

The Main Points: How Boston and Other American Cities Support and Sustain the Arts

[TDC](#), one of the nation's oldest nonprofit management consulting and research firms, partnered with [The Boston Foundation](#) on this 2016 study of Boston's cultural and funding landscape. The report provides a detailed look at the Boston's arts community along several dimensions.

You can read the full report [here](#).

Our Objective

- Provide a summary of the important points in the data within the report.
- Discuss the possible implications that the data has for grantmaking strategy.
- Identify additional data or research that would help inform future planning.
- Outline a plan to gather and analyze new data.

(A) Executive Summary: The TDC report provides an ecosystem level comparison of arts and cultural markets between Boston and that of 10 related cities across the US. Here are 3 main points from the report that deserve mention:

- Programmatic Innovation is low in Boston:* Figure 14 shows that roughly less than half of Boston's small and mid-sized organizations reported producing any new works. This is a concern since bringing new ideas and experiences to audiences is a critical element for arts and cultural markets. Boston is already ranked in the lower end of the spectrum when compared to other sister cities on this metric. If the issue is left unchecked, Boston may ultimately find itself in a weak position to recruit artists if they feel they won't be able to grow if the market is no longer a hub for art & cultural innovation. The desire for organizations in Boston to have a critical mass of activity in their disciplines to push their thinking and practice makes sense (Figures 9 & 10).
- A lot of organizations are in a state of financial distress:* About 30% of arts organizations in Boston had less than 1 month of available unrestricted net assets according to the report (Figure 15). The silver lining here is that Boston had the lowest percentage of organizations in this precarious financial state among the 11 cities. However, it is worth noting that in actual numbers, the 30% translates to almost 500 organizations in Boston that are in a state of financial distress. A large proportion of artists and audiences will be affected if these organizations were to stop functioning. Aggravating the situation is the fact that local foundation funding in Boston is significantly lower for small and mid-sized organizations by a factor ranging between 1.5 to 3 when compared to other similar cities (Figure 32). This point should not be ignored.
- Lack of support to carry out cultural equity work:* In focus groups, Boston organizations noted that there is currently lack the philanthropic support to carry out cultural equity work both individually or collaboratively. This is worth noting since the report highlighted that grant-makers in the arts are generally in support of such initiatives. Given the alignment between grant-seekers and grant-makers, it is unclear whether this is just a matter of grant-makers having not caught up logistically to support the work (e.g., current staff training and/or hiring new staff with the needed expertise) or there remain many systemic challenges preventing progress.

(B) Grantmaking Strategy Implications

- i. *A one size funding strategy is unlikely to work:* The issues highlighted in the report are multi-dimensional. As such it will be essential to collaboratively develop a theory of change with key stakeholders in the community in order to identify the key impacts the granting organization seeks to make and connect them to the activities/outputs to achieve those goals.
- ii. *Community involvement is needed:* Given there is still some contextual data that is missing, a mechanism needs to be developed to involve key stakeholders that includes the community in both pre and post award phases of the grants so that they can share critical insights throughout the process.
- iii. *General operating support grants are needed:* Organizations in a state of financial distress need more unrestricted funding. One way to mitigate their distress is to create more general operating support grants and/or increasing the maximum allowable indirect cost rate for programmatic grants.
- iv. *Developing strategic impact areas within specific sub-fields:* In an effort to increase the rate of new work production, a special experiment grant category is needed. The idea is to encourage highly experimental grants that create new works which have the potential to push their respective fields forward
- v. *Build connections with other local funders:* The data show that funding for small and mid-sized organizations from local foundations in Boston is significantly lower compared to other sister cities. Collective action is needed among the funders. Engaging and connecting with other local foundations will help align efforts and ultimately drive the funding of more project proposals.

(C) Additional Data Needed and Plans for Acquisition/Analysis: The following data points will help inform planning. The plan to gather and analyze that data is also included below each suggested additional data point.

- i. Perspectives from other critical stakeholders including artists, audience members, and others.
 - *Why:* The current data is lacking insights from the broader community of stakeholders, namely the artists and audience members.
 - *Plan:* Host focus groups to get additional insights and cross reference with existing CDP data.
- ii. Demographic data of audience attending arts events across disciplines.
 - *Why:* Studies of cultural participation from the National Endowment for the Arts have found that audiences for traditional arts experiences tend to skew white. Specific data for Boston is needed to understand the breakdown in the area.
 - *Plan:* Find prior published research or data sets that have characterized the demographics of arts audiences specifically in the Boston area to assess the degree of skew.
- iii. Individual organization pre and post award information
 - *Why:* To get an assessment on the pre- and post award landscape by local organizations to identify how to best manage the new grant opportunities to support them.
 - *Plan:* Provide an online survey to local organizations to gather data on several pre- and post- award details including: the number of grants submitted in the past year vs the number of grants awarded; level of pre- and post-award support from foundations received; impact metrics tracked; and others.