

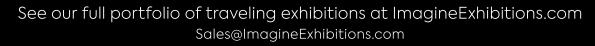
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Cover: Perfectly Clear (Ganzfeld), 1991 © James Photo by Florian Holzherr







Laura Sullivan (b. 1918) Spring Pastoral, 1965

Oil on Canvas

Collection of Gary James Hill ML03.2165



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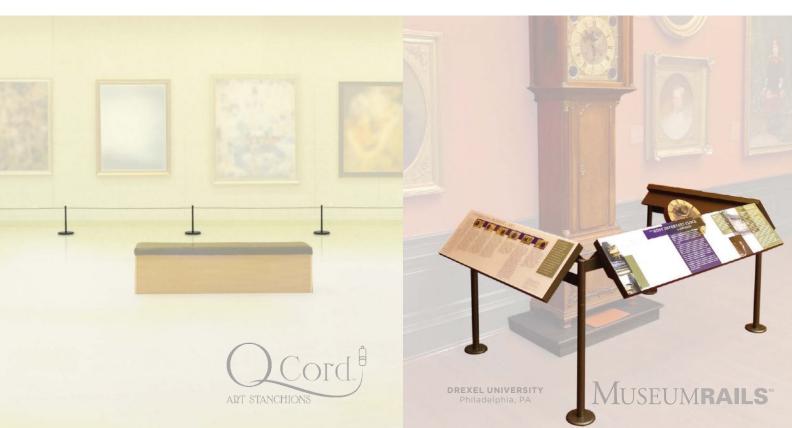
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Museums and Financial Health; Let's Talk About It!

As many of you have heard me

admit, I'm a recovering certified public accountant. I started my career at a large firm auditing and consulting with many different types of nonprofit organizations. It was a great experience that fueled my love and appreciation for the power of numbers.

At the same time, I can't hide my love and appreciation for the power of museums. Please note that my affections for numbers and museums are not mutually exclusive, and that is the point of this issue of Museum magazine.

Too often, in my experience, there is a perceived division among museum professionals who curate the exhibitions and those responsible for maintaining the institution's financial health. Sometimes our passion for the amazing work of museums blinds us to the business realities within our own organizations or the outside financial pressures. As the saying goes: no money, no mission!

If you take only one lesson from these pages, let it be this: museums will be better positioned to educate, inspire, and engage if they have healthy balance sheets. Long-term financial sustainability is everyone's responsibility. And it's something we have to talk about openly and honestly.

Our data and surveys suggest an alarming fact about the current state of the museum field. Nearly one-third of museums dip into their financial reserves or endowment funds to cover operating expenses. What's frightening is that this reserve spending is occurring during a relatively strong economy.

As budgets tighten, museums defer basic necessities like facility maintenance, putting their people and collections at risk. Like many nonprofits, they often stretch, and ultimately burn out, staff resources and risk losing great talent to higher-paying industries.

On the revenue side of the equation, museums are competing against a growing number of nonprofits for crucial funding. Philanthropic giving is increasingly focused on solving specific societal problems and demanding quick and measurable outcomes. In many parts of the country, governments are cutting funding for museums as they also seek increased tax



Law Hoth

payments from nonprofits. And museums of all sizes are competing for visitor attention and spending.

As the pace of change quickens in our field and environment, we need to improve our financial discipline, business planning, and data literacy. Museums must pursue innovation, experimentation, and new business models to secure their financial futures.

The Alliance is here to help.

In our strategic plan, we include a focus on changing business models for museums' financial sustainability. To support this initiative, we provide an ever-expanding set of data, tools, and resources for museum professionals. Many of these will be reviewed and presented at the AAM Annual Meeting & MuseumExpo, which has a theme of "Sustaining Vibrant Museums."

I suppose recovering accountants such as myself never really fall out of love with balance sheets. Meanwhile, the eyes of many wildly creative, innovative, and passionate museum professionals will likely glaze over at topics such as cost per visitor, operating cost per square foot, and rate of return.

And for the most part, that's as it should be. But the museums that proactively explore these financial challenges and opportunities together and proactively will experience the best success.

Laura L. Lott is the Alliance's president and CEO. Follow Laura on Twitter at @LottLaura.

Sources: From top to bottom: Museums and Public Opinion 2017, AAM and Wilkening Consulting; The Chronicle of Philanthropy; Giving USA 2018

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American Museum of **Natural History**

"T. rex: The Ultimate Predator" explores the latest research and discoveries about the genus of dinosaurs known as tyrannosaurs, with an emphasis on the most famous and impressive member of the family—T. rex. The exhibition includes a life-sized model of a T. rex along with reconstructions of a fluffy, helpless *T. rex* hatchling and a 4-year-old juvenile; a "roar mixer" where visitors can imagine what T. rex might have sounded like by blending sounds from other animals; and a shadow theater where a floor projection of an adult T. rex skeleton will come to life.

Location: New York, NY Dates: through Aug. 9, 2020 Learn more: amnh.org/exhibitions/ t-rex-the-ultimate-predator

Brooklyn Historical Society

Since the 19th century, there has been a significant—if often overlooked-LGBTQ presence in Brooklyn, much of it clustered along the waterfront, where industrial jobs, cheap housing, and urban anonymity provided opportunities for queer people to explore their own desires and discover one another. "On the (Queer) Waterfront" profiles the many queer individuals who have lived in or passed through Brooklyn in the past 150 years, showing both the changes and continuities in our ideas and experiences of sexuality in Brooklyn.

Location: Brooklyn, NY Dates: through Aug. 4

Learn more: brooklynhistory.org/ exhibitions/current.html

Henry B. Plant Museum

In celebration of Henry Plant's 200th birthday, "Henry Plant: He's More Important Than You Thought" explores Plant's role in the development of Florida and the breadth and depth of his footprint throughout the southeastern United States and beyond. The exhibition features Plant's international transportation empire, powered by over 73,000 employees; his use of company land to found a community for African American employees with rent-to-own housing; his network of hospital cars and railroad hospitals; and more.

Location: Tampa, FL Dates: through Dec. 23 **Learn more**: plantmuseum. com/exhibits/current-exhibits/

henry-plant

What's New at Your Museum?

Do you have a new temporary or permanent exhibition, education program, partnership/initiative, or building/wing? Tell us at bit.ly/MuseumNewsAAM, and it might be featured in an upcoming issue.

Museum of Making Music

Just over 60 years ago, accordions were at the forefront of the US musical landscape. But musical tastes shifted dramatically by the end of the 1950s, and within 10 years, accordion sales and interest plummeted almost to the point of disappearing. "Accordions: Expanding Voices in the USA" takes a close look and listen at the current state of the accordion across the country, highlighting stories and recordings from some of the players pushing it forward.

Location: Carlsbad, CA Dates: through Aug. 31

Learn more:

Sonny Portacio; Jason Swisher

museumofmakingmusic.org/ accordions





Fort Wayne Museum of Art

Repose in Amber is a new, permanent installation by sculptor Martin Blank. The installation, totaling 50 feet in length, is composed of five steel bases holding 51 individual hot-sculpted glass elements that form an abstract figure in repose. The artwork was commissioned in 2004 by real estate developer and art philanthropist Mike Kurzman for Chicago's 120 South LaSalle building and was included on Chicago's Public Art and Architecture Tour. It now has a permanent, public home at the museum.

Location: Fort Wayne, IN

Learn more: fwmoa.org/Exhibition/

repose-in-amber



FIRST LOOK





Zanesville Museum of Art

"Luminous | Encaustic Works by Barbara Vogel" showcases the artist's enigmatic and luminous portraits and botanical images and her unique mastery of two challenging mediaphotography and encaustic. Using an ancient process, Vogel develops her signature rich and radiant surfaces, which are further enhanced by her thoughtful application of luxurious oil pigments. While Vogel's blend of traditional and nontraditional photography with encaustic is grounded in contemporary technique, her subject matter evokes timelessness.

Location: Zanesville, OH Dates: through Aug. 3

Learn more: zanesvilleart.org/ **luminous**

Lake Wales Museum

In "Postcards and Perceptions: Florida Seminoles and Tourism"from the Ah-Tah-Thi-Ki Museum of the Seminole Tribe of Floridapostcards serve as quideposts to the changes of early 20th-century Florida history. Their simple yet evocative imagery reveals the adaptive nature of the Seminole people and the complex pressures and adjustments they have endured to assert their identity.

Location: Lake Wales, FL Dates: through May 31 Partner: Ah-Tah-Thi-Ki Museum

Learn more: cityoflakewales.

com/774/Exhibits



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President / CEO, Fenimore Art Museum "Henri de Toulouse-Lautrec in Bohemian Paris", 2016



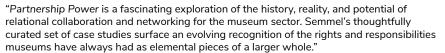


NEW RESOURCES FOR MUSEUM PROFESSIONALS IN TODAY'S DYNAMIC AND EVER-CHANGING ENVIRONMENT

PARTNERSHIP POWER

Essential Museum Strategies for Today's Networked World

By Marsha L. Semmel



-BRIAN J. CARTER, BOARD PRESIDENT, ASSOCIATION OF AFRICAN AMERICAN MUSEUMS, EXECUTIVE DIRECTOR, 4CULTURE

This long-needed guide makes the case for the "why" and the "how" of museum partnerships in today's hyper-connected and networked world.

Marsha Semmel is a national museum leader who has served in senior executive positions at the National Endowment for the Humanities and the Institute of Museum and Library Services.

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Edited by Johnnetta Betsch Cole and Laura L. Lott

In this definitive source, thought leaders contemplate the field's struggles with diversity, equity, accessibility, and inclusion. For the first time, these watershed essays, keynote addresses, and data are gathered in one resource, so we can learn from recent history and build on these leaders' work in the next decade.

Johnnetta Betsch Cole is a principal consultant with Cook Ross, Inc. She is also a senior consulting fellow at the Andrew W. Mellon Foundation. Dr. Cole previously served as Director of the Smithsonian National Museum of African Art and as President of Spelman College and Bennett College.

Laura L. Lott is the president and CEO of the American Alliance of Museums, the only organization representing the entire scope of the museum community. She frequently speaks to non-profit and museum boards about governance, strategy, and inclusion.

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Decolonizing Development

How can museums make fundraising an agent of social transformation?

By Chong-Anna Canfora

A history professor

once told me that, until recently, history has largely been the story of white male triumph.

Despite some progress, if we were to substitute the word "museums" for "history," this statement would still have the ring of truth.

Within the nonprofit community, many museums have a special longevity. They therefore have deep historical roots in their regions and are often well-connected to funders with significant resources. Representing a \$15.9 billion industry that directly supports 372,100 jobs, museums collectively have the potential to significantly impact fund development hiring, philosophy, and practices. Museums

have the capacity to decolonize development.

To begin a productive conversation about the decolonization of anything—museums, fund development, art, history, science-we must first engage in truth and reconciliation about the harm done to women, people of color, members of the LGBTQIA



community, and members of other marginalized communities. This means we acknowledge our roles in systemic oppression and commit to change. We must acknowledge how pervasive the colonization is in every aspect of our organizations' structures and practices. We must make the invisible visible and then deconstruct the practices, policies, and biases that exclude and marginalize underrepresented minorities and women and keep them from assuming meaningful roles on museum boards and in fundraising, and from leading museums as executive directors.

Decolonization is social justice, anti-racist work. In order to decolonize fund development, we must "Representing a \$15.9 billion industry that directly supports 372,100 jobs, museums collectively have the potential to significantly impact fund development hiring, philosophy, and practices. Museums have the capacity to decolonize development."



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ask ourselves: What organizational practices can we dismantle that center whiteness and reinforce white supremacy through fund development?

Prioritize Diversity and Inclusion—No, Really

As journalist Timothy Sandoval noted in a Chronicle of Philanthropy article on nonprofits and diversity, a 2016 Public Allies Alumni report found that among 200 emerging nonprofit leaders, 68 percent believe their organization values diversity and understands why it's important, but only 22 percent said their organization did a diversity audit of any kind. We cannot impact what we do not measure.

Facing Change, a 2018 report issued by AAM's Diversity, Equity, Accessibility, and Inclusion Working Group, emphasized that empowered, inclusive leadership is essential at every level. The workgroup called for AAM members to prioritize inclusion in the strategic planning process or through a separate inclusion plan.

With that in mind, museums that are committed to decolonization must examine the following questions related to fund development. It is important to note that the answers to these questions will vary by organization, depending on size, resources, and existing partnerships.

- · How can we enhance recruitment and career pathways for development and gift officers from diverse, historically underrepresented backgrounds?
- What can we do to create a culture that will not only attract, but also retain, talented staff from diverse backgrounds?

Museums need to adopt strategies, such as investing in paid leadership development opportunities for young people, that remove financial barriers and cultivate pathways that lead to professional growth. If we are not paying interns living-wage stipends so that a diverse cross-section of candidates applies, rather than a privileged few who can afford to work for free, we cannot be surprised that our candidate pool is monolithic.

In addition, we can challenge our human resources staff and executive and trustee search committees to search for and tap into informal employment networks and alternative media. It is one thing to create a job description that says high priority is given to job candidates who are female or from

other historically underrepresented groups, but it is another thing to advertise in minority-owned media or to engage regularly with women's professional networking groups, for example.

Attracting staff from historically underrepresented groups is just the beginning. To retain those staff, we have to ensure a supportive and inclusive environment. We must dismantle the harmful expectation that only minority or female employees will perform the emotional labor of leading any and all organizational efforts for diversity and inclusion.

Charity vs. Justice

In what ways can we rethink how to cultivate and diversify whom we partner with and how we deploy resources?

We must make sustained, intentional efforts to build authentic relationships with the diverse communities we strive to serve. These relationships build the trust necessary to truly engage with donors from historically underrepresented groups. We have to examine our biases around women and philanthropists of color, and we need to understand how their wealth indicators and motivations may differ from those of white males. We have to challenge ourselves and our donors to invest in and partner with our organizations in ways that don't perpetuate inequality—for example, prioritizing programs over paying the staff that will run them.

Recently, I attended a talk by pastor and social justice activist Rev. Dr. Frederick D. Haynes III; he



Museums as Economic Engines, 2017

aam-us.org/2018/01/19/museums-as-economic-engines/

Timothy Sandoval, "After 25 Years of Talk, are Nonprofits Ready to Act on Diversity?" Chronicle of Philanthropy, March 7, 2018

philanthropy.com/article/After-25-Years-of-Talk-Are/242709

Facing Change: Insights from the AAM Diversity, Equity, Accessibility, and Inclusion Working Group, 2018

aam-us.org/programs/diversity-equity-accessibility-and-inclusion/facing-change/

challenged the audience to describe the differences between justice and charity. Charity is often hierarchical, where the giver has all the power and the receiver has very little, if any. Charity is something that is fixed in time, and it is frequently the byproduct of an injustice that is then given to the victims of injustice. Justice is an ongoing process of rebalance, of achieving the equality that everyone is entitled to.

Haynes shared a story about two towns on a river; children in one town were drowning and their bodies were drifting downriver to the other town. Sometimes one, two, and even as many as three children at a time would wash up on the shore of

the town downriver. Some townspeople gathered these poor children and buried them, giving them proper funerals. The townspeople did this for years and congratulated each other on their kindness. This, he said, was charity.

One day, some of the townspeople decided to travel upriver to see why these children were drowning. They discovered that the bridge upriver was out, and some children who played near the broken bridge were falling and dying. They gathered supplies and skilled engineers and fixed the bridge so that the children could play and travel safely. This, Haynes said, was justice.

Decolonized fundraising is justice. It widens the circle of participation for fundraisers, donors, and everyone.

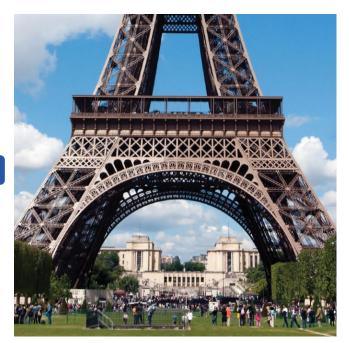
Chong-Anna Canfora is the director of development for the Michigan State University Museum, a natural history and culture museum. She is facilitating a panel discussion, "Decolonizing Development: Fundraising as an Agent of Social Transformation," featuring Dr. Johnnetta Cole, Dr. Mark Auslander, and Arthur Affleck at the AAM Annual Meeting & MuseumExpo, which will take place in New Orleans, May 19-22.



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Noun: one who embraces or assumes characteristics of an entrepreneur to advance their museum's business model and general operations.

The people behind today's greatest technology companies have redefined and reinvigorated the term "entrepreneur," inspiring an entrepreneurial movement that has expanded beyond the confines of the business sector. No industry is immune to disruption, and I've observed a growing appetite among cultural institutions to embrace a modern, innovative frame of mind. This comes as no surprise given the fierce competition for the consumer's limited attention combined with a shifting philanthropic landscape. Museums need to evolve fast.

In an effort to be more agile, digital, and datadriven, museums are experimenting with techniques borrowed from the start-up and tech worlds and are applying them across the board. This is reflected in the design thinking that drives marketing strategy, exhibition design, and a desire to build out new revenue streams.

"Monetizing internal expertise or other assets, if done in ways that propel a museum's mission, can be tremendously fruitful and beneficial across the board."

> As someone who operates at the intersection of museums, start-ups, technology, and philanthropy, I've been following this evolution closely. Institutions are ready to take risks and explore, and they're getting bolder and better at it. Who is the driving force behind much of this change? Enter the museopreneur.

"We had a real consciousness and became increasingly aware of how our practices and procedures become outdated in this agile, new world," says Kaywin Feldman, director of the National Gallery of Art.

Financial models are a delicate subject because

the vast majority of museums are nonprofits with a strong adherence to a central, focused mission and a long history of philanthropy and tradition. While they rely on major gifts, admission fees, and membership dues, grants, and other subsidies, cultural institutions are not barred from exploring other revenue streams. Monetizing internal expertise or other assets, if done in ways that propel a museum's mission, can be tremendously fruitful and beneficial across the board.

Museums serve the public and protect our world's culture in perpetuity, without the goal of generating a profit in the same way as businesses. So how do museums achieve harmony around taking on risks related to the business model, and what are some of the creative approaches museums have already taken?

Big, Bold, and Visionary

One exciting trend in the museum sector's embrace of start-up philosophy is bringing culture-related ventures on-site through co-working and innovation spaces. One bold idea is NEW INC at the New Museum in New York City. NEW INC opened its doors in 2014, making it the first "museum-led incubator" in the world. Part mission-driven professional development initiative and part co-working space, this endeavor brings together more than 100 entrepreneurs, artists, designers, and technologists to spark new ideas from the mixture of disciplines.

For the New Museum, this wholly aligns with the evolving "definition of what a museum can be in the 21st century, which includes innovative cultural and civic partnerships, leading-edge art, and technology initiatives," says Karen Wong, the museum's deputy director.

Similarly, New Zealand's Te Papa created the business accelerator Mahuki, the Australian Centre for the Moving Image launched the ACMI X co-working space, and Contemporary Arts Center New Orleans opened an art-filled co-working space called The Shop.

Massachusetts Museum of Contemporary Art (MASS MoCA) has perhaps the most significant experience in and portfolio of bold moves. Located in the Berkshires, MASS MoCA has become one of America's largest contemporary art museums, boasting 250,000 square feet of gallery and performance

space. The museum started with no cash, no endowment, and no lines of credit—which were ironically a luxury in disguise, according to MASS MoCA Director Joseph Thompson. They were forced to be "scrappy" and remain "fluid, open, and permeable" with their overall approach. "There is great work to be done in aligning actions that we once thought of as purely commercial with concepts we once thought of as purely cultural or nonprofit orientated," Thompson says.

Today, the museum has more than 100,000 square feet of leasable commercial space, has a bankable artist residency program called The Studios, and hosts numerous music festivals, among other revenue-generating channels. Thompson, with his degrees in art history and economics and an M.B.A. from Wharton, an uncommon credential in the museum sector, has the firm museum foundation and business savvy to assess the risks and rewards that have allowed him to scale up MASS MoCA.

"The level of entrepreneurial spirit that he has brought to the museum is up there and in line with any founders I've invested in or worked with," says Bo Peabody, a venture capitalist and tech maven, who has deep ties to the museum. "This is a museum that knows how and when to pivot."

Initiatives like these can provide museums with countless benefits. They open the institutions to a range of new connections, setting up fertile ground for partnerships and collaborations. They also enable museums to cultivate a new creative, innovative community that doubles as a recurring revenue source.

Capitalizing on Expertise

The Van Gogh Museum boasts the most extensive collection of the artist's works and has been one of Amsterdam's top tourist attractions since its inception. The museum has a world-class staff and has found a way to monetize their knowledge and experience.

Van Gogh Museum employees can spend between 5 and 10 percent of their working time assisting commercial clients with collection conservation, climate control systems, museum management, and educational programs. The program started in 2016 with a goal of contributing about 5 percent to annual revenue—a much-needed injection to make up for

the cuts in state funding and a regional slowdown in tourism.

"It is apt that the museum extends its efforts to include innovative concepts, while naturally endeavoring to strike the correct balance between core museological activities on the one hand, and commercial initiatives on the other," says Adriaan Dönszelmann, the museum's managing director.



The Indianapolis Museum of Art at Newfields also offers professional services to outside cultural organizations. Years ago, it launched IMA Lab (now Newfields Lab), its own software development agency specializing in solutions for the cultural sector. Newfields Lab builds websites, designs custom software, and releases open-source projects to benefit and advance the sector at large.

Most recently, Toledo Museum of Art demonstrated how many of the core principles related to arts education and "learning how to look" could be applied to other sectors. It incubated a business called the Center of Visual Expertise to expand visual literacy training into industrial operations such as occupational safety; it has an ongoing partnership with the Campbell Institute at the National Safety Council.

The Center of Visual Expertise generates new revenue, but in a way that advances the museum's mission and exposes new audiences to art and new ways of thinking. "Traditional museum business models have historically prevented museums from

Elaine Young, founder of LAByrinth, at work in the NEW INC fab lab.



making bets of any size," says Adam Levine, who started an art market analytics firm, among other endeavors, before becoming deputy director of the Toledo Museum of Art and now the director of the Cummer Museum. He adds that "museums have a lot to learn from a product-development perspective," a characteristic of successful entrepreneurs and an underdeveloped area within the museum field that could help museums adapt more effectively.

"Hybrid nonprofit-for-profit entities will multiply in years to come, and museum leaders should be both engaged in dialogue about emerging ideas and best practices, while remaining attentive to protecting their tax-exempt status," says Max Anderson, a veteran museum director who led new experiments at his many institutions. But he also acknowledged the fine lines and consideration that must go into any revenue-generating practice given the models that museums were founded on.

Experiments in Membership and Admission

Most of the museum directors and staff I spoke with are delving into preliminary research on or already experimenting with their admission and membership models. Years after the birth and phase-out of the Dallas Museum of Art's ostensibly radical DMA Friends program, which offered free museum membership, we know a few things to be true: each community has different needs, some budgets are more vulnerable than others, and the idea of free admission and membership is an aspiration for many.

The definition of consumer loyalty and what people will spend their hard-earned dollars on continues to be a moving target. The month-to-month subscription economy (think Netflix, Spotify, Blue Apron, etc.) has experienced explosive growth, setting up new customer expectations and competition for annual membership offerings. How do museums adapt when the way people pay for things is changing?

A few museums are experimenting with the type of currency they accept for tickets and memberships. In 2018, Great Lakes Science Center (GLSC) became the first major museum to accept bitcoin, the

predominant digital cryptocurrency, and neighboring Cleveland Museum of Art soon followed.

"Curiosity and experimentation are not just core principles for what we create for the public—they also shape how we operate as an organization," says GLSC Director Kirsten Ellenbogen, also citing a focus on heightened attention to product development and rapid feedback cycles and the eagerness to kill off what isn't working.

Access to Entrepreneurial Minds and **Mindsets**

Untapped networks can lead to exciting new ideas, partnerships, and outcomes. But who should museums look to and welcome on their boards to encourage, challenge, and validate their ideas and assumptions? Few museums have tapped into this new generation of entrepreneurs, though there has been a slight increase over the past decade.

The National Gallery in London has major figures from business and entrepreneurial backgrounds across its board of trustees and advisory boards, including Doug Gurr, an executive at Amazon. "They help shape our decision-making every day," says Chris Michaels, the museum's digital director.

Prominent innovators, such as the founders of Android, Groupon, and Behance, have supported and shared their entrepreneurial perspectives with various arts and cultural organizations as board members and advisors. Bob Mason, best known as co-founder of Brightcove and former director of Techstars Boston,



is a board member of several cultural nonprofits and encourages them to "create small but impactful programs of experimentation to encourage latent creation and the 'intrapreneurial' mindset."

"Failing forward," as the start-up parlance goes, is probably the most useful concept museums can borrow from this culture. A failure is much more than a write-off in the budget; it's a valuable lesson in any pursuit for the best outcome.

Most of the museum directors I spoke to for this article emphasized their enthusiasm around experimentation. More experimentation means a greater likelihood of failure, but also a greater chance for success. All directors said they keep a keen eye on evaluation, short feedback cycles, and speedy elimination of the programs that don't work out as planned. Contrary to the old adage, failure is an option—as long as you calculate the upside and downside of each experiment.

Looking Forward

Museums and cultural institutions can apply entrepreneurial principles to encourage inquiry, drive innovation, and transform themselves into truly modern organizations that are poised to take advantage of today's enormous opportunities.

A family investigates how friction creates a vortex that results in a cloud ring in this hands-on exhibit at **Great Lakes Science** Center

If you do traditional things, you can expect traditional outcomes. The organizations that are looking to the future and driving the greatest impact are those that have embraced the entrepreneurial spirit in some capacity. What actions will your institution take to stand the test of time?

Embrace your inner "museopreneur" to inspire new and existing audiences, explore unconventional revenue streams, and ensure your institution thrives in this tumultuous and ever-changing climate.

Brendan Ciecko is CEO and founder of Cuseum, a platform that helps museums and cultural organizations engage their visitors, members, and patrons.



Nothing Ventured.

The San Diego Natural History Museum's internal venture fund is encouraging experimentation and growth.

By Judy Gradwohl

Museums subsisting on tight budgets often don't prioritize taking risks and experimenting with new ideas. Yet, museums that don't do these things will struggle to adapt to changing conditions or grow beyond their current scale.

At the San Diego Natural History Museum (The Nat), we established an internal venture fund to encourage a risk-tolerant and creative atmosphere and develop longer-term strategies for building audiences and earned revenue. Failure is not only tolerated, but expected, and we aim to learn from our missteps. While we envisioned the program as beneficial, we did not anticipate the depth and breadth of cultural change it would ignite.

How We Began

The Evolutionary Venture Fund (EVF) program was named as a nod to the museum's expertise in paleontology and our study of evolution, and in recognition of the fact that we need to adapt to changing times. We used the museum's new Strategy Roadmap to provide parameters for this experimentation. The roadmap challenged us to lead with our science, proactively communicate our research, and become more involved with regional conservation issues. It also recommended moving away from renting expensive traveling exhibitions, focusing instead on our collections and in-house expertise for exhibition

Further, we decided to add more personal experiences to the museum to attract repeat visitation not tied to exhibition openings. We wanted to broaden our base of visitors without losing our traditional guests. From a cultural perspective within the museum, we wanted to share authority and challenge staff at all levels to become problem solvers. We hoped the EVF would spark creativity, create a greater sense of teamwork, and generally energize the staff.

With a new set of goals and challenges, and a tight budget, we turned to a local foundation that had been generously supporting The Nat for many years. It graciously granted us \$175,000 to start the EVF.

The Nat's executive management team determined that we should learn not only from the projects that

were funded, but also from the process. We devoted approximately half of the fund to a trial round of proposals. Although executive management determined the program goals, we established a committee representing a cross-section of museum staff to manage the application and grant-approval process.

All staff were invited to submit proposals after receiving approval from their supervisors. They were encouraged to work in teams and to keep their proposals short and general to minimize the time investment. Projects were evaluated on the issue being "solved," the feasibility of the implementation plan and budget, whether they represented a sensible risk, and whether the work could be sustained after project completion.

We received 38 proposals in the EVF's first round in 2017, and the committee selected seven to participate in a "pitchfest," 15-minute presentations to a judging panel of invited community members and selected staff who provided constructive feedback through questions. The judges ranked the projects, which went back to the EVF committee, and final funding decisions were made in concert with senior management so we could ensure the overall workload was feasible. Because we had committed only around half of the available funding, we had a buffer for unanticipated final project costs.

Budgeting and staffing proved more of a challenge than we initially anticipated. So in succeeding rounds, the committee worked with the teams to develop budgets, and we added evaluation components and invited teams to identify their own challenges.

What We Have Learned

We are still learning from each round of EVF funding, which we hold roughly twice a year, and continue to refine the process. It was immediately clear that staff across the organization had excellent ideas, and many hidden talents and outside interests surfaced during the process. We saw immediate benefits from multidisciplinary teams and new energy and enthusiasm in staff who didn't usually develop museum content.

We also learned the limitations of staff time. Although it was refreshing and sometimes rejuvenating for staff to participate in creative endeavors, the

WHAT THE EVF HAS CREATED

Following are a few EVF-born projects that have been particularly successful.

Botanic Panic: Escape The Nat

Escape rooms are popular puzzle-solving activities. A small group is "locked" in a room and needs to use theme-based clues to "escape." The escape room team was comprised of gamers from across the museum, including a scientist, a visitor services lead, a development officer, and an A-V technician. At \$22,000, this was one of the larger EVF grants, and it had one of the most prolonged development periods. At The Nat, the escape room is a premium experience for groups of up to six people. Players need to find the correct plant in our herbarium to save the world from a bioterrorism threat—in less than one hour!

Art cart

This modest, yet effective, activity is a cart with drawing supplies and a carpet visitors can use to sketch in the museum. At \$4,500, it was the smallest investment of the EVF—and also one of the most sustainable. Visitors are prompted to deeply observe specimens, ask questions, and look for their own answers.

Rooftop refresh

The museum has a delightful rooftop with an unparalleled view in Balboa Park. We had been using it for special events, but it was rarely available for museum visitors. After we purchased furniture and umbrellas, repainted, and added some planters, the rooftop became a more desirable rental space and an occasional rooftop bar. Last summer, we tried out a Friday night bar and natural history trivia contest, which was so popular that it will return this summer.

Botanical specimen scanner

A relatively small investment in technology became one of the most financially successful EVF projects. The botany department used the EVF to purchase specimen digitization equipment for new research projects and to enhance the value of online collections. The technology has led to new grants and contracts to digitize specimens in nearby herbaria, bringing in significant new income.

Exhibition hall conversion

When we suspended the traveling exhibition program, we were left with an empty 8,000-square-foot gallery in the lower level of the museum. With EVF funding, we painted and added lighting and temporary walls, transforming the space into a venue for rentals and internal meetings. We often use it for staff meetings, scientific symposia, volunteer training, and expanded adult education offerings.

museum's daily functions still needed their attention. It was also clear that certain functions, like marketing and building operations, needed to be an integral part of all public-facing projects. We needed to factor in staff time on projects from the beginning.

Although the program was grassroots in function, executive management provided direction and support. Beyond setting the initial goals, executive management ratified the funding recommendations and helped ensure coordination among projects. Because

many of the participants were less experienced with project management, senior leadership needed to make sure that projects could be accomplished on time while meeting budgets and with normal staff workloads.

Finally, over the course of the first year, we decided to reserve a small portion of the funding for directed or commissioned projects. This allowed us to fund good, timely ideas that arose outside of the normal EVF deadlines yet fit the EVF criteria.









Although the EVF was funded by outside grants, it was not without cost to the museum. We decided to exclude staff salaries from the grants so the funds would stretch further. EVF grants covered hard costs and outside contractors, but the departments essentially donated the staff time. This made it trickier, but not impossible, for hourly workers to be involved.

Lasting Benefits

The EVF has been a powerful change agent for the museum and has awakened an entrepreneurial spirit in museum staff. It shook up the normal hierarchy and encouraged new staff relationships. The spirit of experimentation extended beyond EVF and into daily operations, and staff at all levels rose to new challenges. When a project failed, we tried to treat it as a learning experience; we count our new risk-tolerant atmosphere as one of the major EVF successes.

The cross-departmental interdisciplinary teams have created professional development and mentoring opportunities and lasting staff relationships. The heightened sense of creativity opened the door for new budgeted projects that are not part of the EVF. The projects helped everyone better understand the nature of work across the museum, demonstrated the value of interdisciplinary teams, and brought to light a variety of previously hidden talents.

Several of the projects are creating new sources of earned revenue for the museum, including an escape room, our rooftop refresh, and a temporary conversion of the traveling exhibition gallery into meeting and event space (see "What the EVF Has Created" sidebar on p. 24). The escape room and rooftop in particular have attracted new visitors and created successful programming opportunities for 18- to 35-year-old guests.

Two years into EVF, several projects are starting to generate new funding streams for the museum. The next round of project funding is continuing with two more foundation grants. Although we are not ready to reinvest proceeds back into the fund, we hope to do so in the future. And while some of the projects stopped after the funding ended, others evolved into new programs supported by the general operating budget or revenue generation.

The EVF has given our staff a voice in our collective future, and it is an important statement about our

6 TIPS FOR STARTING AN **EXPERIMENTAL VENTURE PROGRAM**

- 1. Start small. Some of the most creative and sustainable projects are low-budget items.
- 2. Delegate to a staff group. Create a project review committee that is a cross-section of your museum staff in terms of both job level and department.
- 3. Include a pitchfest. This is one of the most interesting parts of the selection process. It provides positive, constructive feedback on the ideas, and it is a great way to include board or community members in the experimentation.
- 4. Understand how new projects will affect normal operations. Staff working on the experimental projects will need release time from their normal duties. Factor in all the support needed from various parts of the museum before approving projects.
- 5. Provide feedback for all participants. The panel and executive management should provide feedback on all proposal ideas whether they are funded or not.
- 6. Evaluate. With proper evaluation, you will learn a lot regardless of project success or failure.

values and direction. It signals to the outside world that The Nat is dedicated to being creative, taking risks, growing, and improving our museum and culture.

Judy Gradwohl is the president and CEO of the San Diego Natural History Museum.



Utah is conducting a pilot study to show the social impact of the state's museums.

By Stephen Ashton, Emily Johnson, Kari Ross Nelson, Jennifer Ortiz, and David Wicai

If you are reading this magazine,

you know that competition for museum resources is increasingly tough. A relatively small group of funders is flooded with requests from many worthy endeavors. To help in the decision process, many funders now require museums to demonstrate relevance and impact with evidence-based data.

When museums talk about making an impact, that often covers the educational, economic, and social realms. Of the three, social impact is perhaps the most difficult to measure with data-based evidence. Americans for the Arts and the UK's Museums Association have done extensive work gathering research and case studies that document the social impact of arts and museums. And in August 2018, the Institute of Museum and Library Services announced a project to measure, on a national level, the conditions under which museums and libraries contribute to quality of life and well-being in the communities they serve.

Demonstrating social impact is similarly on the minds of museum professionals in Utah. In 2017, Utah Division of Arts & Museums (UDAM) partnered with Thanksgiving Point, a multimuseum complex in Lehi, Utah, to conduct a pilot study to determine what social impact the state's museums have on the communities they serve. The goal of the study, which

is still in progress, is to develop a tool that measures how attending Utah's museums can improve family and personal well-being, health, relationships, empathy toward others, knowledge, and understanding of one's community and others in it.

The Study's Catalyst

Strong partnerships are valuable in a major undertaking such as a social impact study. UDAM has tapped into the experience of Thanksgiving Point, a farm, garden, and museum complex along Utah's rapidly growing Wasatch Front.

In 2015, inspired by the success of the Cincinnati Museum Center's 2014 economic impact study, Thanksgiving Point retained an outside consulting firm to conduct a similar study. The firm also recommended a social impact study to paint a holistic picture of Thanksgiving Point's impact in the community.

Later in 2015 and into 2016, Thanksgiving Point partnered with a professor and graduate students from Brigham Young University's Public Administration program to conduct the social impact study. The students worked with Thanksgiving Point to develop a logic model, a measurement tool, and a plan for carrying out the study. The study was designed to measure short-term outcomes that research has shown lead to long-term outcomes such as

stronger families, lower drug use, higher educational attainment, and a greater sense of health and wellbeing. These are, in turn, indicators of strong and and other grantors want. Thanksgiving Point hoped to share positive findings with these stakeholders and garner their support.

healthy communities, which policy makers, legislators,

Point formed a partnership to help Utah's museums show their social impact.

Getting to Work

The first phase of the study involved conducting a pilot with a small, representative group of museums from Utah. The goal of the first phase was threefold:

with funding solidified, UDAM and Thanksgiving

- demonstrate the social impact these museums have in the community;
- test the validity of the social impact measurement tool;
- and discover the time, effort, and money required by UDAM and participating museums to conduct this kind of study.

The second phase, anticipated to begin in summer 2019, will use findings from the pilot to determine the best ways to expand this project throughout the state and ultimately create a tool for museums-from our small, volunteer-run historical societies to our large, accredited museums—to use independently.

One of the first steps UDAM took in customizing Thanksgiving Point's study was to re-create the logic model governing the study. Thanksgiving Point has a very nuanced and thoughtful understanding of its own audience and mission, and the logic model from its earlier study reflected that. This project needed a logic model that reflected the varied audiences and goals of the museums throughout the state that would be invited to participate in the pilot. Together, UDAM and Thanksgiving Point drafted a logic model to share when recruiting museums to participate as host sites for the study.

In early 2018, UDAM staff began reaching out to museums across Utah to gauge their interest in participating in the study as host sites. The final cohort of eight museums reflects those UDAM classifies as both small and large (ranging from 1.5 to more than 50 employees). They are mostly located along the Wasatch Front (the most populous area of Utah) and include art, history, and life science museums; an aviary; a garden; and a planetarium.

In June 2018, UDAM led an introductory training for the point people from each host site. Our research team worked with them to refine the logic model and corresponding end-of-experience survey (more



In the fall of 2016, Brigham Young University Master of Public Administration faculty and students conducted a sophisticated social impact study that invited 60 families who had never attended Thanksgiving Point to visit

As a result of their visits, these families reported: Increased understanding of the natural world and t
 Improved scientific questioning and exploration
 Increased self-confidence and positive outlook

all four Thanksgiving Point venue:

Extensive research shows that these behaviors lead to stronger families, reduced drug use, increased educational attain and improved personal health.

The onepager that Thanksgiving Point used to persuade Utah state legislators to provide funding for the Butterfly Biosphere.

Thanksgiving Point was pleased with the study's findings, which demonstrated that it was indeed making a positive social impact with its visitors. Thanksgiving Point used these findings alongside the results of the economic impact study in a pamphlet that was given to Utah state legislators during both the 2016 and 2017 legislative sessions. Over those two years, Thanksgiving Point received a total of \$1.5 million in state funding to support the construction of a fifth venue, the Butterfly Biosphere.

In 2016, UDAM and Thanksgiving Point began discussions on partnering on a similar but larger social impact study that would involve museums across the state. Early in 2017,

Inputs	Activities	Outputs	Short-Term Outcomes	Intermediate Outcomes	Long-Term Outcomes/Impacts
Utah Museums	Provide Access to Lifelong learning opportunities Arts/history STEM topics Culture	Exhibits and programs for visitors to participate in	Content knowledge School success Making interpretations Personal application	Stimulate inquiry, wonder, curiosity, and interest Critical thinking Conservation	Continued learning and engagement
			Self esteem Participating in community activities	Recharge Positive outlook Involvement in community	Increased health and well-being
			Altruism Empathy Communication Perspective	Connection to community (belonging, perspective, place, sense, etc.) Empathy Social success/competence	Intercultural competence
			Positive time spent with others Care and concern for others	Strengthened social relationships Strengthened family relationships	Strengthened relationships

The logic model that governed the first phase of the social impact study (the pilot).

on that later). We also provided training for each participating museum on how to recruit participants. The museums were allowed to recruit both individuals who had attended their museums and those who had not. Participants would be allowed to visit their host museum at least three times, free of charge, within three months.

A minimum of 40 survey responses were needed to

perform tests of statistical significance for an individual site. We suggested that each host museum aim to recruit 100 participants to allow for attrition. We also discussed the logistics of monitoring the participants'

Utah Division of Arts & Museums staff members Emily Johnson and David Wicai deliver a front-of-house training to staff at the Nora Eccles Harrison Museum of Art. progress in a centralized database. In September, UDAM staff conducted on-site training at each of the host sites for the front-of-house staff who would be interacting with participants. This training covered questions they might field, the free admission for participants, and using the shared data-tracking systems.

Beginning in the fall of 2018, participants started visiting their host museums. Each participant



PRELIMINARY STUDY FINDINGS



As of February 4, 2019, 187 participants from the eight participating museums across Utah had completed the end-of-experience survey. Participants were asked to mark levels of change, if any, that occurred across 104 indicators using retrospective post-then-pre survey questions. These questions were compared using two-tailed paired t-tests and a 0.05 confidence interval. Of those 104 indicators:

- 100 indicators (96.2 percent) had a statistically significant positive change, such as:
 - · I can see how exploration leads to learning.
 - · I challenge the way things are currently done.
 - · I often contemplate the positive aspects of my life.
 - · I learn new things from people who are different
 - · I often engage in meaningful conversations with my friends and/or family members.
 - · I am motivated to learn about conservation.
- Only four (3.8 percent) did not have a statistically significant positive change.

The 104 indicators measured short-term impacts that lead to intermediate impacts. Those intermediate impacts, according to the literature review, lead to the following longterm outcomes/impacts for museum visitors:

- Continued learning and engagement
- Increased health and well-being
- Intercultural competence
- Strengthened relationships
- Appreciation for the arts
- Appreciation for the sciences and conservation

"It makes me want to interact more with my community and people that are in my life," wrote one participant, reflecting on how the museum visits changed interpersonal interactions.

More results, including breakdowns among types of museums, number of visits to museums, and qualitative analysis of open-ended comments, will be shared at the upcoming 2019 AAM Annual Meeting session "Brace for Impact! Ideas for Measuring Museum Value."

received a survey at the end of the three-month test period, after their three visits to their host museum. The survey measured more than 100 indicators of social impact categorized and connected to the long-term impacts (see logic model on p. 29). Using a retrospective post-then-pre survey design—which allowed participants to mark how they felt after visiting the museum and compare that to how they felt before visiting the museum—these indicators measured if there had been a statistically significant change in the intermediate outcomes listed on the logic model. These intermediate outcomes, according to research, lead to the long-term outcomes/impacts on the logic model. The survey also included open-ended questions regarding the participants' experiences and what they learned.

Considering the self-reported data and absence of a control group, we do not intend to claim causation with our findings. However, showing correlational change is still a strong argument. The second phase of the study will explore how to scale the study process to fit a variety of museum sizes.

Lessons Learned So Far

Conducting a social impact study with museums of various sizes has had its challenges. Following are a few of the things we have learned along the way.

Partnerships can fill in the gaps. Partnering with Thanksgiving Point, with its research experience and prior similar study, strengthened the validity of UDAM's work.

Communication is key—and time consuming! The research team knew that communicating with and organizing the eight host museums and their study participants would be challenging. UDAM was responsible for coordinating training, developing marketing materials, and managing participant contact lists. Additionally, UDAM was responsible for all



Social impact study partners present the pilot project to the Utah Museums **Association Annual** Conference attendees in the fall of 2018.

direct communication with study participants. This included thousands of emails related to accepting participants, encouraging them to attend, and reminding them to complete the survey following their visits.

Every museum has its own motivations. Some museums hope for audience data to help them determine future programming. Others want data about the impacts of their programming to help them make stronger arguments for funding. Still others want to investigate their place in their community and reflect on their mission in a data-driven way. It is important to understand these motivations and try

Americans for the Arts, Arts + Social Impact Explorer bit.ly/2GHZDHu

Museums Association, Museums Change Lives

museumsassociation.org/museumschange-lives/the-impact-of-museums

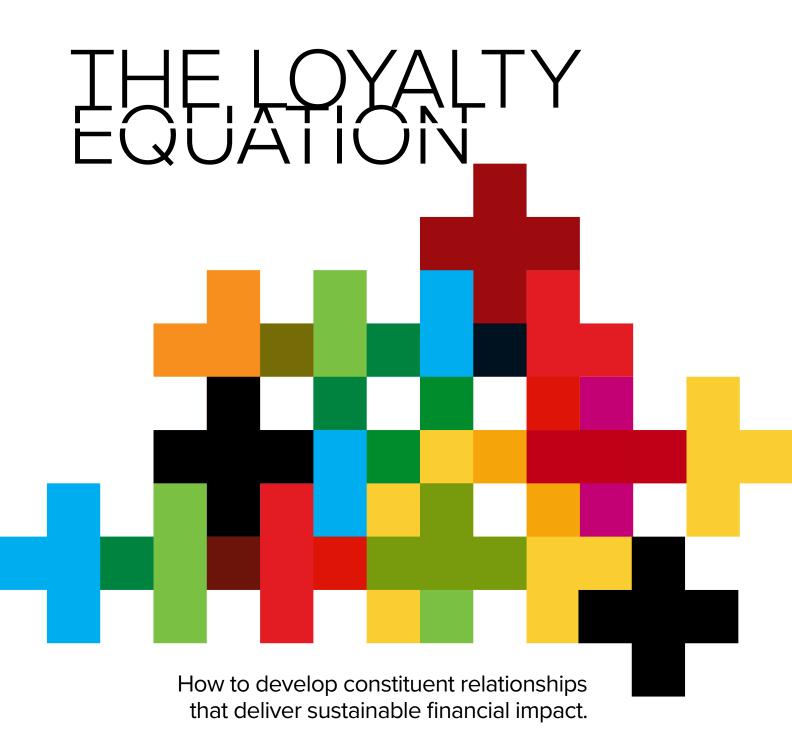
Cincinnati Museum Center, Quality of Life, Quality of Living: Economic & Community Benefits of Cincinnati Museum Center aam-us.org/wp-content/uploads/2017/12/ cincinnati-museum-center-economic.pdf

to accommodate them, while also being clear about reasonable expectations from the data.

Museum size makes a difference. The research team designed the project so that UDAM would administer the study to make the project manageable for small museums with limited staff. Still, some smaller or more rural sites struggled to recruit participants. It is possible that to develop a universal tool, larger museums will need to do more of the early work.

Understanding and, more importantly, measuring an organization's impact is an increasingly important topic across the cultural sector. Many funders, including UDAM, give preference to organizations that can illustrate not only their economic, but also their social impact in the community. Developing a tool that all museums can use to do this is an increasingly valuable—and necessary—endeavor.

Stephen Ashton, Ph.D., is the director of audience research and evaluation at Thanksgiving Point; Emily Johnson is museum services specialist at the Utah Division of Arts & Museums; Kari Ross Nelson is a research and evaluation associate at Thanksgiving Point; Jennifer Ortiz is manager of museum services at the Utah Division of Arts & Museums; and David Wicai is a marketing and data specialist at the Utah Division of Arts & Museums.



"Loyalty is the gold standard for measuring the quality of a relationship."

-Frederick Reichheld, The Loyalty Effect

Almost two decades ago, after reading Frederick Reichheld's *The Loyalty Effect* and *Loyalty* Rules!, I became determined to shape museum cultures around building loyalty to improve financial strength.

Reichheld identified Southwest Airlines as a loyalty leader, so I started paying attention to how the airline shaped my travel experiences. Southwest employees clearly enjoyed their work and had fun serving others. The company gained my trust and loyalty along the many touch points of the customer journey, for example, providing a transparent and fair approach to fees. At the center of the company's brand is a heart, and a caring spirit extends throughout the customer experience.

Over the past year, I had the pleasure of speaking with Reichheld, founder of Bain & Co.'s loyalty practice and a Bain fellow, as well as Ginger Hardage, former senior vice president of culture and communications at Southwest Airlines, to further refine my understanding of loyalty principles and how to apply them to museums and other cultural organizations.

I believe that building loyalty is increasingly critical for our sector. Attracting attendance, participation, membership, and contributed income has always been competitive, but with our ever-expanding television and internet offerings, motivating someone to get off the couch and into your museum has never been more challenging.

The economics of loyalty begin with delivering extraordinary experiences through our exhibitions, programs, and services that provide superior value for attendees, members, and donors. When constituents consistently enjoy such experiences, their loyalty

increases and they refer friends and family members, make purchases in the shops, dine in our restaurants, and increase their commitment through membership upgrades and donations.

The lifetime value of loyal constituents and members will far exceed that of infrequent visitors. Furthermore, attracting a new visitor or member from the referral of a friend who had a positive experience can be more powerful and cost effective than getting one through advertising or direct marketing campaigns.

I summarize the components of the loyalty equation as follows: experiences, relationships, measurement, technology, employees, and leadership. Focusing on each component can help organizations turn transactional interactions into active participation, inspired commitment, and philanthropic support.

Create Exceptional Experiences

Delivering distinctive experiences and exceptional services is an essential step in building loyalty. When you can do this, visitors will return often and tell others about your museum, collections, and exhibitions.

Many touch points along the constituent journey shape the overall experience. By anticipating visitor needs and providing practical information such as hours and directions, you remove barriers and extend an invitation to visit. Prior to visiting, your audience may absorb information from multiple sources, including news articles, marketing and social media messages, your website, and friends or family members. People will arrive with expectations already formed.

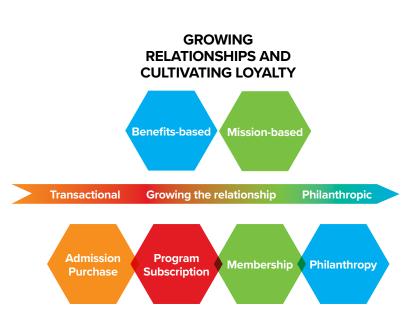
The museum visit involves hundreds of interactions, beginning with those that serve basic needs like convenient parking and coat check, spotless restrooms, and clear way-finding information. Providing a positive first impression, including the security check and admission process, makes a visitor feel welcome and will impact the rest of the experience.

Then, within the galleries, we have the opportunity to provide inspiring experiences through our collections and exhibitions. Guided tours, informative brochures, or interactive displays that offer layers of information or a historical context will further enrich a visit.

Beyond the galleries, the dining services and shops can enhance the museum visit. Once home, the museum experience can extend for weeks and even years as visitors review a museum brochure, read an exhibition catalog, or tell their stories to friends and family.

Build Strong Relationships

Quality relationships are at the heart and soul of loyalty. Relationships are strengthened over time as we deliver on what we promise in marketing messages and support our visitors at every stage of their journey.



As we improve the quality of our relationships, we'll see frequent visitors become members who provide additional support and increased lifetime value for our museums. Responsive service teams, regular and informative communication, and ongoing programming that encourages involvement and frequent visits will foster loyalty and relationship growth. The diagram to the left illustrates the continuum of relationships from visitor to member to donor, moving from the transactional to the philanthropic.

Membership programs engage a community of individuals who have stepped forward to become more deeply involved in a museum's activities and mission. A healthy, growing, and loyal membership base provides an essential pipeline for philanthropic support and demonstrates organizational strength to stakeholders, funders, and the community.

Measure to Ensure Accountability

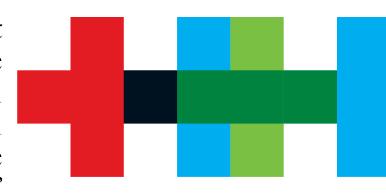
Metrics are essential for holding employees accountable for loyalty outcomes. We can increase loyalty by measuring it, using the results to resolve constituent concerns on a daily or weekly basis, learning from the results, and improving the processes that contribute to service issues.

Many museums conduct annual surveys, but few use a rigorous loyalty measurement system that provides timely feedback so that service staff can quickly respond to unhappy visitors or members. Comment cards often register hot-button complaints that are reviewed after the unhappy guest has departed. Resolving issues as quickly as possible can turn a negative experience into a positive one.

Reichheld created the Net Promoter Score® (NPS[®]), which has been adopted by many of the world's major corporations. The system involves asking two questions—likelihood to recommend and reason for response—to understand the quality of a product, service, or experience. Organizations can then use this feedback to resolve problems and to inform changes to the service delivery system.

For our visitors we might ask: "On a scale from 0-10, how likely are you to recommend a visit to our museum to a friend?" And for members, we could ask: "On a scale from 0-10, how likely are you to recommend our membership program?" An

"Providing a positive first impression, including the security check and admission process, makes a visitor feel welcome and will impact the rest of the experience."



open-ended question, such as "Tell us why you gave this rating," would follow.

Respondents providing a score of 0-6 are considered detractors whose lives have been diminished by their experience, those providing a score of 7-8 are passives who feel they got what they paid for, and those providing a score of 9-10 are promoters whose lives have been enriched and are a source of positive referral. The Net Promoter Score is calculated as NPS = % promoters (9-10) minus % detractors (0-6).

Thus, if 75 percent of respondents are promoters and 10 percent are detractors, the score is 65 percent. This score helps us understand and track loyalty performance trends and hold staff accountable for improving loyalty.

The open-ended follow-up question is designed to get verbatim responses from constituents and is as important as the score. Market researchers often prefer crafting their own multiple-choice responses for satisfaction questions, thus losing the opportunity to hear the customer's voice and specific concern.

Begin by establishing your baseline score over a period of time, and then see how it improves as you respond to the open-ended constituent feedback and improve service delivery. In my discussion with Reichheld, he noted that comparing your NPS to that of similar organizations is less important than using it to focus your staff on improving loyalty among your audiences.

Using the additional feedback from individuals who give a detractor score (0-6), guest services staff can contact the constituent, learn more about the issues, resolve problems, and turn negative experiences into positive relationships. Calling those with the lowest scores of 0-3 within 24 hours is ideal, and an email follow-up to those rating their experience in the mid-ranges is reasonable.

This closed-loop process involves learning from feedback, improving service quality, and building service delivery improvements into daily operations and systems. When we act on what we learn from our constituents, we create more promoters.

Use Technology to Customize Relationships

Fortunately, technology has made it easier and less expensive to manage and support customized constituent relationships—from online and on-site visitors to members and donors. Customer relationship management systems provide a 360-degree view of



Bain & Co., Net Promoter System® website netpromotersystem.com

Frederick Reichheld, The Ultimate Question 2.0: How Net Promoter Companies Thrive in a Customer-Driven World, 2011

Ginger Hardage, Unstoppable Cultures website unstoppablecultures.com

Jody Hoffer Gittell, The Southwest Airlines Way: Using the Power of Relationships to Achieve High Performance, 2003

our constituents' involvement with our organizations, helping us understand their interests, needs, and participation.

With the right systems and technology, we can automate timely communications, help promoters refer others, track response, and measure performance, all of which help build loyal relationships. For measuring NPS and managing loyalty, Reichheld recommends Delighted.com and Promoter.io as software options for nonprofits and small businesses.

Develop Employee Loyalty

A direct relationship exists between employee loyalty

loyalty by attracting employees whose values align with those of our organizations and then providing an environment where employees can express those values as they serve others in their work.

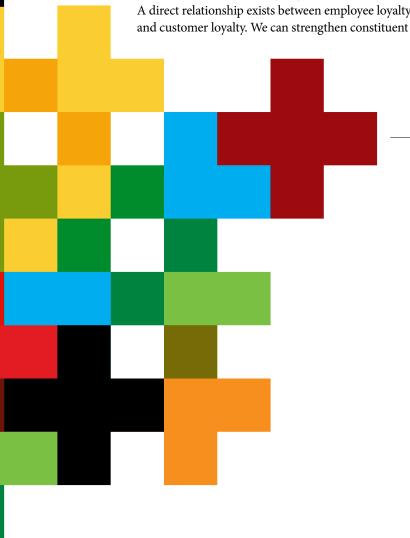
In the hiring process, communicate your museum's core values in every job description, and determine if candidates have demonstrated those values personally and professionally.

Loyal employees are satisfied employees who will stay with your organization longer and be promoters when they leave, which lowers recruitment and training costs and improves the quality of the service your museum provides. The relationship between employee and constituent loyalty is illustrated to the right.

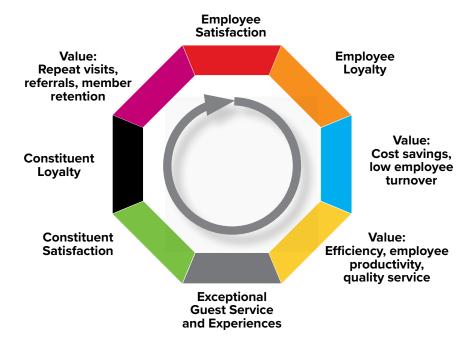
Exit interviews can tell you why employees decide to leave, but by then it's too late to correct issues that may have led to the loss of a strong employee. Reichheld recommends using NPS questions to survey

8 WAYS TO SOLVE THE LOYALTY **EQUATION**

- Map the interactions or touchpoints of your museum experience for visitors, members, and donors, and determine which team members are responsible for each.
- 2. Understand which aspects of the experience delight constituents and which irritate them. Fix the irritants first.
- Measure loyalty daily using the two Net Promoter Score® questions. Respond promptly to detractors whose lives were diminished by their experience.
- 4. Use technology to measure and improve loyalty and relationships.
- Hold employees accountable for loyalty metrics and creating more promoters.
- 6. Hire employees who share your organization's core values.
- Be transparent about pricing policies. Dynamic pricing may increase revenue in the short term, but it won't earn loyalty.
- Lead with your core values, focus on relationships, and work to enrich more lives.



Relationship Between Employee **And Constituent Loyalty**



employees after their first 90 days and annually on each hire-date anniversary to assess loyalty over time.

Use questions such as "On a scale from 0-10, how likely are you to recommend working for our organization?" and "What is the main reason for your response?" Again, you can correct issues through the process of measurement, learning, problem resolution, and improving systems or policies.

When people are proud of where they work, they do their best and speak highly of their employer to others. Loyal personnel are also an excellent source of talented job candidates, which can further reduce recruitment costs. When star employees leave for career advancement elsewhere but feel that their lives were enriched by their work at your organization, they will remain promoters in the community.

Model Your Values Through Leadership

To establish and maintain a culture focused on building loyalty among constituents, leaders must embody the core values that put people first. A leader's actions, messages, and vision are critically important for building respect, trust, and loyalty with staff, visitors, members, supporters, and the community. In addition, museum leaders who put employees first are emulating how they want employees to treat their guests.

Leaders should follow loyalty metrics as closely as net earnings. Using the Net Promoter System®, leaders can measure and hold employees accountable for improving loyalty, which will strengthen financial performance and long-term growth. This management approach allows museums to innovate and invest to further improve services and experiences.

Cultural institutions with loyal audiences, supporters, and employees are often the most financially sound. They are able to invest in marketing, research, audience development, special programming, and fundraising campaigns to promote additional growth. Their financial and operational strength also attracts support from philanthropic stakeholders, funders, and civic partners. In short, engendering constituent loyalty can help museums weather those inevitable shifts in the economic and funding landscape.

Suzette A. Sherman is a 20-year museum management, marketing, and fundraising professional and the director of leadership giving at the Museum of New Mexico Foundation. She will present on this topic at the AAM Annual Meeting & MuseumExpo, May 19-22, in New Orleans.

Fond Farewell

It can be hard to end popular legacy programs, but sometimes it's for the best.

By Ann M. Loshaw



Many museums, particularly historic homes and sites, have public programs or partnerships that their public adores. Such programming might include an event that coincides with a holiday such as Halloween, a birthday celebration for a historic home's family member, a festival tied to a local product or specialty, or a partnership with another beloved local institution.

In many instances, these local traditions are ingrained in the community's collective memory, which creates an important emotional and nostalgic bond with your institution. The program may be what your site is known for, and it may be a reliable and much-needed source of revenue.

Yet, there is often a downside to these types of programs. They may not be mission supportive or encourage visitor diversity. Your staff may dread the planning and execution of these events. They may no longer serve their initial purpose. They may be so popular that your infrastructure is no longer able to safely or effectively sustain them.

But how do you begin to consider providing something different or—gasp!—eliminate a popular program altogether?

Museums face a great deal of trepidation and resistance when attempting to examine popular, long-standing events and partnerships. Public opinion, financial practicality, and board support can make it difficult to even think about changing course.

The Frick Pittsburgh has changed its summer programming to appeal to a broader range of visitors, including families with children.



Nonetheless, it is entirely possible to let go of legacy events and create new ones that better meet the needs of your community, play to your staff's strengths, bring in sufficient revenue, and maintain your institution's professional integrity—all while not alienating your audiences and stakeholders.

Examples of Letting Go

Need encouragement for cutting the cord on a popular program? The Frick Pittsburgh; Boscobel House and Gardens in Garrison, New York; and Eastern State Penitentiary in Philadelphia each took a hard look at a legacy program and then thoughtfully planned its elimination.

At The Frick Pittsburgh, First Fridays were beloved and immensely popular. With an average attendance of 3,000, these events consisted of a concert with a popular (and expensive) musical act on the first Friday evening of each summer month.

Upon closer inspection, however, patrons rarely engaged with any part of the campus aside from the stage area, did not return to the museum for other offerings, and generated ill will with the institution's neighbors by parking on residential streets and in driveways. After emergency medical technicians had difficulty navigating to an injured patron due to crowding, it was clear that the program needed to be rethought.

The Frick decided to cancel First Fridays, but it extended the museum's hours until 9 p.m. every Friday in the summer and expanded programming across the site to relieve congestion and more fully engage audiences in the museum's content. This programming, which includes smaller musical offerings, theater performances, and family-friendly activities, has attracted more local families, increased revenue and engagement with the mission of the institution, and is a better use of existing infrastructure.

Boscobel House and Gardens made the difficult decision to change an incredibly popular winter-themed event called Sparkle, which featured thousands of lights and luminous displays around the Boscobel gardens and grounds. While Sparkle attracted 5,000 people in one evening and provided a substantial revenue stream, it was also incredibly resource intensive and overly weather-reliant.



Boscobel leadership ended Sparkle and now holds Twilight Tours, which are candle-lit tours of the home's interior that is decorated in period-appropriate ways for the holidays. The shift was made to support an institution-wide recommitment to mission-supportive programming and in response to the less-than-ideal toll the program took on the grounds and staff. Two seasons of Twilight Tours have generated a substantial increase in revenue compared with Sparkle, and both visitors and staff are happy with the switch.

Meanwhile, Eastern State Penitentiary (ESP) recently phased out the 24-year tradition of Bastille Day, which had helped the site grow from 17,000 to 250,000 visitors each year. But given the institution's new mission and strategic plan, the decision to end Bastille Day was an easy one. Wisely, ESP used the ending of the program as a prominent way to communicate the institution's new focus on using its site to deepen the national conversation about the legacy of American criminal justice reform.

The final Bastille Day, in 2018, was promoted as a farewell tour and provided the community an opportunity to attend one last time and say goodbye. In addition, communications included the reasons behind retiring Bastille Day, namely that it required a lot of resources that would now be used to make ESP's bold new vision a reality.

Managing the community's expectations, acknowledging the past importance of this program, and providing the community with an opportunity to attend one last time helped ESP turn a potentially negative reaction into an effective launch of the institution's new direction.

As The Frick and the Boscobel examples show, replacement programs and events can exceed the outcomes of the originals and robustly support the institutions in different ways. And for all, proper positioning and careful communication about the need for change set the stage for successful future programming.

Is It Time?

It's important to consider the relevance and sustainability of every event or program your museum puts on, no matter how popular it is. Here are some big-picture questions to consider as you assess your programming. If possible, gather data so that your answers are as objective as possible.

- Is this event the best program we could be doing?
- Does it engage our visitors with our mission?
- Is it supporting our strategic goals?
- Are we reaching new audiences?
- Is this program sustainable in the areas of collections stewardship, staff, finance, and relevance?

When evaluating the actual cost of putting on a program, take into consideration more than just the financial resources.

How much staff time is spent researching, planning, setting up, marketing, and facilitating this program?

- Does it require additional paid staff or the recruitment of volunteers to pull it off?
- What is the wear and tear on the grounds or collections?
- Is the site's infrastructure appropriate for the number of visitors the event attracts?
- What mental toll does a resource-intensive program take on staff year after year?
- Is the organization a good steward of resources (staff, site, money, collections, living collections, structures) by holding this program?

As with an analysis of true costs, an analysis of true benefits should include more than just financial considerations.

- Does the museum garner favorable press and goodwill by holding this event?
- Does this program make a key donor happy or fulfill a governmental or granting foundation requirement?
- Does it allow the community to truly engage with the site and its content?
- Does it further the goals and milestones in the organization's strategic plan?

Ultimately, every institution needs programming that both supports its mission and provides unique value to its visitors. When you take a close look at the true costs and benefits of your legacy programs, you might find that it's time for a new experience. Like with the examples provided here, the new programming could exceed everyone's expectations and benefit your museum in ways you never imagined.

Ann M. Loshaw is the owner of ALo Consulting, which works with museums to effectively align resources with priorities and provide interim management solutions. She also serves on the board of AAM's Historic House and Sites Network.



TIME FOR A TWEAK?

Do you have a popular event or program that isn't fully serving your mission but isn't completely off base? Ask yourself the following questions to see if it's time to make some adjustments.

- Is there a better way to do this and still serve the same or possibly new audiences? Or, are you adequately serving this audience in other ways already?
- Could it be tweaked to better align with your mission and/or strategic plan?
- Can you make it more financially successful? Do you need to raise ticket prices? Can it be restructured to generate additional revenue?
- Has your staff or community changed in ways that require different approaches and outcomes?
- Who do you need to convince that a new direction is the right thing? What are their major concerns? Are there good PR opportunities for changing this program?



Congratulations Museum Advocates!

On February 25-26, advocates traveled from across the US to Washington, DC, and took Capitol Hill and social media by storm at Museums Advocacy Day. Monday was a day of training in which advocates heard about key legislative priorities and critical data about the economic impact of museums and their deep public support. They heard from a former legislator, a congressional chief of staff,

federal agency leaders, and partner policy experts about the unique value of museums, the importance of advocating for them, and the federal programs that support museums.

And on Tuesday, 300 museum advocates made 365 visits to congressional offices. Much of the positive energy was captured with #museumsadvocacy2019 posts by advocates and legislators. What a wonderful way to kick off

our advocacy work for the rest of 2019! Thank you to all of our 2019 supporters and advocates who helped make Museums Advocacy Day 2019 a success.

If you haven't already, you too can join the cause. Please visit aam-us.org/advocacy to learn more about AAM's advocacy for museums, share our updated Museum Facts Infographic, invite your legislators to meet locally to tell them the story of your



museum using our step-by-step guide, learn about policy issues affecting museums, and get the 2019 advocate materials.

On Tuesday, February 26, Ford W. Bell, D.V.M., immediate past president and CEO of AAM, testified before the House Appropriations Subcommittee on Interior, Environment, and Related Agencies. Dr. Bell's testimony was in support of at least \$167.5 million each in fiscal year 2020 funding for the National Endowment for the Arts and the National Endowment for the Humanities, as well as sufficient funding for the Smithsonian Institution. Dr. Bell and AAM also requested support for the Historic Preservation Fund, including at least \$60 million for State Historic Preservation Offices, \$20 million for Tribal Historic Preservation Offices, and \$15 million for competitive grants to preserve the sites and stories of the Civil Rights Movement. In his testimony, he also requested \$15 million in funding for the Save America's Treasures program. We appreciate Dr. Bell's expert testimony before this important committee.

Stay tuned for details about Museums Advocacy Day 2020!







- 1 IMLS Director Dr. Kathryn K. Matthew speaks about the programs and priorities of the Institute of Museum and Library Services at Museums Advocacy Day.
- 2 L to R: AAM President and CEO Laura Lott; Karen Marrongelle, NSF head of the Directorate for Education and Human Resources; NEH Chairman Jon Peede; and Anne-Imelda Radice, NEH director of the Division of Public Programs and senior advisor to the chairman.
- 3 Acting NEA Chairman Mary Anne Carter (second from left), NEA staff, and Laura Lott
- 4 New Jersey advocates from the Newark Museum prepare for their Capitol Hill visits.
- 5 Kim Rudolph, chief of staff to Representative Andre D. Carson (D-IN), provides her perspective on making the case for museums.
- 6 New York advocates on the way to a visit in the US Capitol.









- 7 Oregon advocates meet with Congresswoman Suzanne Bonamici (D-OR).
- 8 Senator Chuck Schumer (D-NY) poses with New York advocates in the US Capitol Building.
- 9 2019 Congressional Honoree Congressman Will Hurd (R-TX) (second from left) with trustees from the San Angelo Museum of Fine Arts and Laura Lott after receiving a 2019 Congressional Award for exemplary support for museums.
- 10 Congressman Paul Tonko (D-NY), champion of museums, during the Tuesday evening Congressional Reception.
- 11 2019 Congressional Honoree Senator Jack Reed (D-RI) (second from left) with staffer Moira Lenahan (far right), Laura Lott, and advocates after receiving a 2019 Congressional Award for exemplary support for museums.











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Call for Entries 2019 AAM Museum Publication Design Competition

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- Institution Materials
- Exhibition Collateral Materials



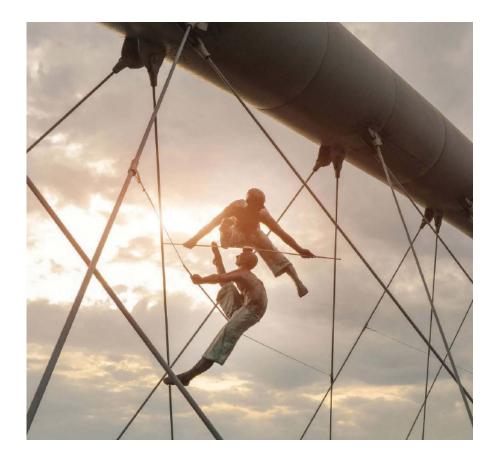




Museums of all types and budget sizes are invited to submit print materials produced between January 1 and December 31, 2018.

Entries must be postmarked by June 14, 2019. To apply visit https://www.aam-us.org/pub-comp

REFLECTION



At first, there is only motion.

Pure.

Profound.

Prolific.

Motion as tendency.

Motion as change.

Motion as life.

Motion

In a state of perpetually pulling and pushing itself.

One indivisible wave of continuity and creation.

Motion

In a state of cosmic inertia.

From Motion by Manuel Abis

Krakow's Father Bernatek footbridge. The nine acrobatic figures form the exhibition entitled "Between the Water and the Sky" (Między wodą a niebem) by Polish artist Jerzy Kędziora. The artist has exhibited around the world and describes the work as living forces of nature.

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