

# **EXECUTIVE SUMMARY**

## **FINDINGS AND ASSESSMENT:**

### **INNOVATION LAB FOR THE PERFORMING ARTS**

Prepared for the Doris Duke Charitable Foundation

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# Acknowledgements

It has been an honor to provide the independent assessment of the EmcArts Innovation Lab for the Performing Arts, on behalf of the Doris Duke Charitable Foundation (DDCF). I would like to thank Ben Cameron and Cheryl Ikemiya at DDCF for providing me this opportunity, and the EmcArts team—Richard Evans, John McCann, John Shibley, Melissa Dibble, and Janis Auster—for opening up their innovation process to me.

Finally, I extend my great appreciation to the participants from the twelve grantee organizations whose candid feedback and deep insights are reflected in this Executive Summary. Their experiences and reflections have informed further improvements to the Lab that will be carried forward into the future.

- MAPP International Productions (NY)
- Roadside Theater/ Appalshop (KY)
- The Civilians (NY)
- STREB Lab for Action Mechanics (NY)
- HERE Arts Center (NY)
- Yerba Buena Center for the Arts (CA)
- Children’s Theatre Company (MN)
- Oregon Shakespeare Festival (OR)
- Bill T. Jones/ Arnie Zane Dance Company, with Dance Theater Workshop (NY)
- University Musical Society (Ann Arbor, MI)
- Center of Creative Arts – COCA (MO)
- Liz Lerman Dance Exchange (MD)

## Executive Summary: Introduction

*“We’re conditioned to show metrics of success. The Doris Duke program is unique in that they want you to push boundaries. We entered into a dialogue about, ‘This might fail!’ For us it was an amazing experience and it will have a positive impact for our organization going forward.”<sup>1</sup>*

Facing changes in the economy, funding streams, technology, and audience engagement, the performing arts field needs innovative approaches to meeting these challenges. Yet given the often boot-strapped nature of their operations, performing arts leaders rarely have the time, space and resources to engage in the in-depth strategic thinking and bold experimentation needed to re-imagine their future. In sponsoring the EmcArts Innovation Lab, DDCF provided leaders just that opportunity—to invent and imagine, to deeply and critically engage their assumptions, beliefs, practices, and business models that tether the field to the past.

The performing arts field can no longer afford to “tinker around the edges.” Consequently, the Innovation Lab was designed to prototype new business models that could ultimately stretch the possibility horizon for the field. To this end, the Lab involved several defining features: 1) the development of multi-constituent Innovation Teams; 2) a five-day off-site intensive retreat to allow for in-depth strategic thinking; 3) the implementation of a prototype or pilot; 4) process facilitation over an extended time period; and 5) funding to support the prototyping implementation process.

Overall, the Innovation Lab for the Performing Arts was a positive, transformational experience for participants: 100% of the project leaders stated they would recommend the Lab to their peers—despite the considerable time and commitment required. The Lab was invaluable to those organizations whose long-term strategic thinking had previously taken a back seat to fighting fires, and provided leaders positive leverage with other foundations and individuals who had yet to “buy in” to their innovative ideas.

Innovation is a complex process—characterized by fits and starts of insight; stumbling and triumphs; newly discovered obstacles and opportunities; and ultimately, a deepening understanding of the innovation process and facility with the strategies and tactics needed to bring an innovation to fruition. In this Executive Summary, I draw from survey data, observations and interviews to consider the Lab’s major contributions to the field as well as more specific insights about innovation gleaned from observing the Lab program as an independent consultant.

## Innovation Lab: Incubator for Field-Level Innovation

*“It’s about looking for opportunities to unfreeze the system.”*

The Innovation Lab has the potential to have far-reaching impact on the performing arts field. First, several important artistic and organizational innovations that would not otherwise have

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<sup>1</sup> All quotes are from grantees’ Innovation Lab team members.

reached the public arena were designed and prototyped. Second, the Lab graduated a cohort of *catalysts*—leaders who have developed a greater capacity and appreciation for making non-routine projects, change initiatives and innovations happen. Third, the Lab developed grantee organizations’ innovative capacity, seeding the potential for an evergreen stream of innovations in the future.

## **New Business Models**

While every grantee embarked on prototyping innovations that would stretch their organizations, several prototypes offered particularly novel solutions and opportunities for the field, including: 1) a new earned income model that integrates arts practice and concepts into leadership development consulting, 2) a model for developing sustainable structures for dance companies, 3) models for collaborative creation, and 4) a first-of-its kind script management software for the theater field.

## **A Cohort of Catalysts**

Through the Lab, a cadre of leaders gained experience with the entire innovation process arc—from casting a team comprised of diverse perspectives and expertise, to initial brainstorming, winnowing and refining the idea into concrete actionable steps, securing buy in from key stakeholders, and ultimately implementing and assessing their pilots. Having a cohort of leaders who can mentor others who are navigating the innovation life cycle is an invaluable resource for the field. Ideally, the individual expertise, passion and experience of these leaders can be further transformed into a *community of practice*—a community of innovators who exchange ideas, collectively challenge prevailing assumptions, and support each others’ experimentation in an effort to move the field forward.

*“I just held a great brainstorming session with a team made up of radically different perspectives, modeled after the session we had during the Lab. It was amazing!”*

## **Long-Term Innovative Capacity**

The Lab not only developed individual leader’s agility in leading innovation, but also laid the groundwork for creating organizations that can imagine and implement innovations. The Lab provided participants specific techniques and processes for brainstorming ideas, refining action plans, implementing pilots, and engaging in continuous learning that they could bring back to their organizations. Further, participants developed a culture of openness to interrogating assumptions, risk-taking and experimentation that could shape their organizations going forward.

As innovation teams worked through real and assumed constraints to innovation, many grantees realized their work involved more than a single prototype or pilot. Instead, their prototypes were the beginning of a long-term strategic reorientation around a new business model and refinement of the organization’s core mission. Thus, while innovation was originally conceived of as isolated, containable programs, grantees realized they were involved in a more robust and larger embedded change effort that would stretch over several years. The Lab, then, not only provided techniques and processes, but also helped grantees establish new strategic

frames within which further improvisation, prototyping and learning could occur and be continuously pursued over time.

## Insights: Innovation within the Performing Arts

By defining innovation in terms of discontinuous practice, EmcArts encouraged Lab participants to lay bare their assumptions and truly think beyond what they knew would succeed. Similarly, one could argue that the Lab itself was an example of engaging in discontinuous practice at the field level, interrogating deeply-held assumptions about innovation, business models, collaboration, and relationships with the audiences, visiting artists, and board members. Here I highlight several nuanced insights emerging from the Lab that are of relevance to organizations across the performing arts.

### **The Paradox of Innovation: Returning to the Core Mission**

The Lab challenged participants to focus deeply on their organizations' unique core missions and capabilities as they considered "wild and crazy new ideas." This revelation was surprising to grantees since the Lab was supposed to be about innovation and change, pilots and prototypes. Discontinuous practice, then, did not translate into simply adopting the latest new idea or adopting what another organization found successful. Instead, innovation was deeply rooted in the unique expertise, culture, and relationships of particular organizations.

With this deeper understanding and appreciation, grantees noted they could make more judicious decisions regarding the benefit and "fit" of future pilots and programs. The philosophy underpinning this revelation gives particular credibility to the Innovation Lab program and provides a needed antidote to the general trend of throwing resources, time and energy toward flavor-of-the-month initiatives that seem attractive in the face of turbulent times.

### **Leveraging Untapped Expertise: Board Members**

The Lab also revealed an untapped resource for the field and its efforts to innovate: board members. Several leaders remarked that the Lab forced them to confront a deeply-held practice of keeping board members at arms' length—presenting the best possible report to them at regular points in time. Board members were seen in aggregate, as approvers and auditors. The Lab forced profound shifts in engagement with select board members. First, by revealing the "constraints and weaknesses" of the organization, board members were brought into the organization's problem solving process. Second, board members who were deeply involved in the innovation process had a better appreciation for how radical ideas could forge solutions to their organizations' problems. Armed with this understanding, board members were able to help teams obtain the buy-in of other board members and key stakeholders during the Lab's implementation phase. Third, individual board members were now seen as sources of expertise—who could be brought in to springboard and sustain the organization's success over time.

## Engaging Expertise across the Innovation Lifecycle

Innovation involves a broad arc of activities—from idea generation to idea refinement, prototype design, securing buy in, implementation, assessment, and ongoing re-evaluation. Participants found that the innovation process demanded differing capabilities and expertise over time. Performing arts leaders, especially those leading smaller organizations, need to build a web of expertise and experience, including not only organizational members but also artists, board members, community members, and other leaders in the field, whom they can draw upon in their work. Leaders of innovation thus become the *nexus* of a network of expertise—a network comprised of individuals who might not necessarily identify as a “team,” nor who are under the leaders’ authority, but who are brought together as needed around the innovation process.

## Developing the Innovation Team

At the core of the Lab was the development of multi-constituent Innovation Teams. While the strength of these teams lay in their diverse perspectives, this diversity could also become problematic. Team building for innovation requires addressing two specific relational processes: 1) resolving dysfunctional communication habits and power dynamics within the grantee organization—including among staff and between top leadership; and 2) developing productive relationships among team members who had *not* worked together previously—i.e., staff and artists, board members and consultants. Successful team development was evidenced by a shared understanding of the team and innovation’s purpose, clarity of the unique roles individuals would play on the project, candid exchange of ideas, a culture of inquiry, and an understanding of how the project would proceed.

The Lab also revealed the importance of having non-staff members on the innovation team. This Lab requirement was incredibly potent since it 1) expanded the role and commitment of involved board members and artists and 2) leveraged an “outsider, yet insider” perspective on the grantees’ strengths and constraints. Grantees particularly noted the importance of having visiting or guest artists on the team. These “outsiders” provided fresh perspective, yet also knew the organization well enough to be able to draw conclusions and point out organizational assumptions and practices.

## “Island Time”

*“It was the most incredible work-related experience I’ve ever had. Tough conversations and working through those issues—just amazing.”*

For some organizations, the Intensive Retreat that was at the cornerstone of the Lab was the first opportunity to take time away from the office together. The ability to focus deeply on organizational issues, the details of the pilot, and the “Whys of what we were doing” was incredibly invigorating. Based on the Lab experience, several grantees noted they were committed to making the space for annual organizational retreats—“island time”—going forward. However, getting away was not enough—having a pilot to talk through during the retreat gave needed traction and focus to what could have been merely abstract discussions. It was through the

specific discussions around the pilots that differences in assumptions and tensions arising among participants were illuminated and worked through.

## **Pilot Often and Early**

Grantees who were able to conduct pilots early on in the Lab—even prior to the Intensive—found these to be an incredible springboard for their Lab success. Further, while all of the grantees noted that the learning and insights from prototyping during Phase 3 were invaluable; grantees who were able to conduct mini-programmatic pilots early on benefited even more so in this regard. This suggests that innovation can be driven forward by smaller pilots as well—as long as they are rooted in the organizations’ core mission and approached with a spirit of inquiry and learning.

Further, while most of the prototyping phase involved specific, concrete “tasks”—such as developing a website or producing a new program or event—many of the projects also required change in cultural beliefs and practices and the need to introduce new decision and communication systems to the organizations. Given what could be a formidable multi-pronged challenge, grantees highly recommended having a series of smaller pilots and milestones that could be used to evaluate progress and offer moments for learning along the way.

## **Sharing the Hero’s Journey**

Engaging the entire organization in the innovation journey is particularly important. Many participants responded that upon their return from the Intensive, people who had not attended thought the hard work was over—when in fact it had just begun. Participants noted that other people brought their own interpretations to the project and did not understand the new thinking as deeply as those who were at the Intensive.

Project leaders found it challenging to maintain the essence of the innovation while also bringing new people in. Grantees recommended planning meeting(s) to present the ideas to top leadership and/or the board and developing a strategy for engaging the larger organizational constituency. One of the most powerful responses to this challenge was a program designed to create a shared narrative around innovation—by crafting a story akin to the “hero’s journey and coming home” and then sharing it with the entire organization at one time.

## **Resources for Implementation**

Innovation requires taking risks. However, financial constraints often preclude performing arts organizations from taking needed business risks. The funding accompanying the program enabled the grantees to take risk—and learn from the experience. Yet the Lab unfolded at the same time funding was contracting. In consideration of the difficulties that organizations were facing in the current economic climate, DDCF offered grantees an additional \$7,750 in general operating support grants—with no further requirements.

Yet money was not the only resource of importance. Before embarking on the innovation journey, leaders found it necessary to critically examine the range of expertise and interpersonal dynamics of top leadership and potential members of the innovation team. Given that the innovation team composition could change dramatically over time—as the project moved from



brainstorming to conceptualization to implementation—leaders found they needed to evaluate their capacity for all of these phases.

Further, depending on the nature of the pilot, grantees also needed to consider the extent of organizational “slack” (human, material, financial resources, etc.) available to put their pilots in place. For example, development of a new website could easily eat up the bulk of pilot funding, leaving little monies left to fund additional staff needed to put the pilots into action. Organizations already stretched thin with few employees had minimal “slack” to dedicate to their pilots. One challenge, then, is to consider how to support smaller organizations embarking on website development—to ensure that they are able to fully implement their innovation strategy. This includes not only the website, but the portfolio of programs that work in concert with the website strategy.

One of the greatest innovation challenges is to move from prototyping to more full-blown implementation and organizational change. To continue their support of grantees’ innovation lab work beyond the prototyping phase, DDCF has developed a new program, *Continuing Innovation*. Innovation Lab grantees are eligible to apply for the competitive program that will award up to 18 months of support to organizations wishing to take their organizational change to the next stage. Only organizations that have completed the EmcArts Innovation Lab for the Performing Arts, the Creative Campus Innovation Program (administered by the Association of Performing Arts Presenters), the Jazz.Next program (administered by Mid Atlantic Arts Foundation), the Engaging Dance Audiences program (administered by Dance/USA) and several past recipients of DDCF's Fund for National Projects are eligible to apply by invitation. Grant amounts will range from \$25,000- \$120,000 per grantee organization over the 18-month grant period to help organizations continue progress in the project originally launched with DDCF help. Grantees will be required to match DDCF funds at a 1:2 ratio over the grant period (e.g., grant recipients who receive the maximum grant award will be required to provide a match of \$60,000 for a \$120,000 grant.) Of note, several of the Innovation Lab grantees have already translated the initial DDCF seed money into other grants and venture money to further expand and enrich their innovations.

## Bringing Lessons to the Field

Given its reflexive nature, the Lab has great promise as a learning laboratory—building knowledge and practice around how innovation can be uniquely fostered within the performing arts. EmcArts began bringing its lessons to the field during the application process—helping a broad swath of organizations challenge their assumptions and critically evaluate their organizational readiness. Grantees and EmcArts are already sharing insights from the Lab with the broader performing arts field at conferences, workshops and roundtables. EmcArts is expected to develop web and multi-media based materials in the future.

Building a community of practice around innovation is an important next step in harnessing the expertise developed in the Lab. The field would only benefit from knowledge sharing across cohorts of the Lab, the foundations’ other innovation program grantees, and other leaders



deeply interested in change and innovation. What are the common challenges? What insights can be integrated across programs and types of innovation? What are the common leadership development opportunities? How can we share insights from the personal coaching more broadly? For example, how do leaders identify and address dysfunctional communication habits and power dynamics that limit innovation? How can leaders develop productive relationships among team members who have *not* worked together previously—i.e., staff and artists, board members and consultants—especially when they have strong differences in opinions, assumptions and power? As one leader reflected, “He [our EmcArts process facilitator] brought a deep tool bag on navigating roadblocks and making organizational moves within the realities of non-profit arts organizations. We are still utilizing some of his notions and insights in our day-to-day operations.”

EmcArts’ recent proposal to have project leaders commit to ongoing phone calls during the difficult prototyping phase is an excellent way to start building a more robust community of practice within cohorts in subsequent rounds of the Lab. Going forward in the Continuing Innovation program, grantees will be expected to participate in a learning cohort, which involves attending 2-3 meetings in New York and participation in cohort decision making (including the cohort’s determination of use of an additional \$75,000 of funds designated for cohort learning).

Other low-cost mechanisms can help share knowledge around innovation, such as a mentorship program developed across cohorts and programs or a Lab blog or wiki that enabled leaders across the performing arts to ask questions and share information with each other. The wiki might focus on more general innovation topics, such as finding and utilizing content experts, collecting and analyzing data, selling the innovation across the organization, and managing change.

Taken together, these opportunities offer great promise for leveraging the lessons learned in the Innovation Lab to their fullest extent across the field.

## About the author

Elizabeth Long Lingo is Assistant Director of the Curb Center for Art, Enterprise and Public Policy at Vanderbilt and Adjunct Assistant Professor of Management at the Owen Graduate School of Management. Elizabeth completed her Ph.D. in the joint program in Organizational Behavior and Sociology at Harvard University and Harvard Business School.

Elizabeth is a creativity and innovation scholar who explores how novel projects and ventures are imagined, negotiated, and brought to fruition. She is particularly interested in how leaders, entrepreneurs, and change agents negotiate across disciplines and organizations as they forge transformative and non-routine outcomes. Elizabeth has studied creativity and innovation in the commercial music industry, the Nashville creative scene, and in the performing arts field. She has seized the rare opportunity to put her research into practice as a catalyst of Vanderbilt's Creative Campus Initiative and Vanderbilt's Curb Programs in Creative Enterprise and Public Leadership.

Elizabeth publishes in both academic and practitioner-oriented journals. Recent publications include: "Creative Campus: Time for a "C" Change" with Steven Tepper in *The Chronicle of Higher Education* (2010), "Nexus Work: Brokerage on Creative Projects" with Siobhan O'Mahony in *Administrative Science Quarterly* (2010); "The Creative Foil" in *Qualitative Organizational Research* (2009); and *2008 National Performing Arts Convention: Assessing the Field's Capacity for Collective Action* (2009).

Elizabeth has consulted to Fortune 500 companies on issues of trust, risk taking, speaking up and customer loyalty, and to the nonprofit and for-profit performing arts sectors on their potential for change and collective action. Elizabeth was a graduate fellow at the Program on Negotiation at Harvard Law School in 2003-2004. She holds a Masters degree in Sociology from Harvard University and a Bachelors degree in Finance from the University of Massachusetts, Amherst.