

ON THE EDGE: STOCKING A BUSINESS TOOLBOX FOR ARTISTS

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ACADEMIC ABSTRACT

Contrary to popular myth, artists can learn about business. With its students increasing their income by 152%, the Creative Arts Enterprise program at Montana State University-Great Falls has demonstrated how to develop a successful curriculum that stocks the toolbox of skills artists need to be sustainable entrepreneurs. Several recommendations have emerged for building a successful entrepreneurship program for artists: 1) artists want a skillset, not a degree. 2) The institution needs to fully understand the ramifications of the needs of the students. 3) Student interests need to be heeded because nontraditional students learn what they are ready to engage.

EXECUTIVE SUMMARY

For three years, Montana State University-Great Falls offered a certificate program that helped artisans develop a knowledge of business, while enhancing their skills in their craft. Designed for nontraditional students wanting a short-term educational experience, the program was based on the idea that sustainable economic solutions lie in developing the entrepreneurial spirit of the creative sector. By integrating artistic and business skills in a three semester program, the experience opened doors for students to become part of the “rise of the creative class.”

The 40 participating students reported an average 152% increase in their income from art, a 71% increase in saleable inventory, and a 309% increase in out-of-state sales. Montana invested \$300,000 in this program, an investment with an estimated \$848,000 economic impact.

From this program, the following conclusions and recommendations have emerged:

- Artists want a skill set, not a degree, creating a situation at cross-purposes to the college method of measuring by graduates. This program requires developing realistic mindsets regarding measurements for success.
- The college described itself as student-centered, but found that difficult to practice. Implementation of any integrated program like this one requires a concerted effort to educate the college decision makers regarding the program’s value.
- Although the focus groups voiced their opinions, the college failed to understand the potential of a program that taught entrepreneurial skills. Student interests need to be heeded because nontraditional students learn what they are ready to engage.

The Creative Arts Enterprise program at MSUGF demonstrated that it is possible to successfully integrate business and art in a curriculum that provides artists with the tools needed to succeed in the business of art.

INTRODUCTION

The key question isn't 'What fosters creativity?' But it is why in God's name isn't everyone creative?...I think therefore a good question might be not why do people create? But why do people not create or innovate? We have got to abandon that sense of amazement in the face of creativity, as if it were a miracle if anybody created anything. Abraham Maslow

In the past, the arts rarely were linked with economy. Anthropologists have related the emergence of the arts with the development of a surplus economy and a society's ability to have time and resources to look beyond the struggle for existence. Art and business have also coincided when art has been used as a way to showcase wealth, as occurred in Renaissance Italy or in corporate contemporary America. Until fairly recently, economic developers have seen the value of the arts as a reflection of a thriving society, a nice "icing on the cake" of economic health. To speak of art and business in the same breath has been considered paradoxical. Artists were viewed as right-brained, and business people were left-brained, with never the two meeting. To expect an artist to consider balance sheets or marketing strategies was seen as demeaning the art, while calling an accountant creative was basically labeling him a criminal.

The creative sector has come to include "the enterprises and people involved in producing and distributing goods and services in which the aesthetic, intellectual and emotional engagement of the consumer gives the product value in the marketplace" (Rosenfeld, 2007, p. 8). This category includes, writers, painters, photographers, sculptors, woodworkers, architects, composers, performers, fibre artists. Besides the individual artist, this sector also includes the organizations that promote arts education, the industries with design at their core, and the businesses, like studios, shops, and advertising firms, that depend on the individual artist for survival.

Increasingly, researchers are finding that the creative sector is more than a postscript. Several researchers and organizations have gathered rather compelling data that defines how the creative sector substantially contributes to healthy economic growth. The results of that research also illustrate how the creative sector holds the potential to be an even more important player. Richard Florida, who posits that creative individuals tend to gather in places conducive to artistic activities, sees creativity and entrepreneurship becoming 21st century core proficiencies regardless of the career path that a student chooses to take (Florida, 2002).

Other studies show that the national economy received a direct impact of between \$12.3 and \$14 billion in sales from fine handcraft. These figures are half the size of airline ticket sales and about the same as the impact of the funeral industry or the oil industry (Dave and Evans, 2001). Such numbers provide real meaning to the statement, "The arts mean business." (Americans for the Arts, 2002). This impact is felt in urban and rural areas, with arts-centered activities becoming a growth stimulus in moribund rural landscapes, offsetting loses in agriculture while enhancing the quality of life and encouraging people to stay (Markusen, 2006).

EMERGING OPPORTUNITIES

In an era in which corporate gains are lauded, many see the one-person shop as a remnant of the past. Larger solutions seem necessary quick fixes in a global economy. Moreover, popular myth holds that art and business don't mix and that artists can't and won't learn about business. With limited resources and expanding demands, many schools have opted to move away from the arts, even though much can be gained from creating objects of beauty and then selling them. However, studies reflect the importance that the creative sector plays in a vibrant economy, and cultural tourism continues to be one of the fastest growing segments of the tourism industry.

To a smaller degree, this trend is reflected on the Montana landscape where, despite poor economic conditions, the creative sector has managed to become a growing segment of the state's economy (Sutton, 2005). This survival illustrates how economic solutions for the state can develop through nurturing and developing its creative and entrepreneurial spirit, one business, one ranch, one person at a time. However, hampered by distances and limited resources, Montanans often find themselves place-bound when they reach out to learn more about the craft of their art or how to sell their fine handcraft at the price they need to receive.

With its population under one million and its 147,000 square mile expanse, Montana is rich in natural resources and people with a "can do" approach to life. Of its 56 counties, 47 meet the Census Bureau's definition of frontier. Its unbounded horizons isolate the state, also offering space, inspiration, and opportunities to its people. That space shapes economic development because distances from services and potential markets impact opportunities for Montanans.

Over the last decades, Montanans in large part missed the economic growth enjoyed by the rest of the U.S. However, a recent study of rural artistic havens confirms that "rural areas are capable of attracting creative talent." (Wojan, 2006, p. 6). Moreover, a Montana Arts Council study shows that since 1970 the number of full-time artists in Montana grew three times faster than the over-all labor market. This same study showed that one in every 78 Montanans is a working artist and that more Montanans made their living in the creative sector in Montana than people employed by mining, wood products, or building materials trade (Sutton, 2005).

Montana's Office of Economic Opportunity commissioned a study of Montana's economy in response to the state's decade-long decline to 50th in economic health. The report from that study identified creative enterprise as a sector holding great potential for economic growth in the state. With an effective "clusters" approach, RTS suggested that creative endeavors could contribute directly and indirectly to an improved Montana economy (Rosenfeld, 2003). Montana State University-Great Falls became involved in the project in response to the report, to requests from the Governor's Office and to the voiced concerns of the arts community.

TRACE: THE PILOT PHASE

Emerging Needs

An MSUGF Creative Enterprise Project Team identified three needs:

- Development of “business savvy” that gives the creative entrepreneur basic business skills and an understanding of a range of entrepreneurial strategies.
- Untraditional educational delivery systems to accommodate the creative thinker and/or the rural/place-committed adult – including contextualized learning experiences, compressed coursework, credit for experiential learning and on-line offerings.
- Developing awareness of how the heritage and community are inextricably linked to successful creative enterprise in Montana.

The central problem facing the creative enterprise cluster in Montana was *not* that the pathways were mysterious or difficult to follow. The essence of the problem was two-fold: there were not enough pathways and, worse, those pathways that existed held little monetary attraction. Few Montanans saw creative enterprise as a sustainable career, and few postsecondary institutions offered substantial programming to prepare students in the creative enterprise sector. Acquiring the knowledge and skills of the creative entrepreneur required an educational experience not available in Montana. In response, MSUGF developed TRACE (Transforming Regional Artisans into Creative Entrepreneurs) which was designed for promising and practicing artisans.

Program Objectives

The project focused both on developing the individual’s artistic skills and on building entrepreneurial and business skills. To insure success, the project tapped into strategic partnerships with 32 agencies across the state and nation and used the expertise of 34 mentors. The process identified for developing the whole creative individual hinges on:

- Supporting the Creative Project. This area focuses on helping the individual grow in the discipline of the craft by developing creative and technical skills.
- Supporting the Creative Person. Because learning about art and entrepreneurship is a life-long journey, this quadrant encourages critical thinking and lifelong learning.
- Engaging and Educating the Public. The individual must learn about the business side -- how to interact with people, to market, and tell the story behind the art.
- Build the Community. To develop an understanding of the larger world and one’s relationship to it, this quadrant emphasizes building a support network.

Program Implementation

In Fall 2004, 21 students, a majority female, enrolled for TRACE. This pilot cohort included the highly rural and nontraditional students. Based on the concept of helping individuals place-bound by distances, family needs and finances, it emphasized accessible, flexible and self-directed learning opportunities. Classes were delivered in a weekend college on campus on alternate weekends, with students utilizing on-line components to augment the courses.

Students worked with established artists as mentors and completed an internship in a gallery, museum shop. The capstone experience and a mid-year show gave students a view of how their art and newly minted skills held up in the “real” world. Five students also attended the Kentucky Crafted show, earning \$20,000 in a four-day event. At the end of the project, 18 (86%) of the students completed, and student satisfaction with the program was 4.7 on a 5.0 scale.

Recommendations

To plan the next step, the TRACE pilot reported recommendations for a new certificate program:

- Developing skills in art is integral to helping artisans become market ready.
- Contrary to myth, artisans will learn the skills needed for success in several semesters.
- Partnering with community-based organizations and other learning institutions helps in building access and offer “drop-in” opportunities for learning.
- Contextualized learning integrates classroom learning with use in the real world.
- Given limited resources, it is important to avoid replication of services.
- To insure the long-term health of the creative sector, it is necessary to develop instructors who are energetic, dynamic, and enthusiastic about an integrated approach to teaching.
- A successful teacher needs to help the learner grow in each quadrant of the template.
- Assessment should include a portfolio, proven verbal skills, a business plan, participation in a juried show, peer critiques, teacher feedback, a mentorship and internship. However, the market’s response becomes the ultimate assessment.
- Flexibility is key to nurturing the creative sector, with no one path answering the needs of all artisans. Flexibility of delivery and programming empowers artisans.
- Students showed interest only in a certificate program, not an associates degree.
- The program underlined the need to create stronger markets for Montana artisans.

CREATIVE ARTS ENTERPRISE: THE CERTIFICATE PHASE

In May 2005, based on the findings from the TRACE pilot project, the Montana Board of Regents approved a Creative Arts Enterprise certificate program. The CAE certificate program was identified as important in improving the area workforce by preparing artisans for sustainability in the business of their art. Through its workshops, the program also would help to develop the creative sector by providing ongoing and relevant learning modules. Students completing the program were expected to gain the skills necessary to launch a sustainable micro-business in the arts. If they chose not to develop their own business, their training could lead to other job opportunities, such as museum curators, gallery owners, or art representatives.

An Integrated Approach

The 31 credit certificate program was designed to be delivered in two semesters and a summer session. It featured four curriculum strands, interwoven and integrated into a cohesive whole:

- The Foundation Core (10 credits) to develop basic skills in writing, business-related math skills, effective oral communication, and web skills.
- The Creative Arts Strand (8 credits) to help students become more disciplined in their art, develop their ability to create and execute increasingly sophisticated pieces.

- The Entrepreneurship Strand (10 credits) to help students develop and sustain a successful creative enterprise. Topics included product development, pricing, and promotion, in addition to building a business plan and using technology.
- The Heritage Strand (3 credits) to provide an appreciation of Montana's culture, history, and resources for use as inspiration in art and a basis for branding work in larger markets.

The CAE program also featured a mid-year show and culminated in a capstone project, a show and sale of fine handcraft. The CAE program retained mentorships as introduced in the TRACE project, expanded the internships, and continued the artisan launch. Creative Arts Enterprise was housed with the Department of Business and Technology. Because of the program's hybrid and weekend delivery, the CAE program director reported to the Director of Outreach.

Program Goals and Expectations

The mission of the Certificate in Creative Arts Enterprise was to launch Montana's promising artisans in sustainable arts careers in Montana by helping them develop a broader knowledge of business techniques, while enhancing their skills in their craft. Students were expected to:

- learn the skills to establish themselves in a sustainable career doing what they love
- develop their skills through practice and peer input
- learn to price, package, and promote their work
- develop a business plan for success
- learn the language and logistics of selling
- connect with mentors and experts in the creative sector
- increase their knowledge of the Internet's role in creative enterprise
- expand their markets.

The program was designed to provide:

- Accessibility for working adults from across the state, especially from rural areas, with learning occurring in the studio, at home, and on-line.
- Flexibility to allow nontraditional learners to schedule their own studio time, the time they spent with mentors, and the time that they worked online.
- Opportunity to be experiential, allowing creativity and development of the entrepreneurial spirit. Nontraditional students respond to self-direction and learning through doing, traits calling for mentorships and self-guided, studio-based work.
- Affordability to the student. The program required only three semesters to complete, relied on a compressed format, and used museums and galleries to enrich the educational experiences without adding costs.
- Collaboration in using existing community-based resources. Learning experiences occurred in galleries and museums, as well as the studios and shops of practicing artisans. In galleries and museums, students learned how to promote, display, and sell high-quality handcraft. They studied with master artisans in the region and ultimately developed a body of work for sale in a capstone exhibition.

PROJECT OUTCOMES

Financial Return

A \$200,000 workforce development grant from the state legislature supported the Creative Arts Enterprise program and the Commissioner of Higher Education provided a \$100,000 workforce development grant for the pilot project. For the college, the certificate program generated approximately \$73,000 in tuition, with an additional \$31,400 from the pilot and over \$6,000 in workshop dollars. Tuition income would have been higher, except that enrollment was adversely affected in 2005 because recruitment was shortened by delays at the certificate program's onset.

The economic impact of the program, however, reached beyond the college. If one considers what former students have generated in income, along with the economic impact of other events tied to the program, such as the Made in Montana Marketplace (2006 and 2007) and Fiber Fest (2006 and 2007), the total economic impact is over \$731,000. That sum added to the earnings of the college brings the total return on the investment in economic impact to over \$840,000.

The Numbers Speak

If the program count begins as of July 1, 2005, the program had a total of 43 individuals enrolled, not including the 6 students who enrolled for discrete courses, but not the full program. Of the 43, 7 withdrew or dropped from the program. This figure does not include the 660 individuals who participated in workshops, seminars, presentations, or events tied to the program. Nor does it include the 325 individuals out of state who benefited from a CAE presentation. It also does not include over 4,257 individuals who saw the CAE booths at the capstone events or who attended the Made in Montana Marketplace. These figures totaled make another 5,242 individuals who benefited from CAE programming. Totals are unavailable of who enjoyed CAE displays at the college, the gallery exhibits, or the State Capital Rotunda exhibit.

Although the CAE program was projected to have 8 graduates, by the end of Summer 2007, it had 11 graduates, a 58% completion rate. The number completing does not include the 18 students who completed the TRACE program at the end of Summer 2005. With them, the total number completing rises to 29 (73% completion).

Although the program was projected to result in 4 small business launches, as of July 2007, 17 individuals were actively pursuing the business of their art with another 7 of the newest graduates ready to fully launch their businesses (24 micro businesses total).

Graduates of the program increased their annual sales on average 152% from the time that they entered the program to the present, and they increased their saleable inventory by 71%. Moreover, the CAE program participants report that their out-of-state sales on average quadrupled (increasing by 309%) from the time they entered the program to the present.

In looking at the certificate program participants, 25% have been male, and 75% were female. Of the participants in the certificate side of the program, 81% have identified themselves as 40

and older, and 45% report that they are rural or highly rural, coming from or living outside of communities of 9,000 people or less.

Development of Artist Networks

Building networks was an important part of the CAE program. Towards this end, there was ongoing communication between program participants and graduates. The students themselves have perhaps been the most vocal in the support of the CAE program, such as the following:

“There I was, working like a hermit alone in my studio...with no idea how to move my artwork into the world. And, now here I am,...with the skills, experience, new found confidence and vision I need to build a business based on my art. My experiences have shown me that I can grow a viable creative business from my home in Montana that connects with national retail and wholesale markets. Amazing! Thank you, thank you!”

Growth of Enrollment

The CAE program raised awareness of this unique opportunity offered by MSUGF to Montana artists. The program drew a cross-section of people to the campus on a regular basis, individuals who added to the diversity of the learning experience. In highlighting the creative sector, the program revealed the possibility of careers in the creative sector to both young and old.

By offering classes on the weekend and through hybrid mode, the program provided an alternative delivery of learning to nontraditional students. By the built-in flexibility of the program, it improved access for students caught between multiple responsibilities. Mentoring time, studio time, and internships added an experiential component to the mix, while adding delivery modes that nontraditional students prefer and need because of real life demands. The program’s organically integrated art and business proved successful in increasing the participation rate of nontraditional creative sector students. Artists routinely criticize business courses; and the CAE tool box approach has proven that it fits their needs.

Because art has not been recognized as a viable economic path, most nontraditional students have followed other career paths, doing what they “should” to provide for their families. In retirement, such individuals have the opportunity to develop a second career along the lines of their passion, in addition to providing themselves with avenues for supplemental incomes. By offering the kind of program that interests these creative individuals, the CAE program also improves access and so attracts this sector of nontraditional students.

High-Quality Learning Experiences

Student comments show how much they appreciated the instructors in the program. The teachers provided them with a wealth of information, delivered with the care and interest that can be lacking for artists in mainstream schools. There is no magic formula that can be lifted from the program and translated without that excellence in teaching. The quality mix of the learning experience in the program shows in its completion rates. Of those enrolled from 2005-2007,

61% completed by the end of summer 2007, with 11% requiring more time to complete. Including the pilot project, the completion rate increases to 76%.

The configuration of the program allowed for development of a number of important skills for individuals in a changing world: Communication, quantitative reasoning, inquiry and analysis, aesthetic engagement, diversity, technical literacy, critical thinking, and effective citizenship. The toolbox approach in the program has provided its students with the proficiencies that they need to not only successfully complete, but even more importantly to improve their way of life. The program has had additional positive impacts:

- Raising awareness of the importance and viability of business training for artists.
- Increasing visibility for Montana's creative sector as an important part of the state's economic, as well as cultural health.
- Using community partnerships to help keep costs low and avoid replication of services.
- Demonstrating through exhibits the visual breadth of talent and creativity in the creative arts resource pool, building the case for critical mass in Montana's creative sector.
- Bringing a number of statewide agencies to the table to discuss marketing strategies.

CONCLUSIONS AND IMPLICATIONS

Barriers to Growth

Whether building capacity in the arts or developing raw energy, Montana needs an infrastructure for moving the product out of the state to markets that can bear the value-added price. While the energy industry needs pipelines and transmission lines, the creative sector requires a coordinated effort to develop the entrepreneur, build markets and awareness, and "brand" the products.

Although the CAE Program met with successes, it also encountered barriers to its growth.

- Lack of resources. The weekend classes required college personnel like the registrar and maintenance to accommodate a separate set of students. The students dealt with no library, bookstore, front office, or cafeteria. The instructors had to have a closer working knowledge of not just instructional needs, but other needs as well. Technology needs for the distance component surpassed current capacity in both software and hardware, to say nothing of the lack of high-speed internet access in the highly rural parts of the state.
- The weekend college fostered an out-of-sight, out-of-mind mentality, that led to a loss of awareness in other departments and divisions.
- Creation of appropriate markets. The best way for potential students to see how they will recoup their expenses is to create viable markets for high-end, fine hand-craft and art.
- Development of Montana's creative sector. Time is needed to develop the synergy of this sector because such an endeavor does not bear fruit immediately.
- Development of market-ready artisans. The artists need to see the results of the program and learn that just as they spend years on developing their art, they need to invest more than a three-hour, "Business for Dummies" workshop to learn the business of their art.
- Sustaining a widespread marketing effort for the program. The college needed an on-going and widespread effort to stimulate and expand awareness.

Program Qualities to Maintain and Develop

A number of qualities contributed to the program's success:

- The student-centered basis and direct response to expressed community needs. The CAE program provides a model of a viable technical education in entrepreneurship and preparation for building a sustainable business in a more global economy.
- The quality of its programming, its flexibility, and efficiency in utilizing building space at off-peak class times. The program provides a model for other academic programs and for two-year colleges wanting to build capacity with limited physical resources.
- The program's cutting edge integration of subject matter and content delivery. The seamless and rather organic way that the program works is key to its success. Sequencing classes, while at the same time offering chunks of information for credit, becomes convoluted, a barrier in an era calling for more efficiency in program delivery.
- Continued visibility in the arts, current trends in micro business, and the rise of cultural tourism. Economic development initiatives of the past have focused on attracting large corporate entities instead of recognizing the critical mass of healthy micro businesses.
- Continued delivery to an underserved population. The infusion of additional dollars from the creative sector promises to help highly rural populations maintain a way of life.
- Insuring that business topics are adjusted and presented in a way that appeals to artists.
- Continued use of a cohort approach that nurtures the state's creative sector network.

With academic preparation emphasizing community engagement, heritage-awareness, and entrepreneurship, artisans can tap into their own potential as creative entrepreneurs and that their communities will enjoy strong residual benefits. Creativity and entrepreneurship are not mutually exclusive. Montana's creative sector has demonstrated how they can be integrated to change the lives of Montanans while still protecting the landscapes that make Montana unique.

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