Helicon

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Challenges and Opportunities Facing Contemporary Dance, Theater, Jazz and Presenting Organizations Funded by the Doris Duke Charitable Foundation

Background

In the Spring of 2012, the Doris Duke Charitable Foundation (DDCF) commissioned Helicon Collaborative to conduct research on the needs and challenges of its 258 "new works" grantees in the fields of contemporary dance, theater, jazz and presenting. While there is research of varying depth and quality around each of these disciplines, DDCF wondered whether the challenges and issues facing "new work" organizations were masked by aggregate field research, which often includes organizations dedicated to revivals, classic work and performance of existing material. Helicon's research set out to understand more about the challenges artists and organizations in the fields of contemporary dance, theater, jazz and presenting are facing, and how DDCF can best support such organizations going forward.

This report summarizes the findings from the research and offers suggestions for ways the Foundation might encourage adaptive resilience among these organizations.

Methodology

Between May and August 2012, Helicon conducted the following activities:

1. **Electronic survey**
   With input from DDCF, Helicon designed and conducted an electronic survey of Foundation grantees. The survey asked about organizational trends since 2009 as well as current challenges and needs. Out of the 234 organizations that were surveyed, 118 responded—a 50% response rate. The analysis does not break out differences by discipline because the sample size for each discipline is too small to be representative.

2. **Interviews**
   We interviewed 13 diverse cultural leaders with broad perspective on the field. All but two have been in their current leadership role since before 2007, and most have many decades experience in the nonprofit arts sector. The interviews explored their current artistic programs and their perceptions of recent successes and disappointments. We discussed their perceptions of their organizational strengths and weaknesses, and the areas in which they have made the greatest adaptations in the past 3-5 years. Finally we explored the important external changes they expect to impact their organizational vitality, and what they need to thrive in the future.

3. **Financial Health Analysis**
   Helicon worked with the Nonprofit Finance Fund (NFF) to assess the financial health of the DDCF cohort and identify notable trends in financial standing over the past four years using IRS Form 990 data. Full and complete data for the target years – 2007, 2009, and 2010 –

could be found for 138 organizations, approximately 53% of the original pool.[1] NFF analyzed data on the group of 138 organizations in three ways: 1) overall cohort observations, 2) observations by discipline (dance, jazz, theater, presenting, service), and 3) observations by budget size. NFF examined revenue, expenses, liquidity, net asset composition, accumulated depreciation, and liabilities for each data set. NFF's full Data Report accompanies this report. It's important to note that because we do not know the names of survey respondents, we cannot see the extent of the overlap between the 118 respondents to the survey and the 138 organizations examined by NFF. Some slight discrepancies between the findings from these two research components may be explained by the cohorts being slightly different.

4. **Literature review**
   We reviewed relevant research reports on the fields of presenting, jazz, dance, theater and the arts sector overall to identify trends and adaptive practices.

Summary of Findings

The research revealed that the Duke cohort is experiencing the same trends as their colleagues in the field at large – they face serious challenges in raising adequate funds; understanding changing community demographics; sustaining dynamic programs and supporting artists adequately; managing boards, staffs and stakeholders; and keeping up with new technology and social media.

But overall, the impression that emerges from this research is that most of these "new works" organizations are better off than they were four years ago, and have weathered the worst of the economic crisis. This research did not reveal one set of "adaptive strategies" across the cohort, but these groups appear to be well on their way to adapting – clear about their artistic and community purpose, willing to try different approaches to achieve that purpose, and redoubling efforts to make themselves relevant and appealing not just to audiences but to artists, young staff and a broader range of donors. They convey a positive attitude about the future while managing continuing financial strain and high anxiety about staff burn-out and capacity to sustain their current levels of commitment to artists, programs, staff and community.

It is clear that the Duke cohort of organizations are evolving – trying new approaches to fundraising, marketing, partnerships and community engagement; changing program and organizational structures; increasing program offerings and diversifying the artists they work with; and exploring ways to generate more earned revenue and individual contributions. What they say they need to continue their evolution is more reliable revenue to sustain core programs, finance continuous adaptation, and seize opportunities to experiment and grow artistically. Resoundingly, they seek more operating support, more help creating artistic reserves, and longer-term capital investments to address fundamental structural weaknesses in their financial models.

We have grouped our summary findings into three categories: Doing Better, Structural Challenges, and Constant Adaptation.

[1] 77 organizations had data missing for at least one year. 31 organizations are departments in larger organizations such as a college or university. 12 organizations were missing multiple years of data or incorrect EINs.

1. Doing Better

Two-thirds of survey respondents reported that they are "better off" than they were in 2009, and 79% say they are very or somewhat optimistic about their ability to thrive over the next five years. Data from the NFF financial analysis supports this finding, showing profitability (surpluses as a percentage of cash expenses) on an upward trend. Our interviews support the finding that, by and large, organizations in this cohort have rebounded from the recession.

Financially

Since 2009, earned income seems to have rebounded for a majority of organizations, remaining steady or increasing for 71% of survey respondents.[2] NFF data confirms that revenue has been volatile, but earned income was a higher percentage of overall revenue in 2010 than 2007 for all disciplines. Although some interviewees have experienced "variability" in ticket sales, survey respondents reported that single ticket sales have remained steady or increased (79%), as has percent of capacity sold (76%). Almost half of the surveyed organizations increased the number of days that they presented work to the public (45%), which may contribute to the increase in ticket sales. These data suggest that organizations may be focusing more on earned income as contributed income becomes more uncertain and difficult to obtain.

While the NFF analysis found that private contributed income (all non-governmental sources—corporate, foundation and individual) has remained flat or declined for the cohort overall, half (51%) of survey respondents report that contributed income from *individuals* has actually increased, and an additional 26% report that it has remained steady. This suggests that contributions from individuals, which has always been the bulk of the contributed revenue for performing arts organizations, is becoming even more critical as other contributed revenue sources decline.

Most extant field data on the performing arts fields is not robust or consistent enough to be comparable to our findings. The exception is *Theater Facts*, the annual report from Theater Communications Group on the fiscal state of nonprofit theater.[3] *Theater Facts 2010* confirms the trends of increasing individual contributions and growth in earned income, driven by increased ticket prices. *Theater Facts 2010* also reports a decrease in contributions from other sources.

Artistically

Artistically, the DDCF cohort seems to be thriving. All interviewees conveyed excitement and enthusiasm about their current artistic program and discussed in detail recent program triumphs that are compelling the organization forward. The majority of interviewees asserted that their organizations have never been stronger artistically, and that they feel they have rebounded from the crisis of 2008-2009.

Some reports from the field have expressed concern that the challenging financial and consumer market has diminished the ability of organizations to take risks, work with new artists, and

[2] Respondents who indicated a question was "not applicable" for them were excluded from the calculation.

[3] TCG's longitudinal study is on "Trend Theaters," 13 TCG theatres that responded to the TCG Fiscal Survey in each of the past 5 years. These tend to be significantly larger organizations than the theater universe as a whole, with expenses averaging $6.5 million. Therefore, trends for these theaters may or may not be representative of the theater universe as a whole, or the "new works" cohort being analyzed for this report.

develop new works.[4] The DDCF cohort is by definition invested in new work development, and its activities reflect a strong commitment to experimentation and risk taking. Most survey respondents (86%) have increased or held steady the number of new works they have commissioned since 2009. Almost all (93%) have maintained or increased their partnerships with artists with whom they had not worked previously. Two-thirds of touring organizations (68%) have maintained or increased their touring engagements.[5] However, some survey respondents did express concern about their continued ability to take program risks, noting increased difficulty finding support for work that appeals to younger audiences or addresses the struggles of working class people. Economic pressures, including the need to generate revenue, are making it difficult to take a chance on lesser known, emerging / mid-career artists.

2. Structural Challenges Remain

Despite their optimism and the positive signs of recovery, the vast majority of organizations in the DDCF cohort are still facing substantial structural challenges that threaten their stability and long-term viability. In this sense, this cohort is experiencing the same forces that are impacting the nonprofit arts sector at large—inadequate capitalization, unpredictable earned revenue, increasing competition from other cultural and entertainment offerings, and the increasing costs of doing business.

<u>Static or Declining Contributed Revenue</u>

The NFF analysis of 990 data suggests that, in aggregate, this cohort of organizations saw static or slightly declining private contributed income (from foundations, corporations and individuals) over the period of 2007-2010. Presenters showed a slightly different trend, with a more acute decline of private contributed income (14%), and a counter-trend increase in government income.[6] Institutions with budgets over $5 million saw a 10% decline in contributed income while organizations with budgets under $5 million held steady or saw increases in these sources of income.

The survey responses reveal a more nuanced picture on contributed income. While half of the survey respondents reported that contributed income from corporations and government has declined; it remained stable for another third of respondents and increased for a handful. The trend for contributed income from foundations has been somewhat less conclusively negative—although it declined for 42% of respondents over between 2009 and 2011, it increased for a third of respondents.[7] Notably, a majority (61%) of survey respondents report changing their fundraising strategy since 2009, perhaps to focus on contributions from individuals, which seems to hold greater potential at this time. Three-quarters (72%) report being concerned with being able to secure enough revenue to meet their yearly expenses.

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[4] For example, *Performing Arts in a New Era* (2002) and *Mind the Gap: Artists Residencies and Dance* (2011). Overall, this concern may not have been borne out in reality—according to Americans for the Arts data, between 2005 and 2010 the number of new opera, theater, film, and symphony works increased by 14%.
[5] A full third of survey respondents said that touring was "not applicable" to them.
[6] It is impossible to identify with certainty the cause of this counter-trending increase in government income for presenters, but it may be related to temporary federal money made available as part of the American Recovery and Reinvestment Act of 2009.
[7] The difference between survey responses and the NFF analysis is likely a result of looking at slightly different groups in the Duke cohort (the segment who responded to the survey vs. the segment for whom 990 data was available), or could be related to the fact that the survey asked groups to comment on a the 2009-2012 timeframe and the NFF analysis focused on 2007 through 2010.

Increasing Costs

Most survey respondents (88%) reported that increases in core costs of doing business are a significant challenge for them. Regardless of discipline the cost of doing business has continued to rise. Survey respondents list increases in insurance premiums, travel costs, real estate and utilities, and salaries and benefits as significant cost pressures. One respondent pointed out that increases in the cost of living for artists and staff have multiple negative effects. Organizations feel pressure to make up the difference to remain competitive and, if they can't, artists and employees are forced to leave (or to take second jobs that may diminish their commitment to the organization).

Lack of Reserves

Operating reserves and "funding to make organizational changes" were the most significant financial needs identified by survey respondents. Almost all reported that securing these kinds of funds is a significant challenge, and half reported that it is a "very significant" one. Interviewees echoed this sentiment loudly. All the interviewees mentioned their need for program reserves and more liquidity (cash on hand). Strikingly, a majority of those interviewed are developing or have begun campaigns to create "program reserves," "artistic innovation funds," "security funds to get us get ahead of ourselves and out of fundraising for the year we are in," and similar mechanisms. "We've recovered from the worst of the recession," said one, "and moved from the tight rope to the balance beam. But if we're ever going to get to solid ground, we need reserves to keep us balanced, nimble, forward-looking and able to advance the art."

Two aspects of the NFF analysis shed further light on this situation for the Duke cohort: liquidity and profitability. "Liquidity" is the cash and investments an organization has available at any one time. This allows an organization to manage cash flow fluctuations and address other short-term needs. NFF suggests that between 3-6 months of cash is a good rule of thumb and its research indicates the average for arts organizations nationally is currently one to two months.

In aggregate, the "new works" cohort is doing better than the norm – all disciplines had at least two months of cash on hand in 2010. The jazz, theater and presenting organizations had between five to eight months of cash on hand at the end of fiscal 2010, while dance groups averaged approximately two months. While doing better in this regard than many other organizations, "new works" groups in all disciplines except jazz saw erosion in liquidity between 2007 and 2010. Dance groups in our cohort declined from five months of cash in 2007 to only two months in 2010, the steepest decline of the sub-sectors in this cohort.[8] The largest organizations, predictably, have the best liquidity, but months of cash on hand for groups with budgets over $5 million declined from 17 months in 2007 to 12 in 2010. The smallest organizations, which typically have the lowest levels of cash on hand to begin with, saw the greatest percentage decline in liquidity, from 3.9 months of cash and investments on hand to 1.8 months, over 50% erosion between 2007 and 2010.

Profitability refers to the surplus of unrestricted funds that the organization has left at the end of the year, savings that can be accumulated to support reserves, invest in new ventures, cover

[8] Dance is notoriously troubled, even compared to other arts sectors. The Alliance for Artist Communities report "Mind the Gap: Artists Residencies and Dance" (2011) outlines the difficulties faced by dance creators. On the other hand, a recent article in *The Washington Post* entitled "Dance is Kickstarter's Most Successful Category" suggests that some dance-makers are looking for and having success with alternative business models. http://www.washingtonpost.com/lifestyle/style/kickstarter-for-dance-choreographers-could-be-a-gold-mine/2012/08/23/62329816-ea6c-11e1-a80b-9f898562d010_story.html

unexpected reversals or used for other purposes. In aggregate, the organizations in this cohort all showed profitability surpluses in 2007 and deficits in 2009 at the peak of the recession. Presenting and jazz organizations appeared to have profitability surpluses again in 2010, while theater and dance groups still recorded negative status. The DDCF cohort as a whole is relatively unleveraged (they did not use debt to make up for shortfalls) and is not heavily burdened by fixed assets (facilities and other real estate). No discipline showed liabilities as a percent of assets greater than 24% or less than 8%, well within NFF's guidelines for fiscal health.

Volatility and Lack of Predictability

In its analysis, NFF notes "the reliability, repeatability and flexibility of revenue are more important than where revenue comes from, and the ratio of earned vs. contributed. Most organizations operate best with steady and predictable revenue streams, though they may experience normal volatility if programming is cyclical." Our research shows that revenue volatility and lack of predictability are, in fact, serious challenges for DDCF grantees.

Competition for funding continues to rise, and almost all (90%) of survey respondents say that this is a very or somewhat significant challenge for them. Several organizations commented that donors in their community appear to flock together to bail out organizations that are in crisis, diverting resources from healthier organizations and causing problems for the cultural ecosystem overall. We asked the question, "Other than money, what are the three most important things that would help you adapt and succeed in the future?" Responses ranged across more than a dozen familiar issues, from "time to think strategically" to "health insurance for visiting artists" to "leadership development for staff and board" to "space to rehearse" and "learning about non-hierarchical ways to manage groups." The most frequent reply, stated in varying tones of urgency, was that funding is the single most important thing that foundations can provide. "After money? Let's be real. Professional training is available elsewhere, technical assistance is available elsewhere. What we need from foundations is funding – consistent, committed, substantial, unrestricted funding."

There are other aspects of the funding environment that pose challenges for these organizations. Many noted that the slow speed of funder decision-making is an impediment to organizational planning. One interviewee said, "Everyone in the pipeline is slower to commit and the cumulative effect is to shut off risk-taking, nimbleness and the ability to seize great opportunities." Another was more specific: "Many funders are slower in making commitments and slower in paying on their grants. This wreaks havoc with our ability to forecast, make necessary commitments and hold to our plans. And this is magnified when our presenting partners have the same problem. It destabilizes the system. This funder behavior disregards what it takes to run a nonprofit and violates the principles of good management they say they want to support." Many survey respondents echoed this concern.

The type of funding available is also a challenge for organizations. Despite numerous reports that suggest that general operating support is the most valuable type of support that organizations can receive, most funders continue to offer project-specific or otherwise restricted support, mainly in one-year increments. Interviewees and survey respondents both indicated a powerful need for operating support, preferably for multiple years at a time. One survey respondent commented, "Operating funds are key to everything: maintaining facility; adequate staffing; allowing greater support for new work; greater flexibility to present new work (risk); deepening existing programs." The "new works" organizations want flexible, multi-year commitments from funders, which will strengthen their ability to plan, make program commitments and develop their organizations.

Organizational Capacity

Burnout, turnover, leadership transitions and inability to offer competitive salaries and benefits are significant concerns across the cohort. Half of survey respondents have changed staff leadership and/or management structures since 2009 and three-quarters say that staff development is a significant challenge for their organization. Most of the interviewees mentioned concerns about imminent leadership transitions or difficulties retaining younger staff who are regularly lured away by organizations offering better compensation. A majority of organizations (73%) are also concerned about their inability to provide competitive fees to artists, which compromises artistic quality and limits their programming opportunities.

A number of survey respondents reported that cuts in staff have left remaining staff badly over-extended, on the dangerous verge of exhaustion and burn out. While some respondents acknowledged that making the organization lean has realized efficiencies and forced them to become more creative, many mentioned the negative effect of becoming "hollowed out" and less able to respond to opportunities. The NFF analysis supports the survey results on staff reductions, suggesting that most organizations are trying to sustain or increase organizational capacity by working more with contractors rather than full-time staff. Overall the "new works" group increased professional fees by 10% between 2007 and 2010, while holding personnel costs steady. *Theater Facts 2010* confirms this finding for its trend theaters, which employed more contract workers each year between 2006 and 2009. In 2010, trend theatres employed an average of 15 fewer workers compared to the prior year.

Effective board leadership is also a significant challenge for three-quarters of survey respondents, and interviewees all shared concerns about their boards' capacity to help the organization develop and grow stronger.

3. Constant Adaptation

The survey and interview data confirms that the "new works" organizations are vividly aware of their changing circumstances and they are practicing continuous adaptation. All but one organization in the survey has made changes to at least one area of operations since 2009, and most have made changes in more than one area. Two-thirds of respondents (68%) say that the changes they have made have already had positive impacts on their organization (an additional 28% aren't sure yet).

Relationship to Audiences and Community

Organizations in this cohort are making changes to the way that they interact with both their audiences and their larger communities. One interviewee put it this way, "We need to stay relevant and make our organization meaningful to both our age-old audiences and newcomers. We need to respond to younger people's interest in having more social, interactive experiences. We need to be making a difference in the real issues facing our community. These ideas are now at the center of all our conversations." Interviewees reported on the challenges of "staying fresh" and "keeping audiences engaged" through sophisticated uses of marketing, social media and offerings that encourage interactivity and social exchange. Survey respondents underscored the importance of understanding a changing social media environment and coping with a growing number of alternative, often free, entertainment offerings. Although a majority of survey respondents are not worried about declining attendance, almost all (87%) say that *growing* their audience is a significant challenge. A significant majority also says that understanding who their audience is (66%) and what they want (61%), and communicating with them effectively about the work (79%) are significant challenges. In part to address these issues, 80% of survey respondents reported they have changed their marketing strategies in 2009.

Many organizations also realize that focusing on audiences is not enough, they must be relevant to their larger community. A majority (60%) of survey respondent say that broader community relevance is a significant challenge for them, and nearly two-thirds (63%) have changed the way they engage with their communities in the past three years.

It appears that the "new works" organizations' efforts to adapt are bearing fruit. Most of the positive shifts that organizations report experiencing in recent years are related to improvements in their audience and community relationships. One survey respondent said that the increased focus on audiences has enabled them to more effectively support "the creation and success of difficult, challenging and fresh ideas." Numerous respondents mentioned a broadened audience base, deeper engagement of audiences with the work, and deeper connections in the community. One respondent commented, "We are engaging audiences at different stages in the development of new work," while another said that his organization now had "more of a two-way conversation with audiences and community." Other respondents suggested their deeper connection with community led to feeling more inspired by the work *and* fundraising more effectively.

Generational Shift

The "new works" organizations report a significant evolution in the way they are working because they have embraced a new generation of artistic and administrative cultural leaders who have different ideas and ways of working. Interviewees talked about the "known knowns, unknown knowns, and unknown unknowns" associated with the next generation of artists and cultural workers, suggesting that flexibility and responsiveness is critical in their ability to attract and retain young talent. Older leaders see that the next generation is looking for less hierarchy and more fluid sharing of responsibility. Several interviewees talked about younger artists' appetite to work in a more improvisational and collaborative way with producers, presenters and peer artists. One presenter spoke to the opportunity of this leadership transfer between generations: "We're facing an important decade ahead as many 'founding' leaders retire. We hope younger people want to take up these leadership roles. We need to make sure they have the right support and resources to do so."

Survey respondents and interviewees commented on the challenge of providing competitive pay for these younger workers, many of whom have substantial debt and see viable career paths in the commercial sector, or are unwilling or unable to subsidize a career in the nonprofit sector. A majority of survey respondents report that inadequate staff compensation (88%) and inadequate fees to artists (73%) are significant challenges for them.[9]

Business Models

As mentioned above, many "new works" organizations have changed their earned income and fundraising strategies in the last several years. Organizations are also thinking beyond revenue to ways of reducing costs or otherwise making their business models more sustainable in a constrained environment. Almost half (47%) of survey respondents reported that they have adapted to a tighter economic environment by decreasing their total expenses since 2009, and

[9] Low pay, difficulty attracting younger workers burdened with debt, and burnout are critical challenges throughout the nonprofit sector. http://blog.lodestar.asu.edu/2012/08/research-friday-controversial-nonprofit.html

NFF data suggests that the median expenses for both theaters and presenters decreased, while median expenses for jazz stayed relatively flat. The dance cohort was the only group to show rising median expenses over the four years studied.

Despite the changes they have already made on the revenue and expense sides to cope in this environment, many organizations foresee a future for the arts field where definitions of success are different and growth is not the absolute goal. One interviewee said, "Most artistic directors today judge their success by the number of dancers, or actors or artists they are employing, how big their sets are, and how impressive their production values are. In a tightened economic environment, this can no longer be the ultimate definition of success. They have to see a different reality and define a different possibility." Most interviewees said that they would not be expanding in size in the coming years and need ways to continue to evolve without requiring additional resources – "amplifying without growing," as one person put it. "As a field and as an individual organization, we need to get past our traditional behaviors and not just do things because that's the way they've always been done," said another.

Organizations are also adapting through new kinds of partnerships, including artistic collaborations, partnerships with unconventional co-presenters (such as shopping malls or radio stations), and management or "back office" cooperative agreements. Half (51%) of survey respondents have changed the way they partner with other arts organizations. While many of these partnerships are intended to stretch tight resources, they also function to deepen artistic and community relationships and accomplish things that would not be possible unilaterally. One organization noted that it has changed its role in its local arts community to become "a full service contributor to an ecology of excellence, rather than an empirical selector of 'taste.'" Survey respondents noted both artistic and community benefits that have come from expanding their partnerships. One person said, "In the past we'd commission work on our own. Now we are looking for partners from the beginning to 1) bring additional resources to the project and 2) identify additional venues for the artists as the work is being developed." Another reported on a "partnership with local organizations to leverage our resources and improve the quality of work being made here and being presented here."

<u>Field-wide Policy Issues</u>

While we did not probe for large-scale policy issues in the survey or interviews, a number of people commented about issues that are likely to affect the viability of their own and other nonprofit arts organizations in the next 3-5 years. Several issues came up repeatedly:

- The increasing difficulty and expense of securing visas for international artists, which is having a chilling effect on cultural exchange.
- The lopsidedness of arts funding that privileges large institutions. One interviewee expressed the frustration of many: "So much goes to the big institutions and many of them lack awareness of how they are alienating segments of their communities – not just younger artists but also different demographic groups."
- The general lack of engagement of the arts sector at large with the most important demographic, political and economic shifts occurring in the country.
- Several presenters suggested that the expansion of dance and other "performative" programs in museums and visual arts institutions represents a new kind of competition and may alter the presenting landscape in important ways.

Conclusion

This research confirms that the "new works" cohort of Duke Foundation grantees are firmly planted in their milieu, facing the same challenges and the same opportunities as are the legions of other arts organizations in the performing arts sector. On some metrics, notably liquidity and earned income, this group of organizations appears to be doing better than the norm. Counter to much negative commentary in the field at large, our survey responders and interviewees convey both optimism about the future and determination to succeed.

If the "new works" cohort is doing better than other groups and is more optimistic than many of their colleagues, it may be because they are displaying adaptive behavior – actively experimenting with change to boost their resilience. They are not all pursuing identical strategies; there is not just one model solution. But the survey responses and interviews suggest that these organizations are demonstrating characteristics identified in the Duke-initiated research on "bright spot" organizations, including a clear and contemporary artistic purpose coupled with a sense of civic responsibility, organizational nimbleness and willingness to re-examine long-held assumptions, and a concern for cultivating forward-looking leadership in artists, board members and staff – especially younger staff and artists.

How can the Doris Duke Foundation help build more adaptive, resilient performing arts organizations? The "new works" organizations are nearly unanimous in their response: They need money – substantial, flexible, multi-year funding that enables them to do the work of supporting artists, staying relevant to their communities, strengthening their balance sheets and adapting to changing conditions, both local and global. These organizations have confidence that they will find solutions that suit them, and will sustain them, if they can secure sufficient operating funds and build artistic reserves. They have weathered the recession, they have made important cuts in costs, they have shifted into a mode of nearly continuous adaptation. What they need now is more elasticity in their budgets – funds they can spend on strategic thinking, on future-year projects, on retaining staff and artistic talent, and on getting out of the hamster wheel of fundraising for the program year they are in. One presenter put it nicely: "There is no national panacea," he said. "The new paradigm is what's on your desk. It's about what you can do right there, in your own community. Let's shorten the distance between the theoretical and the practical. Lots of us are hard at work inventing the future. What we need most is just a bit more investment in the laboratory – more flexible, reliable, substantial, confidence-building money."