

LEGACY, TRANSITION, SUCCESSION

SUPPORTING THE PAST AND FUTURE OF CANADA'S ARTS ORGANIZATIONS

A Report for the Canada Council for the Arts

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March 2005

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Executive Summary

Overview

The Canada Council for the Arts commissioned this report as part of its organizational health initiative. The report focuses on legacy, transition and succession issues in arts organizations receiving Council operating support. It defines and analyzes these issues, examines whether other arts funders are addressing them, and proposes ways for the Council to reflect the issues' importance in its policies and programs.

The report's objective is to assist arts organizations to manage major changes in their mandate, governance or leadership. The definitions and models used here are not intended to be prescriptive, but to provide a flexible framework for dealing with changes that occur in any organization's life cycle.

Legacy

For these purposes, legacy is defined as follows: *The **legacy** of an arts organization represents its accumulated artistic capital, derived from its artistic mission, vision and mandate. Artistic capital is realized over time through the whole of the organization's creation, production and/or dissemination activities. Legacy also embraces relationships built with the organization's various communities; its intellectual property; archives documenting its creative work; and facilities or equipment essential to fulfilling its mandate.* The need to define, preserve and build on the legacies of arts organizations is perceived as significant and increasingly pressing. This issue is driven by demographics and linked to questions of public investment and accountability, as well as to transition and succession within organizations.

Transition

In this context, **transition** in an arts organization is defined as *a process of managing major change related to artistic mission, vision and mandate, which involves a reassessment of the organization's strategic plan, and may result in a variety of outcomes: e.g. a new mandate, a restructuring of administrative or governance responsibilities, a search for an appropriate successor(s) to take the organization into the future, or even cessation of operations.* The transition process eventually confronts any arts organization, given time and circumstances, and is a stage at which the organization can be vulnerable. Negotiating it successfully is key to artistic and organizational renewal. This points to the need for sound planning as opposed to crisis management.

Succession

Succession in an arts organization is a leadership change, resulting from implementing plans and procedures for seeking new leadership to realize the organization's evolving artistic mission and strategic objectives. Thus succession is ideally the product of planned change. Successful outcomes depend on responsible governance by boards or shareholders who embrace their responsibility to plan for the organization's future. The Council can support these outcomes by providing organizations with specific resources.

Disciplinary Contexts

Legacy, transition and succession issues exist in all organizations supported by the Council; but they play out differently in each discipline and in different types of organization. Disciplinary specificities highlighted by Council staff need to be considered before the Council adopts policies and criteria. These specificities are detailed for organizations in dance, inter-arts, media arts, music, theatre, visual arts, and writing and publishing, as well as for various organizational models.

Other Funders

Policymakers at other public funding bodies and levels of government indicate varying degrees of engagement with legacy, transition and succession in the arts. The Department of Canadian Heritage and provincial arts funders have clearly begun to address these questions, complementing the Council's concerns.

Recommendations

Based on the study findings, the report makes the following recommendations:

Recommendation 1: Policy Statement on Legacy, Transition and Succession

It is recommended that the Canada Council for the Arts adopt the following policy statement. Its purpose is to reflect the Council's commitment to ensuring that arts organizations acknowledge and act on the need to conduct legacy, transition and succession planning as vital aspects of organizational health:

The Canada Council for the Arts places a high priority on the organizational health and sustainability of Canada's arts infrastructure, in order to support creative risk-taking and artistic excellence. Therefore the Council will ask organizations applying for operating support to address the related needs to: a) articulate their artistic and organizational legacy, along with plans to preserve that legacy; and b) outline their transition planning, as well as plans for future succession by new artistic or administrative leadership.

The Council will integrate these questions into its criteria for assessing organizations applying for operating support in each discipline. It will also develop program resources and mechanisms to materially assist organizations to meet the new criteria. In developing these criteria and resources, the Council will remain flexible and mindful of the diversity of organizational practices and models in the various disciplines, and the diversity of organizations' approaches to their future.

Recommendation 2: Assessment Criteria

To meet the objectives of the policy statement above, **it is recommended** that the Council introduce into its programs of operating support, with fair and ample notice, new criteria for assessing arts organizations. The aim is to ascertain that organizations are fully aware of their artistic and organizational legacies, and capable of planning to manage change. These criteria can be subject to variation by each section to reflect its discipline's specificities – in terms of written questions, peer assessment, and weighting

in the assessment process. The criteria should apply to seeking the following information from organizations applying for operating grants:

Legacy: A brief statement, minimum one page or more, describing the organization's artistic and organizational legacy as defined above, and outlining intentions for preserving it.

Transition: A description of the organization's approach toward preparing for transition as defined above.

Succession: A description of the organization's plans and procedures for succession as defined above.

Recommendation 3: Program Resources

It is recommended that the Council explore the feasibility of offering several types of program resources to arts organizations receiving operating funding, to assist them in legacy, transition and succession planning. These resources would include some or all of the following, depending on availability and timing of funds:

1. *A legacy, transition and succession toolkit, both in print and online, containing:*
 - a checklist of key issues to consider and questions to ask in self-assessing needs and setting objectives;
 - a summary of best practices derived from successful cases of transition and succession planning and implementation, coupled with preserving and celebrating legacy; and
 - a selection of models reflecting actual examples in the various disciplines and various types of organization, i.e. institutions, individual-driven organizations and group-driven organizations, that the Council supports.
2. *Professional development resources for national arts service organizations and other entities* to hold workshops for organizations on legacy, transition and succession planning; and
3. Access to *consulting assistance from an expanded Flying Squad* to provide expertise on legacy, transition and succession planning, especially as linked to strategic planning.

Recommendation 4: Related Options: Legacy

1. While asking arts organizations to plan for legacy preservation, the Council should preserve its own legacy of a half-century of arts support. **It is recommended** that, in marking its 50th anniversary in 2007, the Council prepare for publication an illustrated book celebrating the achievements of Canada's artists and arts organizations. Such a volume would be widely valued and appreciated as a gift to the arts public and arts community. It would be offered as a salute to artists, rather than a piece of institutional promotion. It would have a long shelf life, both as a contribution to Canadian cultural history and a long-term advocacy tool.

2. **It is recommended** that the Council, in collaboration with the Department of Canadian Heritage and Library and Archives Canada, develop a guide to assist arts organizations in collecting, documenting and preserving their artistic legacy, and in identifying suitable archival institutions to house it. Such a guide would have the related objective of encouraging arts organizations and archival institutions to work together to achieve common goals.
3. **It is recommended** that the Council work with the Department of Canadian Heritage and Library and Archives Canada in seeking financial resources to fund arts organizations to preserve their legacy.
4. **It is recommended** that the Council develop information sources for internal use to document the evolution of its policies and programs, both within disciplinary sections and Council-wide. Such information will provide senior management, board members, section heads, program officers and other staff with vital historical and contextual understanding of Council processes, practices and achievements.
5. **It is recommended** that the Council use its good offices with the Department of Canadian Heritage to initiate an in-depth federal study of the retirement needs of Canada's senior artists, covering health, economic, taxation and social-benefits issues.

Introduction

The Canada Council for the Arts commissioned this study in January 2005 as part of its broader inquiry into organizational health in Canada's arts organizations.

The study focuses on the interrelated issues of legacy, transition and succession in organizations receiving operating support from the Council. It defines and analyzes these issues, first in general terms, then in the context of the Council's seven disciplinary sections. It examines the extent to which Canada's other public arts funders are addressing the issues. And it concludes by proposing ways in which the Council can reflect the importance of legacy, transition and succession in its policies and programs.

An examination of these issues yields ancillary benefits. Legacy, transition and succession go to the fundamental nature of each art form, and to our society's relationship with the arts. They illustrate the distinctive practices and operating models unique to each discipline. They also confront us with larger questions: How much does our society value the arts? And how do we want to stand in relationship to them in future? It is hoped that this report, in addition to addressing the questions specified in the study mandate, will shed some light on these larger matters.

1. Background

In 2003 the Canada Council for the Arts struck an internal Working Committee on Organizational Health. The Committee's mandate is based on the Council's strategic plan, *The Road Ahead*. The Committee's work is guided by the principle that increased emphasis on the long-term health and sustainability of arts organizations will strengthen their artistic quality, while helping them develop the next generation of artistic leaders and arts managers. Similar concerns were explored by the Canadian Conference of the Arts in *A Proposed Action Plan for Winning Conditions* (May 2003), part of its study in collaboration with the Cultural Human Resources Council, *Creative Management in the Arts and Heritage*.

As one of three broad objectives, the Council's Organizational Health Committee specifies "Developing mechanisms that enhance organizational health." The Committee's *Interim Report* (September 2004) states that the Council should develop mechanisms to assist arts organizations to:

- self-assess strengths, weaknesses and development opportunities;
- identify and implement organizational development initiatives;
- assess and support the role of boards and governance in organizational health; and
- "address issues of legacy, transition and succession in order to help organizations through transition periods and prepare the next generation of administrative and artistic leaders."

Flowing from this last objective, the present study's mandate is to examine whether the Council should, in supporting arts organizations:

1. Adopt a *policy* recognizing the importance of *legacy*, and require organizations receiving operating support to adopt similar policies and begin planning around the issue;
2. Introduce *assessment criteria* in its operating programs to evaluate an organization's policy concerning *transition* issues and *succession* by the next generation of artistic and administrative leaders, and its plan to actualize these processes;
3. Introduce a *program or program component* to support organizations through this process and help ensure that the *succession* succeeds.

The Organizational Health Committee sees time and demographics as major drivers behind these questions. Many Canadian arts organizations were created in the 1960s and '70s by founders now reaching retirement age. The future of their organizations, and of their successors from the next generation, are urgent issues that must be faced. At the same time, similar issues also confront arts organizations that are not founder-driven, such as large institutions or membership-driven entities.

2. Methodology

While inevitably generalizing about arts organizations, the study also takes into account the specificities of the seven disciplines in which the Council funds organizations at the operating level. The study research is based primarily on in-depth interviews with the Council's subcommittee on legacy, transition and succession; with heads and program officers of all disciplinary sections at the Council; and with other Council officials. Interviews have also been conducted with federal and provincial officials to establish whether related policy or program models exist at other funding bodies. Roy MacSkimming conducted the research and wrote the report, with consulting assistance from Francine d'Entremont. The bibliography covers some of the earlier research in this area, which has also been consulted.

3. Legacy

"To recover a past, it could seem, might be the first step to charting a future."

Pico Iyer

New York Review of Books, March 10, 2005

How do we define the legacy of an arts organization? The answer differs from one discipline to another. It can even vary for different types of organization within the same discipline. These variations reflect basic distinctions among practices and operating models in the arts supported by the Canada Council.

It is nonetheless possible to generalize about the nature of an arts organization's legacy. To attempt a basic definition:

*The **legacy** of an arts organization represents its accumulated artistic capital, derived from its artistic mission, vision and mandate. Artistic capital is realized over time through the whole of the organization's creation, production and/or dissemination activities. Legacy also embraces relationships built with the organization's various communities; its intellectual property; archives documenting its creative work; and facilities or equipment essential to fulfilling its mandate.*

To define artistic legacy in this way is to speak of a historical achievement. But the achievement doesn't exist only in the past, in isolation from the present. If an organization is creatively robust, it has a living legacy, with potential for both the present and future. The perception of that legacy can shift within the broader context of cultural change. The organization's artistic vision is periodically revisited and rejuvenated. Influenced by changeover at the staff and board level, the organization and its legacy continue to evolve dynamically – as the arts themselves evolve.

The Organizational Health Committee has identified three basic types of arts organizations: *institutions, individual-driven organizations, and group-driven organizations*. As we will see below in section 6, “Disciplinary Contexts,” distinctions among these three types have consequences for an organization's legacy.

And yet to some extent, every arts organization's legacy is a collective one. It results from collaboration among many skilled arts professionals, mobilized within an organizational infrastructure – whether by a dance or theatre company, an orchestra or publishing house, an art museum or artist-run centre, a media arts organization or national arts service organization. Even creator-led companies rely on a strong supporting cast at the artist, staff and board levels to give full expression to the founder's artistic vision. Thus we may conceive of both an *artistic legacy* and an *organizational legacy*.

As a vital part of its legacy, an arts organization also develops many ongoing *relationships with communities*. Its community network includes its membership; its artistic community; its audience or market; its city or region; and often, through touring, distribution or export activities, its national and international communities. These relationships must be nurtured to remain alive and healthy. The more artistic capital an organization accumulates, the more closely connected it is with its various communities, and the more treasured by them as a community resource, an asset adding value to their existence.

Orchestras, theatres, dance companies and art museums extend roots into their local communities through teaching and other educational activities, in addition to their artistic programming. Performing arts organizations may make their venues available to touring or local artists and companies. Media arts organizations, artist-run centres and publishers may focus on exploring the life, history and culture of their region.

Relationships between arts organizations and communities, although intangible, are nonetheless real. To a great extent, they provide the policy rationale for devoting public funds to the arts in the first place. They also provide crucial incentives for artists to continue creating, knowing that outlets exist for performing, producing and disseminating new work.

An arts organization's legacy also includes physically tangible components. In Dance, there may be choreographers' notes, scores, and performances recorded on videotape or

DVD; in Inter-Arts and Media Arts, films, tapes and digital records; in Music, commissioned scores, sound recordings and program notes; in Theatre, playbills and photographic or video records of performances; in Visual Arts, exhibition catalogues and curatorial or other critical writings; in Writing and Publishing, inventories of books, back issues of periodicals, and literary criticism. Underlying these tangible forms of artistic capital is the principle of intellectual property rights, as expressed, for example, in the federal *Copyright Act*. In some instances, these rights belong to individual creators; in other instances, to arts organizations themselves.

Some arts organizations own physical property: performance, rehearsal, production, presentation or office facilities. Most of them own various kinds of capital equipment, whether technical apparatus, office equipment, furniture, etc., or sets, costumes or touring equipment. These too are physical aspects of organizational legacy.

Major challenges exist in preserving and documenting artistic and cultural artifacts. Questions remain to be resolved about who has the responsibility for meeting these challenges: for preserving artworks that are physically deteriorating, for documenting work that by its very nature is evanescent, for collecting work that is diffuse and scattered. Linked to these questions is the equally important challenge of making Canada's artistic legacy accessible to the public, in whose name considerable funding has been invested.

Through the Canada Council, the Canadian public has invested heavily in building the nation's artistic capital. In 2003-04 alone, the Council awarded \$71.7 million in operating grants to 882 arts organizations in all disciplines. As the Council approaches its 50th anniversary in 2007, it can identify hundreds of organizations whose legacy is due in some significant measure to Council funding.

Some organizations are established institutions as old as, or older than, the Council itself: the Montreal and Toronto symphonies, the Musée des beaux-arts de Montréal, the Royal Winnipeg Ballet, the National Ballet of Canada, the Théâtre du Nouveau Monde, the Stratford Festival, the Art Gallery of Nova Scotia, the Vancouver Art Gallery. A few venerable institutions have the resources and profile to have had their legacies documented through anniversary volumes, films or television programs.

In many more instances, arts organizations were founded during the dynamic era of the 1960s and '70s, when much of Canada's arts infrastructure took shape. Some were established by individual artistic visionaries, others by collectives of creators; some have grown to national and international prominence, others have remained working within specific niches or regions. These organizations have now reached or surpassed their 30th anniversaries. Having created for a complete generation or more, they have built substantial legacies that are artistically innovative and culturally influential. But as we will see in the disciplinary contexts, their leaders have seldom had time or resources to document and celebrate their achievements – despite the fact that they have pioneered important developments in their art forms, launched the careers of Canada's most

illustrious artists, transformed their communities' cultural life, and received public resources from the Council and other funders for operating or capacity-building purposes.

As Canada's pre-eminent investor in the arts for half a century, the Council must question the cost of losing this enormous collective legacy: and of losing opportunities to know, understand and value it. What happens to a culture that loses its memory? Where does the Council's own responsibility lie – not only in nurturing the arts and sustaining arts organizations, but in helping to conserve their legacy for the nation's benefit, now and in the future?

These are somewhat philosophical questions. On a practical level, they can also be seen as aspects of accountability. The Council can ask organizations to account for their use of public funds by providing a statement of legacy in the short term, and a plan for preserving legacy in the longer term. This calls upon the organization to maintain an institutional memory. Building a capacity to articulate, demonstrate and make accessible its legacy, in both the artistic and organizational sense, can equip an organization with compelling arguments for public support. Yet it cannot be accomplished cheaply.

Such a capacity also contributes to artistic development. By building knowledge and understanding of artistic legacy, an organization can strengthen the foundations on which creativity builds. Ultimately, this knowledge and understanding benefit young emerging artists, inform the public for the arts, and enrich the culture itself.

For all these reasons, a Council policy on artistic legacy would have great value and importance. Such a policy would flow naturally into the transition process within arts organizations of all types toward succession by new artistic or administrative leadership.

4. Transition

“Our goal is not to preserve every arts organization forever, but to provide organizations with real opportunities and incentives to improve their long-term sustainability. Whether they can and will successfully seize those opportunities will be for the organizations to determine.”

John Hobday, Director of the Canada Council for the Arts,
Speech to the CCA Chalmers Conference, May 2003

Questions of legacy, transition and succession did not often arise during the Canada Council's early decades. The Council and the arts community were more preoccupied with developing artistic excellence, building the infrastructure and audience for the arts in Canada, and expanding their reach throughout the country. In later years, the Council also looked to managing scarce financial resources for the arts and to recognizing Aboriginal arts and artistic and cultural diversity.

Now, however, enough time has passed that many established organizations are confronting the prospect of change at the helm. Their founders are either facing retirement or will soon do so. In some cases, circumstances have already required organizations to make arrangements for succession by new artistic and/or administrative directors. Consequently, some models are available to illustrate successful transition.

In other cases, the models are far less encouraging. Lacking transition plans, and unprepared to respond when change was thrust upon them, some arts organizations have floundered. They have stagnated artistically, lost their direction administratively and financially, and damaged their relationships with their communities. Some have approached bankruptcy, only to be bailed out by public funds; others have disappeared.

The Council and the disciplines it funds are well aware of the pressing question of transition. The Theatre Section reports that about one-third of theatre companies receiving operating grants will face succession issues in the next decade. A study of succession in book publishing, coordinated by the Department of Canadian Heritage, has found that 70 per cent of owners of Canadian publishing houses are aged 50 or older; half expect to retire in the next ten years; but only a third have succession plans.

In 2003, a committee of Council section heads stated that, of the three basic types of arts organization, the most vulnerable to transition and succession problems are creator-driven organizations. In their *Organizational Preliminary Diagnostic and Action Plan*, the section heads observed:

“While issues of legacy and succession can be raised for all types of organizations, they are most crucial for creator-based organizations, since the artistic vision of the founder (or group of founders) is the mission of the organization. If the organization is to endure after the founder leaves, it needs to prepare itself for that departure, which often requires a profound examination of its mandate.”

This statement suggests a definition of transition in the present context:

***Transition** in an arts organization is a process of managing major change related to artistic mission, vision and mandate, which involves a reassessment of the organization’s strategic plan, and may result in a variety of outcomes: e.g. a new mandate, a restructuring of administrative or governance responsibilities, a search for an appropriate successor(s) to take the organization into the future, or even cessation of operations.*

Clearly these issues arise not only for creator-based organizations, but equally for institutions and group- or membership-driven organizations. It is often assumed, for example, that large institutions (long-established symphony orchestras, opera and ballet companies, public art museums, large theatres) will have formulated human-resource policies and procedures governing transition of senior artistic and administrative staff. It is also assumed that group-driven organizations (artist-run centres, media arts groups, theatre or publishing collectives, national arts service organizations) will have similar

procedures in place. In theory, these types of organization are less dependent on an individual founder, since they are managed by experienced professionals and governed by boards responsible for their continuation. But in practice, all these organizational types often fail to plan effectively for transition. Accordingly, they are vulnerable to stagnation, paralysis and crisis. This points to the need for transition planning *before* such problems occur.

Interviews with Council officers and other funders make it clear that, in deciding whether to adopt a policy on transition and related assessment criteria, the Council should consider a number of related factors:

1. *A continuum of arts organizations* exists in each discipline, in terms of size, structure and mandate. A rigid policy and uniform set of criteria are not appropriate in the diverse arts ecology. Expectations and requirements regarding transition need to be modulated according to an organization's discipline and position on the continuum. Its stage of development, its significance within the discipline, status as an institution, individual-driven or group-driven organization, etc., should all be taken into account
2. Consequently, the Council needs to take *a flexible, open and responsive approach* to developing criteria for assessing an organization's transition and/or succession planning. These criteria can take the form, at least initially, of asking the organization the right questions. The organization can be expected to answer them fully and frankly, in a way that meets its own objectives, as determined by its artistic vision and strategic plan.
3. While willing to remain flexible, the Council should expect *clarity, realism and sound planning* around an organization's future. In the past, organizations have encountered serious problems by being unrealistic about their goals and capabilities, or unclear about their direction. Ideally, planning for both transition and succession will be integrated with the organization's strategic plan.
4. Transition and succession represent not only the future of arts organizations, but an issue *between the generations*. Both young and senior artists and arts managers are involved in these processes; the needs of both must be considered. The younger generation has clearly signalled, most recently at the Ontario Arts Council's Re-Generation conference (February 2005), that it wants in. Educated for careers in the arts, people in their 20s and 30s seek to realize their career potential and ambitions. But they feel blocked from doing so by elders who are not prepared to change or depart – for reasons ranging from the professional to the personal to the financial, in a profession often marked by inadequate remuneration and retirement benefits.

Understandably, creators who have founded companies may not be ready to give up control to make room for the next generation. They are among the leading artists of their generation and deserve respect and an opportunity to depart at a

time of their choosing. Equally understandably, young people are frustrated by the lack of opportunity in their chosen field. This problem can be compounded by the fact that conditions for founding new companies are less promising than a generation ago. The Council needs to strike the difficult balance among these seemingly competing needs, which are in fact complementary.

5. The Council can play a catalyst role to bridge this gap by *providing resources and incentives to bring both generations together*. These resources and incentives include, for younger artists and managers, mentorship, professional development, and other training opportunities. For senior professionals, they include sabbaticals, phased transitions in their career paths, consulting assignments (e.g. as part of an expanded Flying Squad), and opportunities to provide mentoring and professional development to the younger colleagues who will, sooner or later, succeed them.
6. In membership-driven organizations in all disciplines, e.g. media arts organizations, artist-run centres, or dance or publishing collectives, boards face the need to manage *shifts in their membership* resulting in changes of artistic mission, vision and mandate, or administrative priorities.
7. These transitional and generational issues are closely linked with the policy work of the Council's *Fair Notice / Fair Access Strategy Committee*. Still in development, that policy is intended to facilitate the movement of organizations into and out of operating grant programs. Also germane to this nexus of concerns are other Council research studies on organizational health and governance, as well as ongoing policy work on multi-year project grants (for organizations with creative development projects but lighter administrative structures), and on umbrella and cluster management organizations.
8. Whatever measures the Council adopts in this area, there is a consensus that it will need to *craft its messaging to its clients very carefully*. Questions of legacy, transition and succession can be delicate, depending on an organization's and artistic director's circumstances. Many sections have raised a concern that the Council should not be perceived as pushing existing directors or managers out of their positions; nor intent on pushing organizations out of operating programs. But they agree that the Council does need to be clear and transparent about its objectives, motives and methodology. These objectives include opening up opportunities for new artistic vision and new professional blood in an increasingly crowded and underfunded field.

5. Succession

“If succession is handled well, an organization can maintain or even enhance its standing in the arts community. If it is mishandled, the organization may struggle or fail.”

Merianne Liteman, *Planning for Succession: A Toolkit for Board Members and Staff of Nonprofit Arts Organizations*

Perhaps the most compelling argument for succession planning is that succession, like death and taxes, is among life’s few certainties. Sooner or later it is inevitable.

Many arts organizations – their founders, managers or board members – may respond that they are still far from the stage where new leadership is required, so why think about it? This position is understandable, but accidents happen. Key individuals can become seriously ill, unexpectedly decide to move on in their lives, or receive an irresistible opportunity to go elsewhere. All these situations have occurred at one time or another to organizations funded by the Council. When the organization has been caught unprepared, the consequences have been serious to disastrous.

Exceptions to the “inevitability” of succession exist in organizations dedicated to performing the works of a creator-founder. In such cases, the organization may lose its *raison d’être* and disappear when the founder departs, retires or dies. This appears to be particularly true in dance and theatre, where there are more creator-driven organizations, and also somewhat in publishing; but less true in visual and media arts. But even if the founder does not wish to see the company survive him or her, sound management indicates preparing for the day when the organization will cease to be. This entails practical plans for winding up the company, disposing of its assets, including its archives, and finding suitable ways to preserve and recognize the founder’s legacy.

From the Council’s perspective, it seems increasingly necessary to expect organizations receiving operating grants to prepare a succession plan or, if the intention is to wind up the company, to prepare for that eventuality. Underlying this expectation is the Council’s role as a long-time investor in the organization: a role that the Council plays on behalf of the Canadian public.

A concept asserted by some funders, particularly at the provincial level, is that an arts organization and its board are *stewards of public funds*, entrusted to them by the community in exchange for artistic and cultural services. Consequently, organizations have a responsibility to plan for the future of their stewardship.

Some organizations have already embraced this responsibility. Knowing that their interest lies in securing their continuity with renewed vigour, they have successfully implemented plans for transition to new artistic and/or administrative leadership. Examples include Tafelmusik Baroque Orchestra, the theatre for young audiences Le Gros Mécano, the Shaw Festival, the Vancouver International Writers Festival, and the publishing company Groundwood Books. Many artistic institutions, such as public art museums or large performing arts organizations, have developed ongoing procedures for succession and built them into their governance practices. While diverse in their

solutions, these organizations have taken the initiative to manage change, rather than falling victim to it. Other organizations, such as the Fondation Jean-Pierre Perreault in dance or Saskatoon's 25th Street Theatre, have suffered grave consequences from a lack of succession planning.

In this light, we may define succession planning fairly basically:

Succession in an arts organization is a leadership change, resulting from implementing plans and procedures for seeking new leadership to realize the organization's evolving artistic mission and strategic objectives.

Discussions with Council officials and other funders indicate some of the winning conditions needed for implementing a successful transition. Good fortune may be one of these, in the sense of finding the right person in the right place at the right time. But trusting to luck alone is seldom a formula for success.

One essential condition is that the board of directors (in the case of non-profit organizations) or controlling shareholders (in the case of proprietary companies) accept and act on their responsibility for the organization's future. Board members or shareholders must recognize the need for long-term strategic planning; and the need to integrate succession planning into that process. Identifying the strengths, skills and experience needed in a future artistic director, manager or owner depends on knowing where the organization wants to go.

This responsibility has implications for governance generally, which is the subject of another Council study. To effectively fulfil its responsibility for succession, the board of a non-profit arts organization must be prepared to communicate openly on the subject with the current artistic or administrative leadership. Doing this may be fraught with difficulty, especially if the leadership has no desire to depart, or even to think about its eventual departure – and even more so if board members have been appointed by a founder to support his or her artistic vision. Nonetheless, the obligations of stewardship demand that the Council should put these questions to the organization, and that the director and board should take them seriously, and deal with them together. Such an approach will introduce a new dimension in assessing organizational sustainability.

Asking the right questions could become less threatening to an organization, and planning for transition and succession become considered normal, if the issues are built into the Council's regular application and assessment procedures. In that scenario, organizations and individuals should be less likely to feel targeted.

In addition, the Council can encourage and facilitate the process by providing organizations with resources for both transition and succession planning. Persons interviewed suggested that three types of resources would be useful:

1. A transition and succession toolkit, containing:

- a checklist of key issues to consider and questions to ask in assessing needs and setting objectives;
- a summary of best practices derived from successful cases of transition and succession planning and implementation, coupled with preserving and celebrating legacy; and
- a selection of models reflecting actual examples in the various disciplines and in various types of organization, i.e. institutions, individual-driven organizations and group-driven organizations;

2. Access to consulting assistance from an expanded Flying Squad to provide expertise on legacy, transition and succession planning, as linked to strategic planning;

3. Access to funding to use these tools and implement the resulting plans.

6. Disciplinary Contexts

Legacy, transition and succession issues exist in all disciplines supported by the Council. But it is clear that the issues play out differently in each one. This section of the report will focus on disciplinary specificities highlighted by Council staff. These specificities need to be considered before the Council adopts across-the-board policies and criteria.

6.1 Dance

6.1.1 Legacy: An aspect of legacy now being addressed by the dance community is the preservation of dance works through documentation and archiving. These issues are especially critical in dance because of the evanescent nature of the art form. Artifacts such as choreographers' notes and video footage of performances are vulnerable to physical deterioration as time passes. The organization Dance Collection Danse is dedicated to these and related questions: practical matters of recording, preserving and cataloguing Canada's dance history. That organization has produced a practical guidebook to archiving for dance artists and companies, *Building Your Legacy: An Archiving Handbook for Dance*, by Lawrence Adams.

The legacy issue is particularly acute in the case of creator-led companies that may not continue after the founder's retirement. Such companies need to document key works. There are also issues of access, remount rights, royalties, and preservation of the artistic integrity of the work if performance rights are granted. The question has been raised whether alternative institutions should be formed to grant performance rights.

Another aspect is the potential for preserving videotaped performances through digitization. The Department of Canadian Heritage has a digitization program

but has not put a priority on digitizing dance performances. A further aspect is teaching dance works and ensuring that standards are maintained. Notable in this connection are the Balanchine Trust and a living legacy project in which choreographer Peggy Baker received foundation funding to set her works on senior and junior dancers, supported by an archiving program at the University of Calgary. Critical discourse on Canadian choreography is also an important dimension of legacy.

The Council might ask whether it should require dance companies, as a condition of funding, to take steps to document works and performances. The question arises whether preservation, archiving and storage responsibilities lie with the company, the choreographer or elsewhere. Library and Archives Canada could play a central collecting, preserving and public-access role, as it does in many other fields. However, recent research commissioned by the Council suggests that the dance community favors a decentralized approach for easier access, given the limits on the nature of material that Library and Archives Canada will accept.

More generally, what is the right balance for the Council between conserving existing works and developing new creation? Or between supporting companies to preserve their work or to develop new work? Should the Council launch a separate program to fund dance preservation projects – and is there a role for other funders to play in documenting dance history, e.g. PCH to fund a digitization component, or the Social Sciences and Humanities Research Council to fund a scholarly component? Finally, is it in the Council's interest to retain, as a matter of public record, copies of the dance works whose creation it has supported?

6.1.2 Transition: Transition opportunities arise in the case of dance companies with physical assets such as rehearsal and/or performance facilities, which can be provided to other companies and artists. An example is Le Groupe in Ottawa, which now makes its studio and dancers available to young visiting choreographers.

In addition to assisting the transition of organizations to the next stage, attention must be paid to career transition by senior artists whose cycle of creation may be slowing down but who still have valuable contributions to make. Such artists can play critical roles as mentors to young choreographers and dancers, and as teachers of existing works: e.g. Rachel Browne, founder of Winnipeg's Contemporary Dancers, who as a teacher and mentor remains in close association with the company she founded 40 years ago. The Council should be concerned that these artists are valued and validated in their legitimate desire to continue contributing to the art form. The Dancer Transition Resource Centre in Toronto continues to perform valuable services in helping dance professionals make the transition to new stages in their lives and careers. The DTRC has submitted a funding proposal to the Department of Canadian Heritage to create a cross-

disciplinary organization that would assist senior artists facing financial difficulties.

Physical assets, such as rehearsal and/or performance facilities, can also be transitioned from sole use to shared use as a company's cycle of activity provides openings to other companies and artists.

- 6.1.3 *Succession:* Given the current funding bottleneck, the Council must be transparent about its reasons for asking organizations about their transition and succession plans, without encouraging assumptions of entitlement to operating support.

Alternative organizational models should be supported for developing original work through multi-year projects, comparable to one-off film or theatre productions. Production and presentation infrastructures must be further developed to support this independent activity.

6.2 Inter-Arts

- 6.2.1 *Legacy:* Performance art and other interdisciplinary projects are often concept-driven; hence it is possible to document these practices to some extent through critical writing, as well as photography, video and digital means. Inter-Arts has funded a number of specialized publications to preserve this history. Currently some organizations funded by Inter-Arts publish their work on the Web. In the past, senior organizations such as Le Lieu and Western Front have videotaped their work. The PCH Canada Online program has provided funding to the Western Front for digitizing videotapes. Although the Council can't afford to do the same retroactively, it does fund visual documentation of current projects as an eligible expense. The Fondation Daniel Langlois has preserved some work in digital format and in their library. The Council should approach Library and Archives Canada to ask what it is prepared to do toward building a national collection.

Even in this relatively new and evolving discipline, key figures at established organizations, such as Michel Lemieux in Montreal, have reached mid-career. It is reasonable for the Council to begin asking what will happen to its investment in these organizations when the founders depart, and what plans they have to preserve their legacy. But the Council should confine itself to asking the questions at this point, rather than imposing answers or requiring legacy preservation measures as a condition for funding. Some groups may resist such questions coming from a funder; but the questions can be addressed in ways that will aid organizational health and improve prospects for a fruitful transition, if that is the appropriate outcome. The message should be simple: "Some day, change will come. How will you handle it?"

6.2.2 *Transition:* The Council needs mechanisms that are flexible enough to give organizations permission to change: to say to the Council, “Recognize the hybrid structure that we have become.” This approach would recognize an organization’s multiple activities. Sabbatical funding for artists and organizations would create opportunities for creative renewal. Rather than demanding that organizations produce a full season every year, they could receive funding for a transition year, allowing them to shift to another kind of creative activity: e.g. Karen Jamieson’s move to work without a company, Judith Marcuse’s evolution, or the One Yellow Rabbit theatre company launching a festival. The Council could provide models of success (and failure) of this kind and be open to supporting excellence with more flexibility.

Such an approach would *not* seek to maintain the status quo by keeping companies going indefinitely. It would accept that some companies have a natural life cycle, whereas others change their raison d’être, often by responding to community needs (e.g. for creating a local festival). Not every organization, therefore, should be required to have a succession plan, or more precisely a succession.

Allied with this is the need for a Fair Notice / Fair Access policy that makes room for new players, especially in new arts practices and announced Council priorities, such as the Aboriginal and culturally diverse communities. For the health of the arts ecology, the Council can’t keep saying “No more room.”

The Council also needs to be aware of issues for senior artists entering retirement without a pension plan or social benefits. Even if the Council lacks the resources to address these problems directly, it could study them as a follow-up to its legacy, transition and succession work, and approach the federal government with a proposal.

6.2.3 *Succession:* A paradox of arts funding is that, as the funder’s investment grows with time, artistic vigour and quality may decline. In some cases where succession has occurred, creative dynamism has lagged under the new leadership. In Inter-Arts, artistic vision and mandate are such personal things that the issue of succession may be problematic. Generally, the Council needs to develop a Fair Notice policy as a way to help senior artists and established organizations move on, e.g. to new roles such as mentorship.

6.3 Media Arts

6.3.1 *Legacy:* For media arts, legacy is not the issue that it is in other disciplines. Most media arts organizations are service-oriented, not creative production companies. They provide facilities, equipment, training or exhibition services to media artists. They don’t control the rights to works, although they may keep copies of members’ works or works they have funded. The legacy of media arts

organizations is, then, more a legacy of intent and practice, of how we do things, rather than a physical legacy.

This type of legacy is shifting and ephemeral, since media arts organizations are membership-based. Membership and staff personnel are always changing, so the organizations' vision and mandate change. The challenge is a lack of continuity and shared memory because of the constant turnover on boards.

The physical legacy is also compromised. About 500 short films are produced in Canada each year, but there is no national collection. This artistic legacy is scattered among various holdings – the Cinémathèque Québécoise, Cinematheque Ontario, Pacific Cinematheque, etc. Film distributors can end up as holders of legacy since they keep copies of works they distribute. A canon of Canadian short films has not emerged, although it is developing thanks to the prize system.

Hence the country's media arts legacy is diffuse and partly inaccessible – a situation compounded by the fact that film and tape deteriorate physically over time. It did not help that the Council dropped its support for preservation in the mid-1990s.

6.3.2 Transition and Succession: Since they are membership-based, media arts organizations, like artist-run centres in the visual arts, represent a different model from the artist-founder-driven model in the performing arts. Consequently, transition and succession also take a different form. The challenge is how to retain corporate memory, to sustain and share a common vision. The need is to encourage continuity at both the board and staff levels. The very openness of boards encourages churn and discontinuity. In fact, the most effective media arts organizations tend to have boards that are more closed and self-perpetuating.

The Council should be prepared to provide organizations with information on models and success stories before making demands for succession planning. New funding conditions require preparation time and hence adequate notice.

The ecology of media arts organizations consists of a few large, well-established organizations, community-based groups (such as regional cooperatives), and more ephemeral projects. In addition to variations in size and organizational model, organizations have differing mandates, from production to distribution to exhibition. Conceptualizing the community in this way leads to setting different expectations for each level, with amounts and mechanisms of support on a sliding scale. Succession is a greater concern in the larger organizations than in those with a fluid membership base. The Council should be able to move away from funding organizations whose creative dynamism lags.

The Council too needs to think about articulating and preserving its own legacy. It needs to prepare transition materials for new officers and section heads, in order

to provide them with a fuller understanding of what the Council has done, and why it has done it.

6.4 Music

6.4.1 Legacy: An arts organization's legacy is tied to its artistic vision. This is true of all organizations in music, but especially of creator-driven organizations such as New Music groups, festivals and choirs. The question is, how will the founder's vision and legacy be carried forward after his or her departure? Even if members are on the board to support the founder's vision, they must be made aware of their responsibility to deal clearly with this question as key to the organization's future.

In the case of large institutions, organizational health requires a broader commitment to understanding the distinct roles and responsibilities as between management and governance. The Music section requires institutions such as symphony orchestras and opera companies to articulate their broad artistic vision, separate from their programming, as part of the assessment process. Such institutional vision is ongoing and not merely subordinate to the personal interests of music directors, who come and go, often with very different agendas.

In music, the nature of legacy varies according to the type of organization. One aspect of legacy is tangible artifacts: recordings, concert programs, annual reports, even books, in the case of larger institutions. A major aspect of legacy lies in commissioning new works from Canadian composers. Orchestras, New Music ensembles and festivals are interested in preserving and honouring these legacies, but they need additional resources to do so adequately. The Canadian Music Centre conducts archiving and digitizing activities, but a shortage of funds requires it to be more selective than it is currently.

There is also the intangible but multifaceted legacy of relationships with audience and community: youth and school concerts, musical training offered by orchestra members, creation of smaller ensembles, and other forms of community outreach. The concert season is only the tip of the iceberg in terms of community impact and legacy.

A significant dimension of legacy is the need to address the dire financial circumstances of many senior artists, even renowned ones. Artistic fame in this country does not necessarily translate into a comfortable retirement. Artists remain working in organizations past retirement age because they can't afford to leave. More proactive public policies are needed to address this issue, involving such questions as tax treatment and social benefits.

6.4.2 Transition: Large institutions are generally more aware of the need to anticipate change at the top and more likely to develop practices to manage succession. Very few smaller organizations have planned for the future by

dealing upfront with issues of governance, institutional memory and succession. Tafelmusik is an exception and offers a model for others.

Generally, the Council should encourage the transition process by providing models and a checklist of questions for organizations to consider. Some questions would be more appropriate for large institutions: e.g. Have you developed a template for a search for a new music director; or for hiring visiting conductors? Others would be more appropriate for creator-led organizations: e.g. Will this organization continue beyond the current artistic director? If so, how have you planned for that eventuality?

Transition is a more difficult, emotional process for a founder-led organization, since it involves turning over one's creation to others. Many of these organizations are not prepared for the eventuality and do not have adequate understanding of the complexity or responsibilities involved in this process. The Council needs to be careful how it puts the questions to smaller, creator-led organizations.

6.4.3 Succession: Just as the Council is working on developing appropriate funding structures for different types of organizations (operating grants vs. multi-year project grants), it needs to apply different levels of expectations and criteria regarding transition and succession. Organizations should not be set up to fail – or to distort reality. A well thought-out communications plan, with adequate notice built in, is essential before introducing new requirements.

Valuable tools to facilitate succession planning would include measures to assist organizations through:

- mentoring
- professional development funding
- an expanded Flying Squad

Many music organizations have reached a critical juncture where the time is right for adopting these measures.

6.5 Theatre

6.5.1 Legacy: Canada's theatre companies have created a great deal of artistic capital. They do not have a copyright-based legacy, as in book publishing, since they generally are non-profit organizations that do not control production rights to plays. Instead, their legacy resides in their artistic vision, creative achievements (history of past successes), and ongoing relationships with their communities.

Acknowledging artistic legacy is important for keeping a theatre's creative spirit alive. The Canada Council has invested considerably in the production of Canadian works; our culture would suffer an artistic loss if a theatre company went out of existence without articulating, documenting and celebrating what it

has achieved. If a theatre chooses to continue in existence and receive public support, its board should have a responsibility to define its legacy and propose an action plan towards that objective. Costs related to legacy should be eligible in the operating grant program.

In order to ask theatres to plan for transition and succession, the Council needs to develop a policy on legacy. The policy should be rooted in the proposition that the Council is proud of its investment in Canada's artistic achievements of the past 50 years and wants to preserve those achievements for the benefit of the community. On that basis, we should ask organizations to define and conserve their own legacy. But we should leave the means of doing so to them, just as we leave it to them to define their own artistic vision and mandate. Whether a theatre's legacy is transmitted directly through its repertoire, for example, or indirectly through books, videos, etc., the choice is theirs. The Council would assess the organization on how it chooses to define and implement its own legacy plan.

- 6.5.2 *Transition:* A creatively dynamic theatre revisits its artistic vision regularly. A more critical transition point often arrives when the organization loses its founder. The organization may then face a choice between disappearing and transcending the founder. Responsibility for such choices resides with the board and should be covered by the organization's governance policy. Council should be requiring operating companies to have a transition plan, since it is crucial to their ability to redefine themselves.

Examples exist of Canadian theatres that have successfully redefined their mandate without abandoning their founding artistic spirit. They have negotiated transitions that were delicate but essential to the organization's continuation. Carbone 14, for instance, has evolved from being a production company to being a presenting venue, while remaining faithful to Gilles Maheux's creative legacy. Tarragon Theatre has continued to produce high-quality original Canadian drama since artistic directors John Glassco and Urjo Kareda passed from the scene. The inheritors of Jean-Pierre Ronfard have continued to pursue his mandate in experimental theatre.

Theatres like these show that new artistic directors can preserve key elements of the original vision and mandate, even while taking the company in new directions. Other companies have failed to negotiate this transition successfully. The Council could provide theatres with tools and incentives for success in the form of best practices, models and targeted support, through the Flying Squad.

- 6.5.2 *Succession:* Two models of implementing succession plans can be found in the Shaw Festival and the Quebec theatre for young audiences, Le Gros Mécano. At Shaw, incoming artistic director Jackie Maxwell joined the company to work alongside outgoing director Christopher Newton during a phased three-year transition. At Le Gros Mécano, a planned transition process saw the assistant

artistic director learning all aspects of the theatre's work and gradually taking over from the outgoing director over a four-year period. These staged transitions may be costly in the short term, but by making transition more seamless they produce long-term cost-benefits.

The Theatre section has designed a program that could support theatre companies make the transition to succession by new leadership. Still in the design stage, the Triple-Win Program would financially assist a company to implement a staged transition plan over a two to three-year period. The program would allow the company to hire a mid-career artistic or administrative director to work with, and learn from, a more experienced outgoing director; would fund a sabbatical year for the senior director; and would ensure the integration of the new director in a process of continuity. Thus the program's benefits would flow three ways: to the incoming director, who would receive professional mentoring; the outgoing director, who would receive an opportunity for professional renewal; and the company itself, which would be enabled to implement succession planning in a stable manner.

The background to this concept is that, in the past, many organizations employed assistant directors who would often succeed to the top position. But funding cuts in the 1990s eliminated the assistant positions, resulting possibly in burnout by managers. The Triple-Win would address this problem.

The Council should also provide organizations with a guide to best practices in legacy, transition and succession planning. Council's operating program guidelines should state that organizations need to prepare for succession when the time comes, but could also provide resources to assist the process, in the form of a best practices guide and a triple win program. In making these resources available, the Council would acknowledge that not all organizations will need them at present. But their availability would be a component of an effective Fair Notice / Fair Access strategy designed to make room for new creative work.

6.6 Visual Arts

6.6.1 Legacy: Across the spectrum of organizations supported by Visual Arts, very few are driven by individual creators. It is appropriate to expect large institutions, such as art museums, to develop legacy, transition and succession policies. Such institutions are less likely to make changes to their mission and mandate. They are also more likely to develop governance and human-resource policies, since they are accountable to their communities as well as to funders.

Artist-run centres, on the other hand, have greater capacity for flexibility and change in their artistic vision and mandate. This is because they are membership-based, responsive to artistic and social change, and subject to rapid turnover at both the board and staff level. Because of their nature and their position at the

cutting edge of artistic development, the Council should not ask artist-run centres *not* to change; however, the Council should expect sound management of that change. It would be valuable if the centres would articulate their legacy, in order to define more clearly what they are changing *from*. Their personnel are often so young that there is no institutional memory or continuity.

In either type of organization, responsibility for preserving legacy lies at the board level. The question is: how to require continuity on boards, especially at artist-run centres? Whether at the staff or board level, burnout occurs so rapidly, and personnel changes so frequently, that members often scarcely know one another.

6.6.2 Transition and Succession: Historically, the Council's Visual Arts section had an arm's-length relationship with organizations in the field. For example, we may identify problems at artist-run centres, but leave the centres with the responsibility for solving them. Recently, the Council resumed funding public art museums, and it has supported artist-run centres for three decades – hence the section is now looking more seriously at legacy, transition and succession issues.

Should the Council provide tools to assist organizations to address transition and succession issues? This might be desirable, since even smaller art museums lack the human resources to plan adequately. But Visual Arts would need additional resources to do this. At the present time, the section does not operate a Flying Squad, yet its organizational clients would benefit from consulting services in this area. There is no one solution that fits all.

Another way to frame the issue is in terms of accountability. There is a continuum of visual arts organizations by type and size, requiring different degrees of accountability at the artistic and/or structural levels. Large institutions need to be accountable both artistically and structurally, i.e. through governance and human-resource policies. Mid-sized organizations should be subject to less rigorous requirements, but could still be assisted to make structural improvements through extension of the Flying Squad to visual arts. Small organizations should be held accountable only in the artistic sense, funded more as multi-year projects. Indeed, some artist-run centres should not be treated like institutions, since their institutionalization may only lead to artistic stagnation and mediocrity.

6.7 Writing and Publishing

6.7.1 Legacy: Writing and Publishing funds a wide variety of organizational models. They include book publishers, which are usually for-profit businesses, and arts periodicals, *salons du livre* and literary festivals, which are not-for-profit and whose structures mirror organizations in other disciplines.

A publishing company's legacy is rooted in its artistic vision and expressed by its publishing program. As realized over the years, the publishing program results in intellectual property consisting of a backlist and an inventory of books or back issues. Author contracts and copyrights represent the basis for ownership of that intellectual property.

A publishing company's legacy also embraces less tangible assets. Ongoing professional relationships with writers are an indispensable source of future works. Relationships with all players in the interconnected network of the publishing trade are equally crucial: i.e. with literary agents, translators, distributors, retailers, libraries, schools, media, and international colleagues for export and distribution purposes. These relationships, combined with the publisher's reputation for publishing writing of quality, are assets resulting in the good will possessed by the company as part of its legacy.

From the above, it is clear that legacy implies much more than past achievements. A publisher's legacy means a great deal for the future potential of its publishing program – whether its capacity to attract new authors, reach national and international markets, or keep works in print. Similarly, the legacy of a *salon du livre* or a literary festival resides in its reputation and ongoing relationships with writers, publishers, booksellers and the reading public.

The Council's interest lies in seeing our literary legacy maintained in a healthy state, accessible to a wide public in Canada and abroad – an interest that in turn requires healthy literary organizations. The Writing and Publishing section sees planning around legacy, transition and succession as an essential part of a healthy organization.

6.7.2 *Transition and Succession:* For purposes of this study, there is a key distinction between book publishers and most other organizations funded by the Council. That distinction lies in the fact that book publishers are usually privately owned companies, i.e. proprietary assets operated (at least technically) for profit. Other organizations funded by the Writing and Publishing section – arts periodicals, *salons du livre*, literary festivals, or national arts service organizations – are not-for-profit entities governed by boards of directors, similar to organizations in other disciplines. Hence they fit more easily with the support models discussed elsewhere in this report.

In book publishing, boards generally play a smaller governance role than in not-for-profit organizations. Instead, transition and succession entail a change of ownership through a sale of shares representing a controlling interest in the publishing company; and sometimes a disposition of assets according to partnership agreements or inheritance plans. Consequently, certain aspects of legacy, transition and succession policies that may be adopted by the Council may not apply exactly to publishing companies.

On the other hand, the publishing industry already employs some of the modalities instrumental to good succession planning: e.g. mentorship and professional development. National arts service organizations in Writing and Publishing (for both books and periodicals, and in both French and English) deliver such services to their members with support from the Council.

The Council also recognizes the need to maintain support for a publishing program, in certain circumstances, after ownership of the company changes. The Council regards a publishing imprint as remaining eligible for support after a change of ownership, provided the imprint continues to operate a distinct and independent editorial program producing a sufficient quantity and quality of eligible titles.

A recent example of successful succession is the Toronto children's publisher Groundwood Books, which sold its shares and assets to another Canadian publisher, House of Anansi Press, but kept its distinct editorial program and personnel intact.

The Department of Canadian Heritage also provides significant support for book and periodical publishing. PCH operates an Industry Development Directorate in its Publishing Policy and Programs Branch. The directorate oversees a working group on succession issues in book publishing, involving industry representatives. In 2003, the directorate released a survey on succession planning by industry owners, and continues to develop policy in this area.

The Council's Writing and Publishing section will adopt guidelines and criteria for succession consistent with the ongoing policy work by this government-industry working group. Any Council measures to facilitate transition and succession planning would be complementary to PCH measures. If the Council were to integrate such measures into its Block Grant program, assigning a weight to succession planning in the assessment process, it would do so only after providing publishers with ample notification.

7. Other Funders

A selective examination of some other arts funders in Canada demonstrates that the Council's concerns about legacy, transition and succession are shared, to varying degrees, at both the federal and provincial levels.

7.1 Federal

The Department of Canadian Heritage supports arts organizations through the Canadian Arts and Heritage Sustainability Program (CAHSP). CAHSP aims to strengthen organizational effectiveness and build capacity in the arts and heritage. It has four components:

- Stabilization Projects (regionally based, independent agencies established for a limited term in partnership with provincial and other funders);
- Capacity Building projects (for individual arts and heritage organizations without access to support from a Stabilization Project);
- Endowment Incentives (matching private-sector donations to arts organizations); and
- Networking Initiatives (projects of national scope involving municipal cultural workers or Stabilization Projects across Canada).

Through these components, CAHSP encourages organizations to consider succession planning as a part of sound strategic and business practices. For example, in providing matching endowment funds to an organization, PCH requires the board to sign an agreement adhering to good business practices, including succession planning in addition to strategic and contingency planning, financial controls, management performance reviews, etc. Similarly, organizations receiving capacity-building funds are encouraged to plan for succession. The various Stabilization Projects also put organizations through a multi-year planning process that covers succession as well as deficit reduction and capital funding.

Clearly a complementary relationship exists between the Department's funding guidelines and the Canada Council's priorities in this area. Much of PCH's concern grew out of being repeatedly approached for financial bailouts in the 1980s and '90s by arts organizations with serious deficit problems. Many organizations that received deficit-reduction assistance went back into the red in later years. Often this was because their boards had not embraced good governance and had continued the same inadequate oversight of management practices.

The Department shares the Council's concern for good governance by arts organizations. PCH officials also appear to agree that the Council's developing Fair Notice / Entry strategy would be a legitimate strategy to apply to programs of operating support. There appears to be less direct departmental concern specifically with legacy, although the CAHSP components could be seen as building legacy for the future.

Meanwhile, the Department sees itself as broadly fostering long-term solutions (complementing, say, the work of the Council's Flying Squad): a) by promoting the social as well as economic value of the arts; and b) by assisting arts organizations to

become more deeply rooted in their communities. PCH pursues these goals by, for example, providing incentives for private donations and creating a national network of municipal culture officials.

The Cultural Human Resources Council also does intensive work in the area of professional training and career development in the arts. It has funded mentorship and training opportunities in conjunction with arts organizations and educational institutions; produced career-development materials for students; and conducted research and conferences on mentorship and other human-resource issues. The CHRC recently issued booklets for arts organizations on how to initiate an internal human-resource policy. In the private sector nationally, the Canadian Conference of the Arts has also recently conducted significant developmental work on a national mentoring strategy.

7.2 Provincial and Territorial

Some arts funders at the provincial and territorial levels are more concerned with legacy, transition and succession than others. These variations generally reflect the extent and maturity of arts development within different jurisdictions, and the length of time a funding body has been engaged in policy and program development.

Ontario has engaged these issues in various ways. In funding arts organizations, the *Ontario Arts Council (OAC)* gives financial and organizational effectiveness equal weight with artistic effectiveness. The OAC operates the Compass program, a near-relative of the Flying Squad: defined as a capacity-building program to assist organizational development in the arts through the use of specialized consultants, and individual development of arts leaders through mentorship. The Compass program organized the recent Re-Generation conference mentioned earlier, with a focus on fostering new arts leadership through succession planning, mentoring and professional development.

The OAC is developing plans to provide the arts community with tools in these areas. It has posted on its website a primer on human-resource issues, as well as the CCA's proposed national mentorship strategy. These are precursors to asking arts organizations to develop (as part of the OAC's assessment process for multi-year operating grants to be introduced next year) a succession plan and other human-resource undertakings in areas such as health, safety, remuneration and contracts. The OAC is also examining the potential role of arts service organizations in delivering H.R. services.

In addition to the OAC, Ontario funders such as the *Trillium, Metcalfe and Laidlaw foundations* are significant supporters of arts organizations for capacity building and endowment funding, complementing PCH programs.

In *Quebec*, representatives of the *Ministère de la culture et des communications* indicate that no formal policies are currently in place to deal specifically with legacy, transition and succession. However, the Ministère is certainly aware of these issues and permits

arts organizations to include in their business or strategic plans any measures proposed to deal with succession, and to incorporate the related costs in their budgets. It is left up to assessors and officials to review these expenses and decide on their admissibility for funding.

A major Quebec stabilization project, the *Fonds de stabilisation et de consolidation des arts et de la culture du Québec*, has the objective of eliminating deficits and restoring financial equilibrium in arts organizations. Having largely dealt with deficit situations, the Fonds has developed other programs for:

- Promoting stabilization of arts and culture organizations through support for organizational development – among other things, this program has enabled the employment of hundreds of cultural workers; and
- Encouraging the entry and integration of young artists, artisans and cultural workers into the arts labour force, while facilitating the transfer of knowledge and expertise between generations.

The *Conseil des arts et des lettres du Québec (CALQ)* provides multi-year operating grants to arts organizations. The CALQ includes among its assessment criteria organizational and human-resource planning. More recently, it has begun to negotiate funding agreements with some larger institutions in the performing arts, i.e. organizations that are no longer founder-driven. These contracts stipulate objectives for the organization, including plans and procedures for transition and succession at senior levels. The CALQ is in the process of developing further expectations and requirements in these areas.

The *Conseil des arts de Montréal* reports that it is also aware of these issues, but has not yet adopted measures to address them.

The *Manitoba Arts Council (MAC)* is currently conducting a major review of its support for arts organizations, including questions on organizational health, transition and succession. The MAC regards good governance and management as having equal importance with artistic quality. In preparing to negotiate funding agreements with its clients, the MAC is considering requiring boards to adopt succession plans: a step intended to avoid repeating situations from the past where large institutions went for long periods without artistic leadership. By adopting legacy and succession policies as part of its governance policy, the MAC could press boards to take their responsibilities more seriously and improve communication on these issues with artistic personnel.

The MAC is also looking at providing more managerial and technical resources to organizations: e.g. a self-assessment tool, which would allow organizations to assess their own situation. If a board has a checklist of the right questions to ask, it can help them arrive more expeditiously at their own solutions – a self-help approach, distinct from sending in a consultant to tell them what to do.

Major questions to ask are how the organization relates to its community, and how the community values it. This in turn relates to the question of how to advocate for increased public funding to sustain 40- or 50-year-old institutions at a time of scarce public resources. Audiences and markets are changing, and we need to find ways to increase public participation in the arts, utilizing the educational system. At the same time, it's important to ensure that emerging and culturally diverse artists have the opportunity to experiment and create. This suggests the need for a Fair Notice / Fair Access strategy. The MAC would also like to see more tripartite cooperation involving itself, the Canada Council and PCH in assessing organizations.

Other provincial funding bodies share these concerns with legacy, transition and succession, even if they haven't yet developed formal policies or integrated them into their criteria for assessing arts organizations.

The *British Columbia Arts Council* is considering its role in relation to these questions, and in sharing responsibility for them with other funders, such as the Canada Council and a B.C. partnership, Arts Partners for Organizational Development. B.C. arts officials are cognizant of the issues and point to sound succession planning already conducted in their province, e.g. by the Vancouver International Writers' Festival, as possible models for others.

The *Saskatchewan Arts Board* conducts multi-year assessments of arts organizations and places stated priorities on organizational health as a determinant of sustainability, and on healthy arts organizations as an essential component of a healthy society.

The *Alberta Foundation for the Arts*, the *New Brunswick Arts Development Branch*, the *Nova Scotia Department of Tourism, Culture and Heritage* and the *Newfoundland and Labrador Arts Council* have all demonstrated varying degrees of concern for stabilization, sustainability and governance.

8. Recommendations

The findings above address the question whether the Canada Council for the Arts should require arts organizations to plan around legacy, transition and succession. These findings point to three broad conclusions:

1. Planning for legacy, transition and succession is now a critical need, both for Canada's arts organizations and for the Council and other public funders, which require some assurances about the future of their investments;

2. Arts organizations need to conduct such planning now, rather than at some undefined point in the future, when it may be too late to plan effectively; and
3. The diversity of arts disciplines, practices and organizations suggests that the Council should take a flexible approach to formulating its policy objectives, assessment criteria, and program components in this area.

These findings and conclusions give rise to the following recommendations. They attempt to reflect the importance of legacy, transition and succession as interrelated expressions of the past, present and future of arts organizations in Canada.

8.1 Recommendation 1: Policy Statement on Legacy, Transition and Succession

It is recommended that the Canada Council for the Arts adopt the following policy statement. Its purpose is to reflect the Council's commitment to ensuring that arts organizations acknowledge and act on the need to conduct legacy, transition and succession planning as vital aspects of organizational health:

The Canada Council for the Arts places a high priority on the organizational health and sustainability of Canada's arts infrastructure, in order to support creative risk-taking and artistic excellence. Therefore the Council will ask organizations applying for operating support to address the related needs to: a) articulate their artistic and organizational legacy, along with plans to preserve that legacy; and b) outline their transition planning, as well as plans for future succession by new artistic or administrative leadership.

The Council will integrate these questions into its criteria for assessing organizations applying for operating support in each discipline. It will also develop program resources and mechanisms to materially assist organizations to meet the new criteria. In developing these criteria and resources, the Council will remain flexible and mindful of the diversity of organizational practices and models in the various disciplines, and the diversity of organizations' approaches to their future.

*In this context, the terms **legacy, transition and succession** are defined as follows:*

*The **legacy** of an arts organization represents its accumulated artistic capital, derived from its artistic mission, vision and mandate. Artistic capital is realized over time through the whole of the organization's creation, production and/or dissemination activities. Legacy also embraces relationships built with the organization's various communities; its intellectual property; archives documenting its creative work; and facilities or equipment essential to fulfilling its mandate.*

***Transition** in an arts organization is a process of managing major change related to artistic mission, vision and mandate, which involves a reassessment of the organization's strategic plan, and may result in a variety of outcomes: e.g. a new mandate, a restructuring of administrative or governance responsibilities, a search for an appropriate successor(s) to take the organization into the future, or even cessation of operations.*

***Succession** in an arts organization is a leadership change, resulting from implementing plans and procedures for seeking new leadership to realize the organization's evolving artistic mission and strategic objectives.*

8.2 Recommendation 2: Assessment Criteria

To meet the objectives of the policy statement above, **it is recommended** that the Council introduce into its programs of operating support, with fair and ample notice, new criteria for assessing arts organizations. The aim is to ascertain that organizations are fully aware of their artistic and organizational legacies, and capable of planning to manage change. These criteria can be subject to variation by each section to reflect its discipline's specificities – in terms of written questions, peer assessment, and weighting in the assessment process. The criteria should apply to seeking the following information from organizations applying for operating grants:

Legacy: A brief statement, minimum one page or more, describing the organization's artistic and organizational legacy as defined above, and outlining intentions for preserving it.

Transition: A description of the organization's approach toward preparing for transition as defined above.

Succession: A description of the organization's plans and procedures for succession as defined above.

Flexibility in administering these criteria means acknowledging disciplinary specificities, but also recognizing that organizations will vary according to the priority placed on transition and succession planning. This could be because of their stage of development, or because they do not foresee continuing beyond the term of the founder. Even in such cases, however, the requirements should apply. In the first case, developing such plans and procedures will benefit the organization's evolution; and in the second, it will help to plan a fitting denouement.

In applying these criteria, the Council will be asking appropriate questions and asking applicants to answer them in ways appropriate to their organization. Peer assessors should seek simply to ascertain that an organization has addressed the questions in a serious and thoughtful way, rather than judging the "correctness" of their responses.

Applicants will need fair notice of these new requirements, allowing them adequate time to prepare serious and thoughtful answers, and to access available resources needed to facilitate the planning process.

8.3 Recommendation 3: Program Resources

It is reasonable for arts organizations to expect that, if the Council is placing new demands on their already strained resources, it will equip them with additional resources to help them meet these demands. Such resources could come in the form of program funding and/or non-financial tools. The diversity of organizational models in the arts suggests that a range of different resources is needed to assist transition and succession planning, so that organizations of all types and in all disciplines may benefit.

Within the Council, the most highly developed program idea to assist organizations with transition and succession is the Theatre section's proposed Triple-Win program, described above. It addresses the particular needs of theatres seeking to renew artistic or administrative leadership. Other sections could adapt this program concept, or a variant of it. Its modalities may be appropriate to some organizations or disciplines, but not to others.

One excellent model for a non-monetary resource that the Council could provide to arts organizations is *Planning for Succession: A Toolkit for Board Members and Staff of Nonprofit Arts Organizations* by Merianne Liteman. This 32-page booklet is published and distributed by the Illinois Arts Alliance Foundation in Chicago. Written by a management consultant and author with expertise in the arts, the booklet offers persuasive arguments about why arts organizations need to plan for succession; key issues to think about; and practical, step-by-step advice about how to conduct an effective search for new leadership. The booklet's basic message is the superiority of preparedness over crisis management: "The process should not begin with a single, dramatic, out-of-the-blue event. Instead, a smooth succession is a flow of events that occur over time."

Armed with a similar toolkit from the Council containing key issues, best practices and lessons learned, organizations could adapt its ideas to their own situation.

As another resource supplementing the toolkit, organizations could be assisted to utilize consulting expertise targeted to their particular discipline and cultural milieu. The Council currently offers this kind of consulting assistance through the Flying Squad – but at the moment, only to organizations in Dance and Theatre. At least two other sections (Music and Visual Arts) expressed a strong interest in acquiring Flying Squad services for their discipline. Accordingly:

It is recommended that the Council explore the feasibility of offering several types of program resources to arts organizations receiving operating funding, to assist them in

legacy, transition and succession planning. These resources would include some or all of the following, depending on availability and timing of funds:

1. *A legacy, transition and succession toolkit, both in print and online, containing:*
 - a checklist of key issues to consider and questions to ask in self-assessing needs and setting objectives;
 - a summary of best practices derived from successful cases of transition and succession planning and implementation, coupled with preserving and celebrating legacy; and
 - a selection of models reflecting actual examples in the various disciplines and various types of organization, i.e. institutions, individual-driven organizations and group-driven organizations, that the Council supports.
2. *Professional development resources for national arts service organizations and other entities* to hold workshops for organizations on legacy, transition and succession planning; and
3. *Access to consulting assistance from an expanded Flying Squad* to provide expertise on legacy, transition and succession planning, especially as linked to strategic planning.

8.4 Recommendation 4: Related Options: Legacy

The scope of this study suggests a wider view of the subject, especially in regard to Canada's increasingly large and multifaceted arts legacy. Since these other dimensions of legacy fall slightly outside the study mandate, they are not explored in detail in this report. Instead, they are summarized below in the form of recommendations for consideration by the Council.

8.4.1 Canada Council 50th Anniversary Publication

Asking arts organizations to articulate their legacies raises the fact that the Council itself is the largest collective repository of knowledge about Canada's artistic legacy over the past half-century. This repository will grow greatly as and if arts organizations document their individual legacies with the Council. As the national funder of the arts, and as their major advocate with government and the public, the Council has a unique opportunity, indeed responsibility, to make this knowledge publicly accessible. The Council's approaching 50th anniversary provides the natural and appropriate occasion to do so.

It is recommended that, in marking its 50th anniversary in 2007, the Council prepare for publication an illustrated book celebrating the achievements of Canada's artists and arts organizations. Such a volume would be widely valued and appreciated as a gift to the arts public and arts community. It would be offered as a salute to artists, rather than a piece of institutional promotion. It would have a long shelf life, both as a contribution to Canadian cultural history and a long-term advocacy tool. The Council would limit its expenses to funding preparation of the text and illustrations. Design, production, marketing and distribution costs would be borne by the publishers of French and English editions, selected through a competitive bidding process. For advocacy purposes, the Council could order bulk quantities from the publishers on advantageous terms.

8.4.2 A Guide to Archiving Artistic Legacy

The physical legacies of our arts organizations are too valuable to lose. In a real sense, they belong to the public, which has supported these organizations as audience and funder. Yet most organizations lack the resources and knowledge to archive their own legacy in a professional manner, and to make it available in appropriate ways to researchers and the public. A useful Canadian model in this connection is the handbook for archiving dance legacies by Lawrence Adams, cited on page 14.

It is recommended that the Council, in collaboration with the Department of Canadian Heritage and Library and Archives Canada, develop a guide to assist arts organizations in collecting, documenting and preserving their artistic legacy, and in identifying suitable archival institutions to house it. Such a guide would have the related objective of encouraging arts organizations and archival institutions to work together to achieve common goals.

8.4.3 New Financial Resources for Legacy Preservation

Canada's arts organizations are already seriously underfunded and underresourced for carrying out their regular programming. They will require additional financial and human resources to conduct legacy preservation.

It is recommended that the Council work with the Department of Canadian Heritage and Library and Archives Canada in seeking financial resources to fund arts organizations to preserve their legacy.

8.4.4 Canada Council Internal Legacy Documents

The question of institutional memory is at issue in the Council as well as in client organizations. Why do we do the things we do, and in this particular way? How did current policies and programs evolve? What has been tried in the past but discontinued?

The time is fast approaching when key individuals will no longer be available to answer these questions.

It is recommended that the Council develop information sources for internal use to document the evolution of its policies and programs, both within disciplinary sections and Council-wide. Such information will provide senior management, board members, section heads, program officers and other staff with vital historical and contextual understanding of Council processes, practices and achievements.

8.4.5 Recognizing the Legacy of Senior Artists

Interviews with section heads and program officers repeatedly raised the issue of the dire economic circumstances of many of our most celebrated artists now in retirement or approaching it. Our senior artists have left us an invaluable legacy, and we as a society owe them tangible recognition in return. Although the Council itself lacks the resources to address these issues directly, it is in a position, as Canada's best informed and respected public voice for the arts, to bring the situation to the attention of policymakers. It could, for example, provide input to the Department of Canadian Heritage as PCH considers the proposal from the Dancer Transition Resource Centre cited on page 15.

It is recommended that the Council use its good offices with the Department of Canadian Heritage to initiate an in-depth federal study of the retirement needs of Canada's senior artists, covering health, economic, taxation and social-benefits issues.

Conclusion

Ultimately, the objective of encouraging organizational health in the arts is to support creative risk-taking and artistic excellence. The basic intent of this report is not to promote indefinitely the status quo in the Council's support for arts organizations. Rather, it is to reflect the importance of the Council's investment in those organizations by requiring planning around legacy, transition and succession issues. The report's recommendations attempt to make it more possible for the Council to assess, and for arts organizations to implement, such planning.

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Legacy Transitions can make succession planning easier for companies, so they can manage work and make the out-boarding process simple and hassle free. He also did some time in the not for profit world as well as being an entrepreneur himself. All these experiences have given him a great deal of wisdom, a boatload of experience and a well-shaped perspective on life, work, and happiness. He now brings that experience to focus on one thing - Legacy Transition Coaching!! Legacy Transitions Bob Foley. Careers. People often think succession planning is awkward to talk about, so a lot of the things we cover in this survey have been largely ignored by corporate teams over the past few years but these are important conversations to have because we can't allow the different generations in our organizations to become siloed. You can take the survey yourself by clicking right here it's completely free and we don't even ask for your email address. FP Transitions defines succession as a gradual transition of ownership and leadership to the next generation of advisors preferably a team of advisors. Among other things, planning takes into account the owner's (or owners') age, health, time frame, and family needs. You may want to create a legacy, spend less time in the office, cash out or maintain current cash flow for as long as possible. These all are valid goals and a good place to start building.