

Arts and Culture Organizations—The Overlooked Anchors

<http://icic.org/blog/arts-culture-organizations-overlooked-anchors/>

Written by Kim Zeuli and Zachary Nieder

Anchor organizations have strong roots in their local communities because of their history, institutional mission, significant capital investments, land holdings, or reliance on local markets. They already play a significant role in the local economy and have a long-term interest in seeing their local communities thrive.

“Eds and meds” are the conventional anchors—and remain the focus of most anchor initiatives. But a few arts and culture organizations, such as the New Jersey Performing Arts Center in Newark and Yerba Buena Center for the Arts in San Francisco, are beginning to change the narrative, claiming seats at anchor collaboration tables in their cities and begging the question—why aren’t more arts and culture organizations adopting anchor strategies?

Most arts and culture organizations are as deeply rooted in their communities as hospitals and universities. Large museums, performing arts centers, and other arts and culture institutions may close, but they rarely move to another location. They often have significant assets to leverage and already play a significant role in local economies, especially in distressed inner cities.

In total, arts and culture organizations represent just over four percent of U.S. gross domestic product (\$763.6 billion) and support nearly five million jobs, of which 12 percent are in the inner city. Performing Arts organizations are particularly important for inner cities: 24 percent of all Performing Arts jobs are in the inner city.

A New Partnership at the Intersection of Anchors and Arts and Culture

The [Initiative for a Competitive Inner City \(ICIC\)](#) and the [Kresge Foundation's Arts and Culture Program](#) are working together to answer this fundamental question, to catalyze more arts and culture organizations to adopt anchor strategies and increase equitable economic growth in their communities. The partnership brings together two organizations with deep expertise in anchor strategies (ICIC) and arts, culture and community development (Kresge).

Over the past fifteen years, ICIC has been at the forefront of anchor research and practice, providing thought leadership in the field and practical guidance for organizations and cities interested in implementing anchor strategies to maximize economic opportunity.

Kresge's Arts & Culture Program primarily focuses on Creative Placemaking, an approach to equitable community development and urban planning that integrates arts, culture and community-engaged design strategies. Kresge's unique niche in Creative Placemaking is demonstrated through a commitment to influence community development-related systems and practices in ways that expand opportunities for people with low incomes in cities.

ICIC's Strategic Anchor Framework

Cluster Anchor	Stimulate growth of related businesses and institutions in the community Organizations can have a profound impact on industry clusters, spearheading their growth throughout the region, thus creating a healthier business community, improved productivity, and a stronger brand. The community benefits from jobs, a stronger tax base, and more research and development funding	<i>Business incubators, providing grants, offering low-cost space for new businesses</i>
Community Infrastructure Builder	Providing resource and expertise to build local community capacity Organizations can use traditional levers of community engagement to both advance work in other roles and to use the organizations' particular competencies to address high-need areas of the community	<i>Improvements to educational systems, public infrastructure</i>
Core Product or Service	Tailor core products/services to serve the community Community-centric approaches, such as addressing issues of access and affordability or developing new approaches and products tailored specifically to the community, will have direct relevance to the organization's core market	<i>Leveraging expertise and resources to improve the health of community</i>
Employer	Offering employment opportunities to local residents Organizations can capitalize on local talent, which leads to more success in hiring, better employee retention and more engaged employees. The community benefits from local, accessible jobs with opportunities for advancement, increased demand for local goods and services, and increased dollars spent in the community	<i>Local hiring programs</i>
Purchaser	Directing institutional purchasing toward local businesses Organizations can extend minority- and women-owned business purchasing programs to include locally based suppliers, creating a more competitive pool of vendors and suppliers that are better able to meet the organizations' needs, thus creating local jobs and a healthier business environment, as well as improved neighborhood amenities	<i>Local procurement programs, local supplier support programs</i>
Real Estate Developer	Use real estate development to anchor local economic growth As real estate developers, organizations can be catalysts for economic development in their communities. In doing so, the organization increases its access to desirable real estate and the ability to leverage private development money, and the community benefits from real estate development in distressed areas and enhanced safety	<i>Developing retail space, art galleries, or performance space in community</i>
Workforce Developer	Addressing workforce needs of the cluster Organizations can create education and training initiatives targeted to preparing residents for jobs with the organizations, which creates a stronger applicant pool, committed employees, and improved employee retention. The community benefits from access to appropriate local jobs, job training, and opportunities for advancement	<i>Job training programs, partnerships with local schools and universities</i>

A Rigorous Inquiry into the Issue

ICIC and Kresge's research will address gaps in understanding key drivers of anchor engagement by arts and culture organizations. Are their incentives different from other organizations? Do they face unique barriers? Based on theory and experience, we have developed a set of hypotheses on drivers for anchor engagement that include the role of external forces (depressed economic and social conditions), funding pressures, and the presence of other anchor collaboration initiatives in their city. Hypotheses on internal forces include the effect of new leadership, board members from other organizations that act as anchors, and the age and type of organization.

The research is guided by an advisory committee consisting of representatives from diverse arts and culture organizations, arts-focused nonprofits, academia, community development organizations, public agencies, foundations and anchor collaboratives.

To test these hypotheses, we will conduct in-depth research on 18 arts and culture organizations across the country that represent different levels of anchor engagement and control for differences in other organizational characteristics (size, type, board composition, etc.). We made a concerted effort to surface new examples and models of arts and culture organizations implementing strategic anchor initiatives, beyond the usual suspects already covered in other reports.

We will also test our theories by reviewing six cities across the U.S., analyzing how the different economic, demographic, cultural and structural contexts of each city influences anchor engagement by local arts and culture organizations.

Cities and Organizations Included in Our Research



Expected Outcomes

The research will highlight a variety of models for anchor engagement to resonate with the broadest possible spectrum of arts and culture organizations. We want all types of organizations, in all types of settings, to read about a situation that is similar enough to their own to be useful and inspiring. We will also surface anchor practices and strategies relevant to the missions and day-to-day operating realities of arts and culture organizations, which fills a gap in the current offerings focused on eds and meds.

The research will also integrate insights from Creative Placemaking, a powerful platform for arts and culture organizations to address cultural, community and economic development in their communities. We will highlight the complex interplay between Creative Placemaking and anchor engagement, neighborhood investment, and long-term community stability.

Ultimately, the research will provide inspiration and guidance for arts and culture organizations, funders and the public sector on how these organizations can leverage their strong community ties and assets to drive deeper engagement in their communities. By doing so, ICIC and Kresge seek to magnify the existing and potential impact of arts and culture organizations as catalysts of equitable economic growth in U.S. cities.