# Insight: Resilience Toolkit - Introduction

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# 1    Introduction

These are tough times for cultural organisations.  The financial crisis landed a double blow on the sector.  It simultaneously reduced the audiences' disposable income, while requiring that governments (national and local) drive down any non-essential spending.

We could have a philosophical debate about whether culture is essential – and many have – but it would not (it did not) change the reality we are experiencing: an increase in cost-conscious consumers and big reductions in public subsidy.

The best organisations have rallied.  Some have gone to the wall.  Almost all have been forced to retrench.

A number took the opportunity to rethink what they are and what they offer; to tighten the way they operate; to sharpen their act.  They looked at how they could increase the revenue streams they received from their audiences and from funders other than the traditional public purse.

We have worked with some of the best of these.  These toolkits distil the insights learned on the way.  At the heart of the approach is a simple analysis of good enterprise components.

Good culture sector enterprise happens when something that one person has (their **asset**) aligns with something the other person desires (their **want**).  For this to happen – in addition to there being a genuine alignment – there usually has to be good information flow, some spending, and the right timing.  Of these, the information flow is the most challenging.  An asset owner will tend to describe their asset in asset-related terms (the artefact, the play, the gallery).  The potential customer will tend to perceive their want in ego-specific ways ("to be entertained", "to get out of the house", "to impress my children").  Unless this vocabulary gap is bridged, there is no enterprise.
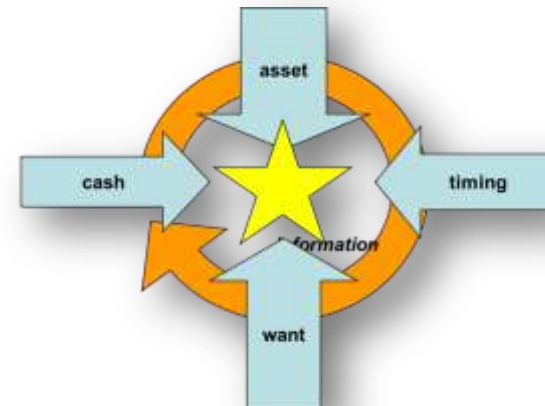
*The biggest enterprise challenge of all is to get an asset-owner to see that asset through the lens of a potential customer.*

Black Radley has been a public service troubleshooting consultancy for 15 years.  We have a particular interest in enterprise, governance, and the relationship between the two.  For the last five years we have been working with cultural organisations, particularly those in, emerging from, or closely tied to the public sector.

## 2    Insight: Interpreting your findings

### 2.1    The Findings

The data collected from the Insight study proved extremely valuable. During the course of the investigation, it became clear that not only was there a need for robust investigation around the factors we originally intended to investigate (i.e. those related to visitor spend), but also we discovered that organisations were facing significant challenges around broader, yet directly related, factors. These included:
- Appropriate structures to allow efficient flow of information and data;
- Availability of appropriate information;
- Staff capacity to locate and track data.

In order for an organisation to improve commercial performance, it must be able to implement effective change around the factors related to visitor spend; therefore it must be *responsive*. However responsiveness cannot be easily achieved without robust processes in place to ensure that relevant data is accurately tracked, can be easily accessed and understood by all relevant staff, and that staff have the capacity and freedom to act upon it.

It was felt that without taking appropriate action to resolve these operational and strategic challenges, implementing *effective* change to the factors relating to visitor spend would prove problematic. With this in mind, we have designed toolkits which encompass not only factors related to visitor spend, but also the wider considerations which will allow your organisation to be equipped to implement changes in a meaningful and lasting way.

## 2.2   Your Results

You will have seen that your results are available to you in form of graphs. The purpose of these graphs is to benchmark your performance across the range of factors that analysis revealed were the most significant in determining commercial performance in terms of visitor spend. These were:

- Visitor Numbers;
- Admissions Income;
- Retail Income;
- Refreshment Income;

Your personalised readout graphs for each of the above factors display 3 lines:

- **Your Actual (Current) performance**; based on the data you entered;
- **Your Projected performance** – the prediction of how you *ought* to be performing based on the current performance of sites which share your characteristics;
- **Your Upper Projected performance** – the prediction of the level of performance you *could* expect to see if you implemented appropriate changes based on your existing configuration.

The readouts these graphs provide will help you identify areas of under performances which can be addressed by utilising the methods outlined in these toolkits.
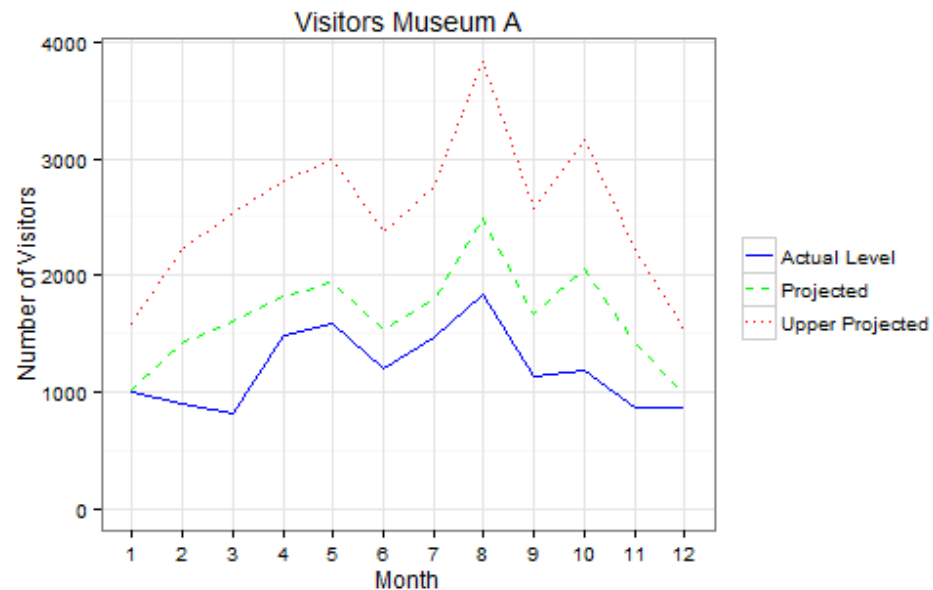
If during the process of finding and entering data for Insight, you also came across any of the difficulties outlined in Section 2.1, in order to make effective progress upon the factors outlined in the readout graphs you will first need to address the operational challenges you faced (See below).

## 3   How to Use This Toolkit

We want to move you closer to your Upper Projected performance. An effective culture organisation must be like a martial arts master practitioner.  It must have clarity of purpose, flexibility of approach, and a strong sense of balance.  If it has these things, it has *resilience*.

> Kits 1 to 3 take these themes – fitness, flexibility, strategic – and look at what they mean in practice in the cultural sector, and how an individual organisation can assess where it stands.

> Kit 4 looks at how a culture organisation, having identified where it needs to improve its resilience, can start to change.

The text is kept uncluttered and the theory limited.  This is a toolkit for pragmatists and practitioners; for leaders and the enlightened; for those who see enterprise as being part of culture rather than its enemy.

Utilise your readout graphs and your own experience of entering the data for Insight to identify which kit, or combination of kits, would be of most use to you. It is important to note, however, that each kit should not be seen as 'independent' of the next, but rather should be viewed as interrelated to achieve maximum impact.

### 3.1   Kit 1 – Fitness

This toolkit explores:
- What Organisational Fitness looks like;
- How to achieve a balance of *purpose* (Political, Operational, and Financial perspective);
- How to achieve a balance in your *people* (Control, Engagement, and Enterprise perspectives);
- How to achieve a balance in your *processes* (Operational, Infrastructure, and Customer perspectives);
- A *Balanced Performance Framework* which enables you to carry out an analysis of your organisational fitness.

## 3.2   Kit 2 – Flexibility

This toolkit explores:
- What a Flexible Organisation looks like;
- How to create an enterprising *context*;
- How to encourage enterprising *behaviours*;
- How to ensure you collect the right *knowledge* for enterprise to happen;
- Presents an *Enterprise Engine Framework* which allows managers to track organisational responsiveness.

## 3.3   Kit 3 – Strategic

This toolkit explores:
- What Strategic Success looks like;
- Applying strategic intent to business fundamentals, including:
    - Programming
    - Fundraising
    - Trading Activity
    - Asset Management

## 3.4   Kit 4 – Making Change Happen

This toolkit explores:
- How to apply the knowledge from Kits 1 – 3;
- Reviewing the customer journey;
- Carrying out a Rapid Enterprise Assessment;
- How to embed resilience through Change Management.