FIGURE*: LINKING STRATEGY AND FINANCIAL SUSTAINABILITY IN PROFESSIONAL ARTS ORGANIZATIONS

“How will you have created value, and for whom?”

“Short-term outcomes”

Cornertones for Success

“What are signs that the strategy is getting traction?”

“Intermediate outcomes”

“What does balance look like once the flywheel starts to turn?”

“Long-term outcome”

“Do we have a solid financial foundation on which we can build mission and vision?”

External moderating factors

Community orientation

High-quality programming standards

Internal moderating factors

Mission focus: Socioeconomic status of primary target audiences served

Tactical wins

Strategic brand

High-functioning board

Relationship development and buy-in

Increased audience and donor financial participation

Increased organizational capacity

Deeper community and donor engagement

Increased financial stability

Discipline to:

- Stay within your means
- Diversify revenue streams
- Take informed risks in the face of uncertainty
- Jointly set policies and priorities

*Bolded elements in the Figure indicate those that have changed from the original conceptual model presented in The Alchemy of High-Performing Arts Organizations, Phase 1 of this research.