



The Value of Arts for Business

The traditional view of the relationship between business and the arts is very much a one-way affair: organisations may endorse, fund or publicise the arts but the arts have nothing to offer from a business perspective. *The Value of Arts for Business* challenges this view by showing how the arts, in the form of Arts-based Initiatives (ABIs), can be used to enhance value-creation capacity and boost business performance. The book introduces and explains three models that show how organisations can successfully implement and manage ABIs. First, the Arts Value Matrix enables managers to see how organisational value-drivers are affected by ABIs. Second, the Arts Benefits Constellation shows how to assess the benefits of using ABIs. Finally, the Arts Value Map shows how ABIs can be integrated and aligned with organisational strategy and operations. These models lay the foundations for a new research area exploring the links between the arts and business.

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To Gabriela for always supporting me in my path . . .

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Giovanni Schiuma

Foreword

What is the value of arts in business? What is the role of the arts in management? How can the arts contribute to develop organisations and boost business performance? Why do organisations need to absorb the arts in their working mechanisms and business models? These are some of the crucial questions that occupy the debate about the strategic relevance of the arts in business. Giovanni Schiuma provides answers to these fundamental issues and shows how the arts can enhance organisational value. In *The Value of Arts for Business* the author argues that the arts represent a new ‘territory’ to innovate management systems. Through the implementation of Arts-based Initiatives (ABIs), managers can both manage the organisational aesthetic and develop their people and infrastructure.

Arts & Business works to bridge the worlds of arts and business and to create a platform to support the growth of the business capacity for the arts. Fostering the creation of partnerships between arts and business, we have addressed a twofold goal. On the one hand we have transferred the mindset of business to the arts, in order to sustain the development of arts organisations through the deployment of business principles. On the other hand we advocate and facilitate the adoption of the arts in business, as a tool to help organisations face management challenges. This book explains the strategic relevance and contribution that the arts can offer for the development of twenty-first century organisations.

An important focus of our work with partners from arts and business has been to encourage business to look to the arts for solutions to some of the key challenges they face. We have fostered a wide spectrum of business engagement with the arts, creating new ventures, new types of relationships and new ways of doing business. One

of the main problems we have dealt with has been the difficulty to systematically elucidate and assess the benefits that organisations can achieve by absorbing the arts in their working mechanisms and management systems. Although we have been working with many organisations, only a few businesses seem to have a clear understanding of what the arts can deliver in terms of their likely impact on performance improvements. On the other hand, arts organisations and artists still lack a thorough understanding of how they can contribute to the development of organisations and build sustainable partnerships producing mutual benefits.

The importance of clarifying how the arts can contribute to the development of organisations is even more crucial in today's complex business landscape. As organisations search for new solutions to engage and improve the working life of their people, face difficult management challenges, generate experience-based market value and spur resilience and innovativeness, the arts can help them to find new possible solutions to emergent business problems. This suggests that the relationships between the arts and business have to evolve beyond the more traditional arts-based training and professional interventions, sponsorship engagement and creation of art collections. Through this scholarly book, Giovanni Schiuma shows how the arts can have a positive impact on the enhancement of organisational value. In today's new economic age, the arts can represent a 'revolution' in innovating management practices, providing tools to manage organisational aesthetic experiences and properties. This book makes a significant contribution to strengthening the conceptual and managerial base for understanding the value of arts in business and how ABIs can impact on business performance. The proposed frameworks will help managers and arts-based organisations to better design, implement and assess ABIs that are fully incorporated into management systems.

Today, with so many management challenges and business problems that are radically changing the economic and competitive scenario, it is critical for organisations to identify new knowledge to inspire management innovations. I believe the arts can provide tools and techniques to transform business models. Understanding how the arts work to sustain and drive organisational value-creation is a crucial first step in adopting art forms as management tools. For this

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reason, *The Value of Arts for Business* is an authoritative research work that will help organisations to understand what the arts can do for them.

Colin Tweedy
Chief Executive, Arts & Business