

# ORGANIZATION STRUCTURAL CHANGE GRANT

## OPPORTUNITY CREATION PROCESS NARRATIVE

EDITED BY BRIAN LOEVNER +  
KELSEY MCGRATH, BLVE CONSULTS

Just after the onset of the pandemic related arts and culture shutdown, Calgary Arts Development began thinking on ways that they might be able to help organizations that were in difficult financial situations. From their initial data gathering, they observed that a significant percentage of organizations feared that their current financial situations would lead to closure or significant downsizing within 9-18 months. This data gathering process happened before the federal government's efforts to assist arts and culture organizations and individual artists with federally funded grants and payments began to stem the tide.

Calgary Arts Development's initial data collection was a shared data tool launched on March 15, 2020, only a few days after the pandemic shutdown. This survey attempted to gauge arts and culture organizations and their ability to self sustain through a shutdown. The findings noted that 38% of organizations who responded felt that they had 6-12 months of funding remaining, and 9% of organizations had under 6 months until considering the potential for closure or hibernation as an option. These findings continued to be enhanced based on participation through August of 2020. Calgary Arts Development's findings and natural inclinations to fill necessary gaps in the community led them to seek out a funding solution that might assist organizations facing financial cliffs in the near future.





In addition to immediate emergency operational funding, which was achieved swiftly, an internal process was activated to assess a potential funding offering from Calgary Arts Development that would allow organizations to begin the process of exploring mergers, sunsetting, hibernation and other organizational transformations. Sara Bateman spearheaded the effort, while working with a very small group of internal and external stakeholders in creating the granting opportunity, assessing the funding model and building the case for approval.

Initial conversations with internal stakeholders, including input from Patti Pon, Marta Ligocki, and Melissa Tuplin focused on the viability and timing of releasing an opportunity like the Organizational Structural Grant. Leadership at Calgary Arts Development agreed with Sara Bateman that a funding pool should be created for this purpose. Out of urgency, the grant opportunity was crafted with little input from the rest of the staff, or from the community being served.

Discussion was had with external partners, including The Calgary Foundation, Rozsa Foundation and Edmonton Arts Council. In addition, discussions of the concept took place at both Tri-Level meetings and in separate conversations with Canada Council for the Arts. Ms. Bateman took into account feedback from all levels of her discussions, and, in the end, her version of the program was focused on the financial and organizational issues that she felt were most local and important to Calgary non profit arts organizations.

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## PROGRAM CHALLENGES + REALITIES

While addressing the urgent realities of the arts and culture sector in an ever worsening pandemic, Calgary Arts Development siloed their grant making process, creating barriers for themselves that robbed them of the opportunity's potential. Calgary Arts Development kept the process of creating this grant opportunity almost entirely in house. They counted on data points gathered by two surveys, and previous interactions during emergency funding processes. Due to the urgency of the situation, Calgary Arts Development did not engage deeply with the community during the creation of the grant opportunity. It is clear from discussions that the intention was to provide for the community without putting any additional pressure on the organizations to assess their needs early in the pandemic. The opportunity was framed as experimental in a high risk moment which required a creative and versatile response.

The vision focused on providing something for the sector that could adapt and change based on the needs. In hindsight, many felt that the opportunity was perhaps a year or more too early in being released. In retrospect, much of the Calgary Arts Development team assessed that, after the wide ranging emergency funding available from government supports, this opportunity would find limited response due to the short term financial security afforded by those funds. However, as the shutdowns begin their second round in late 2021, an opportunity such as this is even more essential and providing more information about these structural reconsiderations is necessary.



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# IMPORTANT FINDINGS

## COMMUNICATION PROTOCOL CHALLENGES

The challenge of communication was apparent in multiple ways during this process. There was the challenge of taking in information from interested parties and grantees about the program and challenges in understanding what might best serve the community while simultaneously respecting the wishes of the community.

In addition, there was the challenge of finding the most appropriate and impactful way of getting the word out about the grant opportunity; no events were held, no discussions or significant outreach occurred. Due to the value of the program within the sector, there was interest from the press and other funding organizations, however, there was reticence on Calgary Arts Development's behalf to be seen as an organization that might be suggesting that organizations should consider mergers or closures as a current solution. Recommending radical organizational change is a challenge for all funding organizations. It prompts many questions around the funder/organization relationship dynamic, its expectations, and conventional practices of accountability.

## DISTANCING THE FUNDER FROM THE GRANTEE

The grant creation process that was put into place relied on an individual, rather than a team, thus creating conflicts of interest and decreasing the potential for engagement. Without a buffer allowing for some distance between the funder and grantee, it is questionable whether intakes to the program will rise significantly. In the interviews, the concept was discussed of the creation of a third party arbiter in the community to receive outreach from organizations with questions and needs around this opportunity.

## RESOURCES AND RESOURCE GENERATION

During discussions with arts and culture leaders in Calgary, it was concluded that the community suffers from a lack of resources, knowledge and understanding around organizational transformation methods. Arts leaders we spoke with brought examples, such as an arts organization that has an advocate for change at some level, but lacks resources (attorneys, accountants, consultants, advisers), to begin intensive discussions with the rest of the organization. Questions arose as to the appropriateness and/or responsibility of Calgary Arts Development in providing vetted resources for the community to engage around these issues. As above, some noted that arbiters may be helpful in selecting potential resources.

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# GENERATIVE SUGGESTIONS

Below are actionable strategies for Calgary Arts Development to change and shift the way they are considering and working with the Organizational Structural Change Grant opportunity internally and within the Calgary community.



Consider these concepts as generative strategies and activities that would begin to build a wider understanding of the needs of the community, activate resources and change relationships with the organizations that Calgary Arts Development serves. These are additional tools and prompts for building better understanding of service to the arts and culture sector in Calgary and not intended as prescriptive actions or judgements on the community writ large.

## SUGGESTION 1: MEET THE COMMUNITY AT HOME

Can Calgary Arts Development widen audience through multi level engagement? Using social media, gaming, and online events, Calgary Arts Development could share, with the community and the public, ideas and questions to gauge opinions and reactions. Calgary Arts Development might ideate around a publicly accessible online platform that asks questions of what the future might look like, gamifying the feedback process? This would be an opportunity to beta test ideas in quick and meaningful ways.

## GENERATIVE PROMPTS

How can Calgary Arts Development help encourage the ecology that serves the arts and culture community to improve and grow?

- Build learning, resources, engagement tools and data sets around community centric concepts. Share that data with organizations, leaders, non profit entrepreneurs and other thought leaders to build for potential action.
  - What would function better if we did it together as a community? Operationally? Community Service? Ticketing? Marketing? Fundraising?
  - How can we use our collective strength to make change?
  - How can we better share our resources, and engage our shared audiences and supporters without compromising individual artistry?

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# GENERATIVE SUGGESTIONS (CONTINUED)

## GENERATIVE PROMPTS (CONTINUED)

- What does your organization need before you can consider real, significant, potentially rigorous change, given that potential transformation options will be adapted to your needs?
  - Who do you need to talk to? What information?
  - What level of support do you need?
  - How do we encourage organizations to think strategically as a regular function and process, rather than creating 5 year plans?
- Normalize change as a function of the life cycle of arts organizations. Eg. Building life cycle change processes and policy into the operating funding programs at Calgary Arts Development.

## SUGGESTION 2: BUILDING A BUFFER

Engage in discussion and input from the community on the creation of an anonymous and confidential option for organizations to engage with Calgary Arts Development for the funding connected to the Organizational Structural Grant. Communication strategy for this should be based in transparency and a desire to better serve the needs of organizations at this moment.

- “We have funding available to help organizations that want to transform.”
- “How would you feel comfortable starting this conversation?”
- “Who do you want to talk to about these issues and your needs? Lawyers? Accountants? Arts Leaders? Trained Consultants?”

## SUGGESTION 3: ENCOURAGING COLLABORATION

Build community connection in small and meaningful ways. Setting realistic and reachable expectations and goals in regards to change.

How does Calgary Arts Development encourage organizations to talk to each other about what they need? There are organizations that need similar resources and consideration should be given to connecting them, funding them and helping them figure out how to help each other.

Prompts:

- Consider networking concepts, led by existing grantees and funded by Calgary Arts Development. Create internal networking opportunities by engaging with online or in person events like “Marketing Directors and Margaritas” or “Managing Directors Book Club”
- Consider an anonymous and confidential mentor/mentee program funding. Small \$1000 or \$500 grants that allow for people to engage with each other 5-10 times over a year. Help in breaking down silos between organizations.

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# CONCLUSION

## COMMUNICATING IS CRITICAL

After spending two months engaging with artists, administrators, funders, consultants, volunteers and leaders in Calgary, it is clear that the pride in the value and quality of the arts is alive and well. It is also clear that all parties would like to see Calgary Arts Development serve the arts in a more harmonious way. Calgary Arts Development exists to serve the artists and organizations in Calgary, and it has deep intent to do that in a supportive and engaging way. They face significant challenges to meet that intent with the level of impact that will affect change.

The element that ties all the recommendations together is communication.

Understanding the value of continual, process led and transparent communication, can encourage trust and build strong relationships. Speaking frankly with your grantees, partners and the community about the needs of the Calgary community and serving as a conduit to solutions, rather than solution itself, can provide new avenues to build support and trust.

The Organizational Structural Change grant is a good example of a way that Calgary Arts Development can provide impactful service to a community in need. It highlights the reality that change or evolution can be a good thing. It clears space for something new and congruent to its environment to grow. That growth leads to a new emergent future.



# ORGANIZATION STRUCTURAL CHANGE GRANT: A SHORT HISTORY

FROM IDEA CONCEPTION (3/2020) TO GRANT RELEASE (02/2021)

## SPRING 2020

### MARCH 2020

CADA creates an emergency survey for the arts and culture community. A significant percentage of their grantees declared financial devastation if no additional funding is offered.

### APRIL 2020

CADA releases its first round of emergency relief focused on organizations and individual artists that were in the most dire state of need.

### MARCH 2020

Corona Virus ravages the globe. A state of emergency was declared in Canada March 17, closing indoor arts spaces and isolating Canadian citizens in their homes.

### APRIL 2020

Arts Organizations begin to lay off their staff and contractors across the country.

## SUMMER 2020

### JUNE/JULY 2020

The City of Calgary gives \$2 million to CADA for emergency relief for arts & culture organizations.

### AUGUST 2020

Following the 1:1 discussions and the results from multiple relief surveys signaled the need for a grant focused on potential mergers, closures, and transformations as absolutely necessary.

### MAY/ JUNE 2020

Along with the City of Calgary, other Alberta funders and the Rozsa Foundation, CADA utilized another emergency events survey, providing more data for innovative support.

### JUNE/JULY 2020

In response to the City's relief, CADA created Resilience Grants and distributed 100% of funds.

### MAY-AUGUST 2020

Federal government emergency funding is announced, engaged and provided.

## AUTUMN 2020

### OCTOBER 2020

Indefinite Arts merges with two other organizations, creating National accessArts Centre, serving as additional inspiration for CADA to making intentional funding available to those in evolving situations.

### SEPTEMBER 2020

CFIB Study shows that 30% of Canadian arts and culture businesses are at risk of permanent closure due to the COVID pandemic.

### OCTOBER 2020

CADA begins work on Structural Organizational Grant in an internal process, with input from Rozsa and Calgary Foundations. The process is framed as a beta test.

## WINTER 2020/2021

### DECEMBER 2020

CADA receives approval from Board of Directors of concept and for funding amount.

### FEBRUARY 2021

The Organizational Structural Grant is featured in The Globe & Mail and the program was activated.

### JANUARY 2021

The Organizational Structural Grant enters its final phase of program design and development. This draft is shared with the Rozsa and Calgary Foundations and at Tri-Level meetings.