



PROFESSIONAL DEVELOPMENT: MAP OR COMPASS

Remarks delivered at the Getty Leadership Institute's 2008 Advisory Board Meeting

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Thank you for inviting me to speak to you recently in Los Angeles. I enjoyed meeting all of you, and as you requested have put down the thoughts that I shared with you in what I hope will be a coherent screed. Please allow your imaginations to supply the “business” – as it is referred to in the theatre world –by which I mean imagine a waiter behind me with a piping hot dish as there was on the night of my talk.

I want to talk about *common ground* – let you know a bit about National Arts Strategies, what we do and why, and talk about the larger issues facing the field of arts and culture that Phil and I try to address in our individual organizations. There are differences in the world of museums and galleries and the performing arts—I have worked in both – but there are more similarities than differences, and one of the greatest pleasures of my role at NAS since I returned to the United States seven years ago has been the opportunity to work with Phil and his very talented team to advance our field as a whole.

When I joined NAS, we were the National Arts Stabilization Fund. This was an important program that dealt with notions of capitalization for arts organizations, and had been established by the Ford Foundation almost 30 years ago now. The stabilization work had in a sense run out of steam for all the best reasons: the ideas had been accepted and the program was replicated at local levels to such an extent that there was no longer a need for a national organization that championed this particular cause. NAS at that time had established two seminars using young and talented professors from the Harvard Business School and Stanford on the subjects of strategy and managing change – a pilot project that was at the suggestion of the Ford Foundation. I

have often wondered if the then MMI (Museum Management Institute) wasn't the inspiration for this Ford directive – it may well have been.

I had been involved in establishing a not-for-profit curriculum at the Judge Institute, the business school at the University of Cambridge, and had helped build a curriculum largely because every day that I served as Managing Director of the English National Opera, which was my day job at the time, I was all too aware of how many decisions and actions I undertook that could be better if I had a greater understanding of conceptual frameworks specific to the field of the performing arts. I had lectured at business schools, worked in the commercial sector, even headed a foundation, but the specific challenges of access to capital and the core values of the performing arts field were at that time in England underserved by any type of training. When I accepted the job at NAS, I did so with the understanding that I would be leading the change of the core business – an idea that the board at that time embraced wholeheartedly in principal but that we all found slightly more challenging in practice. However, we did indeed achieve the change, and I am very fortunate in that I now have a board that is both outstanding and invaluable and an extraordinarily talented staff. Early on in our work I connected with Phil, whom I knew from work at the Salzburg seminars, and who has been very supportive of NAS – as we have been of GLI.

NAS is now a leading provider of executive education and resources for our field, with a full catalogue of seminars and related learning services, a national program called the Business of Arts and Culture which happens in five cities around the country, and nearly 3,000 alumni of our programs from seminars and from our residential programs and special convenings. We are currently developing a full array of online services that support our work, and we work with partners such as the Getty Leadership Institute on research and convenings that will address the big issues, freely disseminating whatever we learn in the hope that others will find it useful.

I have found in Phil an extraordinary colleague. In one sense we could be seen as competitors, but collaboration in an underserved field is far more interesting, and Phil has both a visionary understanding and a fully developed sense of mischief that

motivated him to collaborate on some specific projects and allow us to jointly confuse the nay-sayers. We have worked together on two convenings now, which you will know about, and like throwing stones into a pond, the ripples from these two meetings have shaped and informed debate and discussion in our field over the past few years. Gary Vikan is a veteran of our “social experiments,” and he has been a terrific contributor and I think has found value in the experiences.

The broader field of arts and culture faces a number of issues around change, innovation, and societal needs. Whether leading a museum or an opera company, there is no space for leaders to ignore a set of almost intractable problems that we face, or the systemic changes that we are adapting to almost daily. I will briefly summarize them, and try not to get everyone depressed while I do, as I genuinely believe that every problem we face provides an opportunity to reinvent ourselves.

A colleague of mine recently recommended a book called Brand Hijack by Alex Wipperfurth which talks about how loyalty to any one idea or product is eroding so rapidly that both consumers and providers find themselves in a type of manic freefall. This book reminded me of one of the most successful commercial promotions of the last 30 years: the Pepsi challenge. This was a brilliant idea which was conceived by Pepsi executives in response to the market leadership of Coke, but its genesis was the fundamental product flaw in the drink itself: sweetness. A taste of Pepsi will almost always get a higher rating than a single taste of Coke, because it is 20% sweeter. The problem is that it is too sweet for people to drink a whole glass with a meal. (I believe that here I asserted that I personally think that drinking a soft drink with a meal should be prohibited under any circumstances.) So the Pepsi challenge was devised as a way of manipulating that initial shock of sweetness, which is more pleasant in a small dose, to have people believe that they would like Pepsi better and therefore buy some. It was an astonishing success, knocking Coke out of a market leadership position that it had held for 50 years.

If you find this morally suspect, then I would probably agree, but we live in the world of the Pepsi challenge. All around us are maps to happiness that taste good at one sip but don't sustain us if we drink the whole bottle.

The first challenge that I want to talk about that we all have in common is that ***in a world where “considered reflection” is neither in fashion nor the market leader, we are in the considered reflection business.*** This changing environment in audiences (who get about 3,000 commercial messages every day – more than a Victorian would get in an entire lifetime) is one we all tackle, and the our success in reaching them matters far more than which soft drink prevails.

Another related issue to this first challenge is that of ***globalization.*** Being the experience of choice in a world where the exotic is mundane, one in which you can buy the distillation of 75 years of world music on 12 tracks in Starbucks for \$9.99, it can be ambitious for institutions that teach as well as entertain. The move toward event driven consumerism, translated in our world to “festivilization” or the “blockbuster show” means that attendee or customer expectation has shifted dramatically, and the experience we offer them is valuable and life changing and sometimes just not all that attractive until we get them there. It's the getting them there that we puzzle over, in galleries and theatres throughout the world.

Changing consumer trends and the dramatically shifting uses of leisure time, the subject of [our last joint convening](#), also means that the race is on for people's time more than their money. When 50% of the respondents in a recent longitudinal study on Americans and their ideal activities respond that at the top of their list is a good night's sleep – we are competing for their attention in a whole new arena.

Another shared issue is that of the ***infrastructure we have built.*** Our gleaming monuments to culture, be they performing arts centers or museums, cost a lot of money to maintain. This shifts the focus on the business model to revenue generation from as many sources as we can find, and this priority becomes an increasing demand on the leader's time, and the recurring motif of every board meeting. We are working with the

University of Chicago on a study in this area at the moment, and the contrast between businesses that are flourishing in the commercial sector (flat structures, rapid response to markets, abandoning bricks and mortar for clicks and mortar, global labor) and the fixed cost, hierarchical management structures of our world is becoming ever more dramatic.

We are also looking at a **leadership transition** – some estimates say that 65% of us will be retiring within the next seven years, and training the next generation is important for all of us who care about culture. The interviews with Philippe de Montebello when he recently announced his retirement from the Met were fascinating to me – in his charming patrician way he said in interview after interview that he didn't think he would be hired today – given the complexity of the organization and the broad portfolio of skills that he didn't have when he started, but most certainly does have now.

We also have a **dramatically changing capital market**, by which I mean the changing nature of philanthropy. The Foundation Center recently noted that of the top ten global philanthropists, nine of them are living. This is wonderful news for them, but the approach of the venture philanthropist is much more engaged, involved, and less likely to be oriented toward business as usual. The nature of our banker is changing, and keeping them sequestered from our artistic decisions is simply not an option if we want their money. We need to devise new ways to manage and cultivate these relationships.

This need for **direct engagement** leads me to another issue that I think we share, and that is finding ways to amend our current delivery systems to accommodate the desire of people for engagement, for discovery, for a sense that they are part of the process of celebrating the art in some way. We need to lengthen and enrich the experience beyond our walls, which does not mean that we should eliminate our buildings but rather see them as part of what we represent, not the sole reason for our existence.

We hear a lot these days about innovation – and there are a number of barriers within our sector to the notions of radical change. I am not of the “throw the baby out with the

bath water” school of thinking, but our hierarchical structures and necessary preoccupation with preservation and resource make our organizations less nimble than they need to be. The challenge for all of us is to accept that the past is important, but an indiscriminate and slavish adherence only to the old ways could well cost us our future. The next generation will have some new ideas, and we need them. It may be that they will get it wrong some of the time – why not? We did.

The writer Ellen Ullman wrote a famous Harper’s Magazine piece in 2000 entitled *The Museum of Me*. In it, she talked about the enabling technology of the web accelerating a social trend that was changing our economic system. This trend, which is now almost fully upon us, is called **disintermediation**. This is the idea of cutting out the middle man – the Internet makes possible direct access to almost any idea, image, or ideological approach. We no longer need experts, and the implications of this disintermediation are being felt in all of our institutions. The “curatorial me” is everyone now, and while there is a momentary appeal in this global shift to the cult of the individual, we are seeing it erode civil society while heating up the transactional nature of our economy in a way that we had not predicted.

I am not a Luddite; I think that most of the new technologies are a godsend, and I believe that the magic of the Internet far outstrips its malevolence. But cultural leaders can no longer rely on a shared societal value that access to the experts is a primary reason for supporting cultural institutions, when experts are an increasingly debased coin. Coupled with the drive for engagement and discovery, this trend can work for us if we strive to make the visitor more expert, in a realistic and meaningful way.

And this brings me to my last challenge, and the part of the work that Phil and I both do that I think models the challenge for the field. ***In a world of unlimited information, the arts provide meaning.*** Understanding and celebrating the creative accomplishments of our civilization benefits all of us, and in the same way that we as institutions can no longer assume that people will let us draw the map for them to our door, teaching leaders cannot be about promising them foolproof maps. Sir Edmund Hillary once said that the challenge is to climb the mountain that isn’t there –

having the psychological and intellectual stamina to respond to the mountain you find as you move through the fog that obscures it. ***GLI and NAS are not in the map business, we are in the compass business.*** By contextualizing information and learning for our leaders, we can move away, as our institutions need to move away, from prescription to knowledge.

I believe that the biggest challenge that we all face is not money, or the virtual world, or globalization, but ***how to make the arts relevant to people in a way that engages them and creates that hunger for learning more.*** All of you are doing that in your work, and the role of the arts in a civil society is slowly beginning to be understood again as that of identity, as well as that of providing the gathering places where we as individuals celebrate collective achievement – a necessary regular ritual for any sustainable civilization.

The historian Arnold Toynbee wrote that “Man achieves civilization not as a result of superior biological endowment or geographical environment, but as a response to a challenge in a situation of special difficulty which moves him to make a hitherto unprecedented effort.” As a society we find ourselves in that challenging place, and as individual leaders you are being called upon to make that unprecedented effort to see that your institutions endure for generations to come.

The shared values of GLI and NAS in wanting to be of service to your efforts have made a very rewarding and productive partnership over the past few years, and I look forward to continuing that partnership in the future. Thank you.

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