 Young Jean Lee's Theater Co., Inc.



# Yancey Consulting

*Moving Beyond Sustainability* (SM)

unlocking, provoking, facilitating, and collaboratively  
imagining equitable impacts,  
local to national.



Kaid 'n Kolor