



The role of diversity in building adaptive resilience

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1. Purpose and methodology

This document aims to support conversations between Arts Council relationship managers and arts organisations, and to support the creative case for diversity in the arts.

The context of this work is threefold: the Arts Council's 10-year strategic framework, *Achieving great art for everyone*, the repositioning of the Arts Council's equality work to what it calls the Creative Case, and finally the Equality Act 2010. These three elements combine to ensure that when the Arts Council talks about diversity it is describing the broadest definition, not only areas of race, gender or disability, for example.

The Arts Council's diversity and equality work is integrated in the framework of *Achieving great art for everyone*. It is informed by the creative case for diversity, which is an arts-driven approach that seeks to find the best approaches to liberating artists from imposed labels by making the discussion first and foremost about quality art.

This document builds on the case for diversity as culturally productive for artists, audiences and communities. It positions diversity as a way to increase the adaptive resilience of organisations, making them less vulnerable to unexpected change. It is designed to support conversations about business planning and Key Performance Indicators, as well as to be useful in the context of ongoing work around equality schemes, which will be required by April 2013.

The key elements are:

- a framework identifying eight characteristics likely to increase the adaptive resilience of organisations, and how embracing diversity can help build these
- a case study from the private sector illustrating the business case for diversity
- a set of case studies of arts organisations that embrace diversity
- 10 key lessons drawn from the research
- a set of questions that may be useful for stimulating discussion within organisations considering the benefits of embracing diversity

'Resilience', 'diversity' and 'diverse' are such bandied-about words, it is worth defining what we mean when we use these terms. 'Adaptive resilience' is used as defined in Mark Robinson's paper *Making adaptive resilience real* (Arts Council England, 2010, p14): 'Adaptive resilience is the capacity to remain productive and true to core purpose and identity whilst absorbing disturbance and adapting with integrity in response to changing circumstances.'

'Diversity' and 'diverse' are predominantly used here in their broadest and most literal sense: to refer to things or people that are not the same, different from each other,

divergent, various in nature. This encompasses what might be called specific diversities of particular relevance to Arts Council England's strategic frameworks:

- **Creative diversity** – a range of inclusive approaches to the arts and artists *rather than* a single dominant aesthetic, methodology, technology or framework
- **Workforce diversity** – an inclusive, representative range of people, with particular reference to gender, race, religion, class, sexuality and education *rather than* a place where people look, sound and think the same as each other
- **Audience or market diversity** – markets or audiences for the arts which are inclusive *rather than* excluding any particular groups or communities and different from each other *rather than* essentially very similar to each other.

This framework is based on the eight characteristics of resilient arts organisations identified in *Making adaptive resilience real*. A short literature review looked at the links between diversity and resilience in business, to inform a review of these characteristics. This identified elements you might expect to find, and the potential role of diversity in increasing this aspect of adaptive resilience. This was then complemented with interviews with arts organisations where diversity had been important, and a private sector example. Lessons from these case studies were then built into the final framework.

2. Diversity and adaptive resilience: discussion

'The more diverse a network, the greater its ability to respond to change,' says the Law of Requisite Variety.¹

This work arose from a 'hunch' that there was some connection between the characteristics of resilient organisations and the embracing of creative diversity. The research suggests that hunch was right, although this is far from an exhaustive study.

We found the creative case to be very similar to the business case for diversity in the private sector. A range of talent provides multiple perspectives, which are ever more important as the world and our culture changes. Nurturing diverse perspectives means nurturing talent from many different sources and backgrounds – so audiences can benefit from the best talent available, rather than that from 'the same old' sources, creating a kind of monoculture.

The Arts Council has supported the sector in many different ways to respond to the need and responsibility to diversify. This has been done through leadership and positive action schemes, through policy initiatives, through the introduction of race and other equality schemes and through creative projects. What is striking about the people we spoke to in researching this paper is the importance of mindset. This is more important than policies and procedures – although this is not to say those are not necessary also.

We would suggest that there are a number of aspects to a mindset which positively embraces and can manage diversity to increase the willingness, skills and resources to adapt while staying true to purpose. The mindset needs to be:

- **Reflective:** Organisations that do not reflect upon themselves and their activity become more vulnerable to change over time. Leaders can encourage a reflective mindset in their teams, taking on board – and sharing – data and views from diverse perspectives. (Reflection within a monoculture can become a self-fulfilling prophecy.) Reflection alone is not enough: people must take necessary actions.
- **Open:** In order to encourage genuine diversity, organisations need to become more open in their approaches, dialogues and thinking. They need to avoid becoming fixed structurally or in their offer, and invite in other views and voices. A non-hierarchical mindset enhances the creative use of diversity. Open, honest dialogue characterises exemplar organisations.

¹ Patti Anklam *Net Work: a practical guide to creating and sustaining networks at work and in the world* (Elsevier, 2007)

- **Adaptive:** Embracing diversity can lead to change in cultures and an adaptive mindset can encourage and manage this. Such a mindset typically makes many small changes in response to ideas and context, rather than, say, big changes every few years. It adapts itself around clear core values and a shared purpose, but stays true to its core purpose and identity. Sometimes, however, organisational transformation may be what is needed to do that.
- **Responsible:** Adaptive resilience is not simply about individual organisations but the whole cultural ecology. A mindset that actively embraces a responsibility to this ecology and a responsibility to use public investment for broad public good as well as organisational benefit can use its capacity to nurture new and diverse groups, and serve diverse artists and audiences.

Clear leadership rooted in authenticity, identity and values is key to bringing these traits together. Diversity is nurtured by a flexible, open and transparent culture, encouraging discussion and debate. Where this is not in place, an apparently diverse workforce, or those elements of difference within a workforce, can become homogenous, and simply succumb to a dominant culture. (A pattern observed by some members of under-represented groups when stepping into organisations.)

The way diversity is lead within an organisation can move from being 'simply' natural and 'just there' within that organisation's identity to being highly focused, intentional and strategic, and vice versa. Deeply embedded values and identity can be used to reinforce strategic intent, which seeks to make change, either within the organisation, in the sector or in the local community. Programming choices may target certain audiences but only in so far as they serve the core mission and identity. Resilient organisations have a strong culture of shared purpose and values, and the creation of that culture is arguably the key leadership task.

Diversity has the greatest impact when it is actively structured into the culture at all levels. This might mean reserving places on the board for young people (as Contact does) or considering audiences very carefully (as Theatre Royal Stratford East does), engaging deeply with new communities (as seen in Craftspace's work) or rooting induction processes in local neighbourhoods (as Punch does). It needs also to recognise and manage the challenges a diverse approach can bring.

It is important to note that a creative approach to diversity is by no means a panacea or easy route to a more resilient future. If diversity is so helpful in building resilience, one might ask, why were such a high proportion of the Black and minority ethnic and disability-focused organisations that applied to become part of the National Portfolio rated as weak on finance and on management? Some organisations that focus on serving particular audiences, such as Black and minority ethnic, lesbian, gay, bisexual and transgender or disability communities, can find it difficult to build the broad audience base and organisational assets that help create a diversity of reliable income

streams. Their contribution to the wider diversity of the sector can, ironically, make it harder for them to build their own resilience – by serving ‘the margins’ and representing the un(der)represented, they invigorate the mainstream but run the risk of remaining marginal themselves. Programme diversification remains a challenge.

Many Black and minority ethnic and disability-focused organisations face difficulties because of their small scale making it harder to build capacity and assets. Collaboration with other people can help address this, but should be rooted in first looking deeply at themselves and what they can do, making a positive asset of their different skills and knowledge.

Elements of the case studies suggest ways forward from the dilemma of small scale. Firstly, focusing on developing ownership of physical and intellectual assets, and then partnering with others that have access to other audiences, as say Theatre Royal Stratford East has done with its musical transferring to the West End, can be beneficial. Secondly, taking a flexible approach to project and company structures, as Watershed has done, can maximise financial, cultural and what might be called resilience returns. Thirdly, identifying and strategically building unique skills and networks, as Punch and Craftspace have done, can have multiple benefits: new income streams, greater profile, staff development, and, perhaps most importantly, breaking out of the ‘diversity’ pigeonhole while holding on to what makes the organisation valuable. Heart and Soul and DaDa demonstrate the benefits of focusing on production and promotion of the artistic aspirations of diverse communities.

As with all businesses, diversity-focused organisations may have a natural psychological tendency to revert to type under the pressures of the current economic and funding environment, or to make safety-first choices. Our analysis of how embracing diversity can help build adaptive resilience suggests that continued risk-taking and innovation is essential to future viability.

3. Case studies

These case studies are provided to:

- Illustrate real-life examples of some of the characteristics likely to build adaptive resilience
- Provide examples of good practice
- Explore some of the dilemmas and tensions inherent in embracing the creative case for diversity

It is important to note, of course, that each organisation operates in its own context and lessons should not be applied in or to another organisation in a simplistic way, but used as stimulus for reflection and imaginative thinking around future planning.

A Non-arts case study: Linklaters

Linklaters is one of the five largest global law firms in London. It has 26 offices in 19 countries, almost 5,000 staff and revenue in 2009/2010 of £1.2bn. It works only on the most complex deals and cases, with 70% of its work being on multi-country or multi-practice issues.

It has very strategically and consciously embraced diversity. The Global Diversity Manager puts this very simply, and in words which certainly find an echo in arts rhetoric: “As a talent-driven organisation, Linklaters needs to attract the most talented people it can, to attract the kind of customers it wants to serve to meet its business goals.”

A strong business case for diversity has been developed and accepted within the organisation. This responds to three external pressures as well as the case for talent. Firstly there is increased regulation of diversity and equality issues. Secondly, the media increasingly scrutinises the age, ethnicity and gender of lawyers, especially in high-profile cases, and looks for diversity. Thirdly, and perhaps most crucially, clients increasingly ask for diversity information – driven by their own shareholders or by regulatory contexts. Clients increasingly expect to see diverse teams working on projects, rather than all-male, all-white teams, for instance – an obvious parallel with the arts sector.

Linklaters describes itself as essentially a people business, based on relationships as well as legal expertise. Its corporate responsibility strategy is built around three pillars: colleagues, clients and community, with diversity sitting across all three strands.

One rationale for this derives from key demographics for Linklaters. More than 40% of law graduates in London are non-white, and there is now a 50-50 gender split. The

workforce, especially at 'partner' level, understandably lags behind this, but it is crucial to recruitment for the firm to demonstrate that it is taking positive steps. There are parallels with the steps taken in the cultural sector to change the face of organisations in order to attract those who might not have previously recognised themselves in the image of certain institutions.

Culture can only change over time. Elements of working practice remain challenging to diversity, especially for the fee-earning lawyers who may find it very difficult to work flexible hours to allow for caring and child-care responsibilities, for instance. It is a highly competitive culture, with a 24/7 service to clients leading to elements of unpredictable and long-hours working, with a heavy emphasis on intellectual prowess and influence rather than clear, structured hierarchy.

Linklaters has developed a number of affinity groups, including groups based on faith and gender and a lesbian, gay, bisexual and transgender network. The latter has moved over time from being invitation only, and run off-site, to being open, internal and running client-focused events, sharing the development of a more diverse culture with clients and stakeholders. The faith groups now work together to run 'Faith in the City' events and collaborate with clients. Work is client or colleague facing rather than 'issue awareness' building: there is always a strong business rationale for activity.

Linklaters is cautious regarding the effectiveness of specific diversity training and coaching, preferring to build understanding and skills into its general approach to professional development. They network with other firms including competitors and clients to draw on others' expertise.

The global nature and size of Linklaters are key to its approach to diversity – the diversity feeds into marketing to graduates and to clients. This may suggest that within the arts sector, a collaborative approach, based on either locality (e.g. city-based groups of organisations) or artform, may be more able to develop a strong strategic approach to embracing diversity.

Linklaters' experience is that you must be careful about how you effect change: relationships are key rather than rules. While it is key to have clear leadership for diversity within the business, top-down imposition is not as effective as a dual approach including 'bottom-up' initiatives from across the organisation. At Linklaters, a management plan is in place, and is reported upon, but it is not target-based. This is felt to have helped avoid the risks of being seen as tokenistic, or not rooted in the core effectiveness of the organisation.

B3Media

B3 Media is an award-winning media arts organisation based in Brixton. It nurtures multicultural artists, connecting them to the creative industries through development labs, screenings, workshops and networking events. B3 produces a variety of projects in digital art, moving image, film and sound installation, creating innovative distribution platforms to exhibit talent locally, nationally and internationally. B3 emerged from a number of groundbreaking initiatives in the arts.

Founder, Marc Booth, creative entrepreneur and producer, has been responsible for a number of major innovative projects in new media, moving image and digital cinema. In 1989, Marc created Nubian Tales, a cinema club showing Black films overlooked by Hollywood-focused distributors. It became a leading showcase for Black cinema and hosted West End screenings, exhibited multicultural filmmakers, ran a film festival featuring Q&As with the likes of Spike Lee and PR and marketing companies which devised urban marketing campaigns for clients including Warner, Fox, Universal, Disney and MTV. Nubian Tales highlighted the untapped audience for multicultural storytelling, now the touchstone for B3 Media's work.

Nubian Tales' success led to Digital Diaspora, producing two technically groundbreaking projects: Digital Slam and 40 Acres and a Microchip. They attracted extensive media coverage from *The Guardian*, *New York Times*, *Wired* magazine and the BBC.

Digital Diaspora also resulted in a number of digital advocacy projects produced by young people. Digital Slam raised issues which were explored in a major conference at the ICA -40 Acres and a Microchip. Contributors included Bell Hooks, Lola Young, Tricia Rose, Greg Tate, Kobena Mercer, Julie Dash, Octavia Butler, DJ Spooky, Stuart Hall, Keith Piper and Paul Gilroy.

By the late 1990s it was clear that there was a need to showcase the work being produced by a new generation of multicultural artists - largely missed by institutional radars - who were combining artistic content within the context of DIY culture, creating new artforms using digitally networked communities. The outcome was Beats, Bytes and the Big Screen, which exhibited innovative projects by artists who lacked a mainstream platform, creating a forum to share ideas for musicians, DJs, digital mavericks, pioneers and geeks through events in alternative, independent venues.

Marc renamed Beats, Bytes and the Big Screen, 'B3 Media', establishing a 2000 sq ft studio in Brixton, creating a space to develop digital and moving

image projects through bespoke training, creative labs and networking events, screenings and talks.

B3 works on a range of development programmes for multi-cultural artists; schemes include Powerlab, Talentlab, Cineast, Electric Greenhouse and Blank Slate. Partners include The Tate, Young Vic, Southbank, Centre, BBC Films, Skillset, BFI and Channel4.

B3 builds an eclectic range of projects with a variety of artists through a bespoke development process. One example is The Elders, an inter-generational history and community art project which combines a cross-platform moving image and sound installation, photographic exhibition and online platform, developed with Franklyn Rodgers as part of the Festival of Britain anniversary at the Southbank Centre. Others are London Tales, an interactive story telling platform with spoken word artist, Francesca Beard and Shine a spoken word, digital theatre project with Roger Robinson.

B3's work, process and practice are showcased through workshops and events with international organisations, including partners in South Africa, Malaysia, United States, Brazil, New Zealand and Canada. B3 works with the British Council on international showcases and, through Blank Slate Digital Shorts, has worked with digital technology, capturing multicultural stories and developing and understanding of digital technical development.

B3's business model has evolved through an adaptive process model which sources revenue through a combination of public and commercial funding across its projects. Increasingly, additional revenue comes from B3's events and consulting. The organisation must continue to develop sustainable business models to support its diverse range of activities.

Founder Marc Boothe says 'Resilience is to have a strong vision. It is leading, producing and collaborating, always seeking a balance between cultural and commercial. Resilience is about making things happen, regardless of economic, cultural and political climate. Talent development, particularly of artists from multi-ethnic creative communities, is crucial in these times of financial uncertainty. Creative producers play a vital role in identifying talent and projects, ultimately making opportunities. From my own experience some of the most exciting and innovative work emerges from times like these, crossing from the margins into mainstream.'

B3's resilience over the last 10 years has been a result of vision, leadership, and cultural entrepreneurship. Its vision acknowledges the need for multicultural

space in the arts. Its model has evolved through an artist-centric approach to talent development with an outcome-orientated, industry focus.

Contact Theatre, Manchester

Contact Theatre describes itself as a space where new kinds of theatre are created. Its building, which benefited from a £5 million refurbishment in 1999, includes three theatre spaces and a lounge area used for informal performances and club nights.

Contact is characterised by an emphasis on participation, by its youth-focused approach to decision-making and leadership and by how diversity runs right through its work. Contact focuses on young adults (ages 13-30) and two-thirds of its audiences are under 35. It does, however, welcome audiences and artists of all ages. Young people were heavily involved in creating the new business plan, through the Young People's Panel, and through two places on the board for young people. Young people are involved in all aspects of the organisation, from top to bottom, from board membership to programming, hiring and recruitment and even major tendering.

This results in unusually close relationships with the organisation, which create informal and formal connections with theatre professionals, in order to support independent career development for young people. Contact is increasingly developing progression routes, such as the Friendly Fires scheme, where young people lead participatory projects across Manchester, and providing support to new companies so they can become independent.

Despite this emphasis on young people taking part, Contact does not have an education department – indeed Chief Executive Baba Israel attributes the way things work there to the absence of such a department. The Creative Development team works to make sure young people are truly involved in all aspects. Diversity of approach is essential here, with formal mechanisms, such as a clear curriculum-based offer to schools and colleges, and informal or organic relationships with community organisations. Open Contact is an open day held every season, which enables young people and partners to find out more about the organisation.

There is a diversity of arts practice within Contact – it is increasingly not just theatre, but also music, visual arts, dance and spoken word. This is both a natural outcome of the interests of the young people involved, and strategically encouraged. An example is Pen-ultimate, a theatre group involving five spoken-word artists who have developed into a touring company with support from Contact. The role of the theatre and more experienced people within it as mentors has been crucial.

Baba Israel, who joined Contact after moving from New York where he had been active as a hip-hop artist, poet, theatre maker and promoter, also has a background in interdisciplinary arts, and this creative hybridity is integral to the Contact approach. This is often allied to risk-taking, as when a resident DJ from a regular club night was invited to become part of the improvised theatre group. The spaces and people of the theatre thus become a real hub for cross-pollination.

This creative diversity then has a direct impact on the financial resilience of the organisation. Club nights have increased both bar revenue and awareness of the venue and its programme. Multiple strands of activity make diverse funding streams more likely in the future.

Diversity is also valued within the workforce, and explicitly encouraged. The organisation values not only formal education but also different life experience, and ensures training is given to staff who need particular support. The costs of this have been reduced by sharing skills internally, with staff training others in British Sign Language, for instance.

A strong lesbian, gay, bisexual and transgender community in Manchester led to the creation of the Queer Contact festival, but it was important this community was not marginalised by only being engaged during the festival period, but was taken into account throughout programming for the whole season.

Inclusivity and the development of a collective learning experience influences how Contact works as well as what it does. Open platforms are created, rather than ones controlled entirely by professional staff within the theatre. An example is the move from a traditional script reading service to a more interactive process involving pitch sessions. The Flying Solo Festival adopted a methodology which began with an open call, but then provided development opportunities for eight artists, including mentoring from visiting artists, culminating in a pitch, where one was selected for full investment. The selection panel included industry experts and judging was done in public, so other artists learned from the process and audiences could begin to develop their own investment and interest in a project. This process actually saves time on script reading, while delivering arguably richer results.

Remaining challenges for Contact include building on its now very diverse core audience and ensuring that the offer also reaches school groups and older whiter audiences. This would have both creative and financial benefits given that older audiences tend to have more disposable income.

Craftspace

Craftspace is a craft development organisation based in the West Midlands with a role in developing exhibitions for national tour as well as engagement and participation programmes. It is described as working to push boundaries and perceptions of crafts practice, presentation and learning, exploring crafts in diverse social and cultural settings.

It operates in a fluid way, based on an 'enquiry model' where each project seeks to address an action research question. This brings diverse voices into the curatorial and development process – those of artists, audiences and partners. Diverse groups bring different perspectives, creating what Director Deirdre Figueiredo calls 'cross-over constituencies of interest and multiple connections'. This leads to Craftspace working in a more open-ended, evolutionary way than some organisations. One way this is enabled is by building space into the programme – each year is never fully pre-programmed to allow for ideas to emerge.

Craftspace emphasises the creation of social value and social capital as well as cultural capital. New work is made 'for its own sake' but also to explore what value projects can bring to people. The most successful projects for Craftspace combine artistic, personal and community 'outcomes'. Reflection upon practice is continuous and part of the 'enquiry model'.

Figueiredo sees Craftspace as consciously diversifying models within the crafts sector, both in terms of business models and creative models. This means moving beyond a 'sole trader' model to embrace more collective approaches that may sit more comfortably with different cultures or groups. Craftspace has worked with groups of refugees and mental health service users, for instance, to develop collective or collaborative business models more often seen in social enterprise field than the arts.

Some of Craftspace's work with refugees and new communities also serves to diversify the market for crafts, bringing in new techniques and products influenced by the creative mix of crafts people and participants.

Craftspace is able to adapt and remain resilient by remaining relatively small and working to build capacity outside itself, rather than growing 'internal' projects that then create their own demand for investment and attention. This allows the organisation to move on to new areas of attention – often driven by the urge to increase diversity within the craft sector, such as new work around boys and craft.

The Refugee Women's Project is a good example of Craftspace's approach. A Social Enterprise Manager was employed but based within the Community Integration Partnership, which was the key partner, and worked to embed creativity and craft into

core practice of the organisation. The partnership effectively multiplied networks, reach and expertise of the individual organisations. (The partnership later ended but these networks were important in maintaining the project within Craftspace until it developed into an independent social enterprise.)

The diversity of Craftspace's activity makes it more resilient by diversifying income streams and networks. Consultancy, based on the unique expertise of people within the organisation has grown as an income stream in recent years, and enabled Craftspace to be local, regional and national in its reach. The organisation has also begun to commission new work in other artforms as a way of promoting craft and reaching audiences who may not otherwise engage with craft. It is about to commission a performance piece looking at the history of craft.

To develop new sources of income the organisation is part of Angel Shares, a pilot crowdfunding website that will feature the Refugee Women's Project. It will also be exploring the feasibility of commercial offers (such as premium craft training or participation opportunities), but Craftspace is determined to maintain core values rooted in social responsibility.

Craftspace combines a flexibility of response to opportunity, reacting to new ideas quickly but also allowing time for relationships to develop, based on an open, broad-minded approach. A way of encouraging staff to have open conversations has been to set aside a small budget to enable them to take new contacts or interesting people out for refreshments. This is encouraged in all staff. Figueiredo sums up the Craftspace approach in a few words 'not afraid, not too certain'.

The board is diverse in background and skills, with a number coming to the organisation through the local Arts & Business 'board bank'. Staff diversity is visible and not simply in terms of age, gender and ethnicity. Figueiredo points out the value of staff reading different newspapers, listening to different radio stations and having different lifestyles, in developing ideas. The introduction of a Creative Apprenticeship is an example of intentional diversity for strategic purpose, bringing in a different educational background to the almost exclusively graduate staff team. Importantly, diversity is discussed and therefore becomes embedded in the culture. It is also emphasised in the induction of new staff.

DaDa Disability and Deaf Arts

DaDa is a disability and deaf arts organisation based in Liverpool founded in 1984 as Arts Integrated Merseyside (AIM). AIM had roots in the campaign for greater equality and access for disabled people, and was one of the first 'disabled-controlled' arts organisations. It became the North West Disability Arts Forum (NWDAF) in 1990 and

rebranded as DaDa in 2008. It was essentially a developmental, service or campaigning organisation but with the success of DaDaFest, now biannual after 10 years, it began to produce more.

Ruth Gould, Chief Executive of DaDa since 2001, suggests a disability-focused organisation such as DaDa cannot be properly understood without understanding the social context in which disabled and deaf people make art, and the history of that context. There are persistent issues around genuine equality and access, but also around role modelling, self-esteem and the confidence to present and collaborate. AIM and NWDAF arose from a politicised period where the social model of disability was beginning to replace or at least contest the previously dominant medical model.² The situation required a campaigning mindset to achieve changes to provision and the law. This involved providing services, creating developmental projects and partnerships, alongside advocacy activity. However, after legislation began to be adopted which increased access to training and education, recognised Sign Language and promoted equality, the needs shifted.

The Disability Arts Forum model therefore had to respond. Disabled graduates of arts training courses needed platforms for their work, creative curation and support, and the opportunity to work beyond a simple or simplistic identity as a 'disabled artist'. This led to the creation of DaDaFest in 2001, which has grown in size ever since, presenting an increasingly ambitious programme by local, regional, national and international artists and companies. The most recent festival attracted 80,000 visitors – a huge increase on the previous one, and a significant audience for any festival in Liverpool. The festival sits in a series of other developmental activities, including artists' professional development and young people's arts activity. Future projects will include the Chinese Youth Orchestra working with a signing choir, and to date they have commissioned of six films for BBC Big Screens.

Ruth Gould believes the changes in attitudes in recent years have been radical. Instead of being internally focused in and on disabled and deaf communities, DaDa places the diverse experiences and identities of people into multiple contexts. Disabled and deaf people may experience life differently and make art differently, but those may not be the sole defining factors – people have multiple identities and 'diversities'. Work with lesbian, gay, bisexual and transgender and Black and minority ethnic communities has been an increasing facet of DaDa's work. A Diversity Action

² 'The social model of disability identifies systemic barriers, negative attitudes and exclusion by society (purposely or inadvertently) that mean society is the main contributory factor in disabling people. While physical, sensory, intellectual, or psychological variations, may cause individual functional limitation or impairments, these do not have to lead to disability unless society fails to take account of and include people regardless of their individual differences.' (Wikipedia http://en.wikipedia.org/wiki/Social_model_of_disability)

Plan was produced instead of a Race Equality Scheme when this requirement was introduced for Arts Council's regularly funded organisations. This plan reflected multiple cultural diversities in a more holistic way, and put an emphasis on wider artistic debate rather than just access issues.

DaDa aims to avoid any sense of associating disabled people with the need for charity, a stereotype which still lingers. This creates dilemmas in maintaining financial resilience, especially around the current focus on individual and philanthropic giving. A donation button on a website, a simple but positive innovation for most arts organisations perhaps, encouraging relationships with committed audience members, but it has a different and deeply political resonance for an organisation with DaDa's mission.

The evolution of DaDa into a producing organisation has required adaptations in both board and staffing, each of which has been heavily shaped by the specific nature of the staff team and its work. DaDa moved from a 100% disabled and deaf staff and board to a more mixed make up, helping bring in a wide range of skills, especially in business, finance and law. A staff reorganisation was also implemented two years ago, which is still bedding down. The team now comprises seven staff plus freelancers. A dedicated marketing post has increased capacity to maintain relationships and communications at a high level.

DaDa nurtures innovation through focusing on people and their situations. Regular away days, stakeholder and focus groups, and ongoing discussions with artists and partners lead to a balance between reactive and proactive innovation in programming and activity. Ruth Gould describes the organisation as having a strong core purpose, which is still rooted in the social model of disability, but which puts disability and deaf arts into the context of the 'big wide world... going where disabled and deaf people are not usually invited, but with brilliant work.' The work increasingly does not stay in 'the disabled world', but puts artists into the wider public domain.

Heart n Soul

Heart n Soul is one of the UK's leading creative producing companies, with learning disability culture at its heart. Based at the Albany in south east London it aims to provide inclusive spaces where everybody is free to express, create and learn. Its vision is to enable artists with learning disabilities to produce the highest quality of art, enjoyed by the widest possible audiences, and to help people with learning disabilities to live full and equal lives within an inclusive community.

These aims are achieved through an interconnected programme of art, events and training which gives people many opportunities to engage with, be inspired by and involved in high quality cultural practice.

Heart n Soul's work is delivered across three linked areas:

1. Producing art across music, dance, drama, digital art and visual art. Work made by learning disabled artists is presented live, recorded, distributed online and toured nationally and internationally. It is also shared at multimedia events such as The Beautiful Octopus Club, the first inclusive cultural event run by artists with a learning disability run by The Albany and now presented annually at the Royal Festival Hall.
2. Encouraging people to take part as participants or audiences in workshops, activity days and open club events, and by being a volunteer or supporter. The organisation has a big focus on working with young people.
3. Offering training to enable people to learn new skills and move forward in their lives and careers including creative skills development, accredited courses, one to one coaching sessions, apprenticeships, mentoring and on the job training. Examples include the Media Team where people learn how to tell their own stories across digital platforms.

The seeds of the organisation were sown in 1984. The then freelance musician Mark Williams (later Founder, Chief Executive and Artistic Director of Heart n Soul) was involved in producing a series of local creative music sessions for a group of young learning disabled adults. Mark, who was then a member of a band (The Impossible Dreamers) signed to a major record label, recalls that these early sessions allowed him to share his passion for music and work with artists free from the constraints, politics and cynicism that thwarted the traditional music industry.

As a good creative working relationship formed, Mark noticed an emerging aesthetic. A sense of openness materialised allowing people to truly express themselves without reservation or restriction. He also realised they could work together on repertoire that extended beyond tried formats of cover versions and adaptations of popular classics. Instead, the focus veered towards writing original material. A focus on shaping performance was added in 1986, led by Drama Director Alix Parker, and Heart n Soul was born. The repertoire developed in collaboration with arts professionals and musicians, leading to local gigs, and subsequently, regional and international performances.

Today the organisation works closely with 80-100 artists and with a network of partner organisations reaching an audience in excess of 30,000 people engaged in creative activities.

Mark firmly believes diversity is a license to try new things and openly embrace different ways of doing things. This is reflected throughout the company. Heart n Soul offers everyone who wants to an opportunity to participate and people define who they are because the organisation doesn't label anyone.

The Beautiful Octopus Club is the Albany's biggest event of the year. Launched in 1995, the club night has become a regular platform for learning disabled people to perform music, comedy and cabaret, enhancing the profiles of all involved and helping to build audiences and fan bases for artists. Artists who are experts in their field are brought in to work with the performers. There are many creative ventures where the focus is not specifically on projects designed for people with learning disabilities, but at times the crew or cast may be made up of a quota of these participants.

Shaping the team of staff and the board at Heart n Soul is an evolving process which, fundamentally, puts learning disability at the heart of the organisation with all voices being heard and represented and needs and aspirations considered at all stages. The team is made up of eight staff (six full-time two part-time) and a roster of 30 freelancers. The focus has shifted towards sourcing learning disabled employees that fit the job description first and foremost, with access issues and working with keen volunteers as a secondary concern.

Strategic away days give members of the organisation an invaluable opportunity to really listen to the team, identifying group needs as well as individual artistic needs and requirements. Mark is convinced that learning disabled artists are now in a good position for projects to transcend the 'music project for them' attitude.

Mark concludes by saying that although the learning disability landscape has changed enormously in the last 25 years in terms of access, jobs and independent relationships, common misconceptions and intolerance still prevail. The fact that there are more learning disabled people in mainstream society due to the demise of the long stay hospitals and introduction of 'care in the community' increases the need for a platform for learning disabled artists, and Mark is very keen to share and expand the aesthetic and framework Heart and Soul have created. He also believes that it is important that learning disabled artists become part of mainstream culture, helping to make disability less of an issue or focal point.

Today Heart n Soul is less of a touring company and more a cultural movement which invests resources and supports the vision of artists that work in lots of different formats. The organisation is able to unlock a lot of creativity across art, training and taking part resulting in a more honest proposition and personalised approach.

Punch

Punch is an organisation that in some ways rejects conversations about diversity, while exemplifying how a creatively diverse approach, rooted in the breadth of 'Black culture' has created a business resilient enough to adapt to major changes in markets and audiences. It demonstrates the value of a diversity of creative programming, rooted in a strong understanding of core identity, purpose and knowledge base.

Punch began as record shop in north Birmingham, which, as founder and CEO Ammo Talwar, says 'started out trying to sell Sinatra, Oasis and Public Enemy side by side'. However, this broad market approach could not compete with the buying power of the major chain stores (although these have ironically since failed to respond to the download revolution and disappeared from the high street). Punch realised the knowledge base of its staff in this area was the main way they could create value for local people. Their specialist knowledge and access to specialist networks formed their key asset base at the time, distinguishing them from other shops. A process of self-reflection and a re-orientation of the business were central to developing a new model based on Black music.

Over the years, this knowledge base fed relationships with local people, artists, and national and international arts networks, which led to diversification into music promotion and education, and then into other artforms including spoken word and visual arts. Work has diversified, following the creative interests of staff and artists in the Punch network, and now includes publishing and touring visual arts as well as music and spoken word. This was a strategic move, to turn competitors into collaborators, develop networks, and build distribution networks for Black and minority ethnic artists.

Punch is a small organisation, with just nine employees, which Ammo Talwar believes plays a part in its ability to adapt to changes in markets and the amount of commissions available. The lack of departments and large teams allows for greater flexibility. A fleet-of-foot, responsive mindset can be maintained. Arguably this helps keep the organisation in the growth phase of the adaptive cycle, rather than settling into consolidation. Although the workforce is diverse in its background and skills, Punch does not ask about diversity at interviews, preferring to develop this as a natural thing arising from the ethos of the company. Diversity does not sit in departments or specific roles – Talwar describes it as sitting above and below the CEO and chair.

Induction of staff emphasises the integral or organic nature of the diversity of Punch's audiences, with staff walking the streets of north Birmingham, talking to shop owners and businesses. This is the basis of the organisation's strength – a set of relationships

rooted locally but which also allows it to represent that local community regionally and nationally.

This representation is not about ethnicity so much as it is about art. Talwar says Punch is now about 'Black arts' as it was once about 'Black music' – not simply for Black people, with a broad audience or, increasingly, set of audiences. The diversity within what might be called Black arts is crucial to the resilience of the organisation. In recent years Punch has invested heavily in intellectual property. Experimentation and innovation constantly inform strategy, through listening and learning, talking to and bringing in people with different knowledge bases, stories and information.

A powerful awareness of their brand and reputation has allowed Punch to move from one area of activity to another, adapting their business over time. This key asset has been consciously developed in a number of areas – through traditional branding via its visual identity, website and so on, but more importantly through positioning the organisation as experts at the cutting edge of Black arts, innovating in form and platform. Central to this has been developing strong relationships with audiences and funders, often based on strong personal reputations.

Punch has, at times, been urged to adopt more traditional methods, structures and governance models. Ammo Talwar urges organisations to ignore pressure to change where there is no identifiable benefit, but to remain flexible. 'Do what you need to do,' he advises. Although this does not mean sidestepping good governance: Punch has a strong and skilled board, with the chair and others recruited via open advertisement. For funders, the lesson is to allow organisations to develop organically over time rather than imposing simplistic system-driven templates. Risk is integral to how Punch have developed their adaptive resilience, and should not be designed out entirely.

Theatre Royal Stratford East

Theatre Royal Stratford East has roots in the 1884 Theatre Royal building and the 1953 move of Joan Littlewood's Theatre Workshop to Stratford, and is now a major developer of new writing and musical theatre. Since Littlewood, through Philip Hedley and current artistic director Kerry Michael, it has maintained a focus on supporting the voices of people who are not part of the mainstream, giving opportunities to people who are under-represented in theatre. The company's vision has been based on giving 'outsiders' opportunity – this used to be class, which then morphed into those from post-war immigrant communities, and then the more complex set of diversity and equality agendas of the 21st century. Based in Newham, the London borough with the most transient population, close to the 2012 Olympic site, this dynamic is even more prominent today.

Kerry Michael describes TRSE's approach to diversity as 'swinging aggressively from strategic to natural'. There has been very deliberate casting and what might be called positive action, for which he is unapologetic while theatre is still, as he sees it, institutionally racist. Critical debate about excellence has to encompass diversity and a diversity of work on stage. He also describes the difficulties in recruiting people of colour into key senior and technical posts.

Supporting the progression of young people is important to TRSE, and they have published a five-year review of their Youth Arts programme. This highlights how working with partners, in the local community and in the arts across London and internationally, can enable an organisation to build strong networks. These networks in turn create projects and progression routes for young people. Key to this is developing what Michael calls the 'savvy' to work in the mainstream. Opportunities in the arts remain few, however, with many young people going on to work in television and film.

Diversity has a financial dimension at TRSE, though this remains challenging. Concessions are no longer half-price which has arguably been a trade off between encouraging access and maintaining a healthy financial position by hitting income targets. The increasing affluence of the locality has also led to this adaptation. Much of the audience is local, which in one of the most transient populations in London means that repeat attendance is relatively low. Eighty per cent of people visiting the theatre each year are new attendees: this means developing very strong marketing and clear offers around each show, which can be challenging, time-consuming and costly.

The changing population of Stratford and East London has driven adaptive behaviour in TRSE. Some communities, such as recent East European migrants, have yet to be seen on the stage.

Diversity is a conscious ingredient in artistic and audience development. Michael describes the audience as 'the last thing to be cast in a show'. For TRSE the piece is completed by the audience. (This leads, though, to the sometimes frustrating trend for reviews to talk as much about the Stratford East audience as the writers and performers.)

Audiences do not yet move around as much as is desirable between work from different communities, but this is a focus for development. One innovative way of looking at this is to give the audience real decision-making power. The Open Stage project, in which TRSE's audience programme a season's work, aims to build and embed common networks across East London, to test the extent to which the audience really is central the organisation's DNA and to stimulate debate about whose art makes it onto our stages.

TRSE plays a key role in Stratford and is integral to a number of partnerships, some of which respond to the opportunity and change represented by London 2012. TRSE has engaged in this wholeheartedly, an example of how positive change can also be a 'disturbance' in resilience terms, bringing uncertainty and risk as well as opportunity. Their networks and information on audiences and communities have been vital in playing this role. Sharing information has been very beneficial.

Organisational memory and a shared culture of purpose are key to adaptive resilience and visible throughout TRSE. Staff and artists often return to work there after time out elsewhere or to raise families, and the founding principles still guide the organisation. The Artistic Director role has tended to be held by people who have grown up in the organisation (Kerry Michael joined 14 years ago to help market a show to the local Cypriot community, and held a number of roles before becoming Artistic Director).

Urban Development

Urban Development is a music-led arts organisation based in Newham, east London. The company focuses on nurturing and raising the aspirations of local young artists and musicians, by helping to address the balance in terms of under-representation, life chances and opportunities not given by mainstream culture (be it music industry, media or education establishments).

The company started life as an artist's collective in the mid 1990s producing residencies with DJ Pogo and theatre producer Jonzi D. These projects featured an innovative mix of hip-hop/DJ culture, live music and vocal performances. Founder and CEO Pamela McCormick recalls her role back then as that of a 'conscientious producer, manager and non-artistic all-rounder'. Urban Development came into being in 2000 with fixed-term funding from the Arts Council.

Pamela's role focused on building links with the borough council, local education establishments and developing the organisational aspects of the company. The education outreach and artistic direction was lead by artists.

Urban Development grew enormously through an intense 18-month stint as one of the first London Youth Music Action Zone (LYMAZ) delivery partners. Since then it has defined itself and its core vision around the support of emerging artists, producing events, partnerships, and education outreach initiatives that respond to the changes, complexities and needs of today's music industry. This has required a number of changes to organisation and programme structures.

Urban Development is now a small organisation with just two full-time staff members and it relies upon a fluid team of young freelancers, artist tutors and interns to respond

to the fluctuating demands of projects. The company prides itself on recruiting a large proportion of the freelance team through its internship scheme and participants from past projects. Pamela says: 'Strategic recruiting of freelancers is particularly useful as they often bring a fresh approach, energy and perspective to projects and practice, which in turn keeps the organisation vital.'

Pamela's leadership is key to maintaining the company's core vision including a high level of commitment to diversity. She says: 'The company is mindful of being positively discriminating throughout the organisation from interns and team right up to board members. The company is consciously a non-white led organisation in terms of program, participants and artists. It's helped define who we are.'

A desire to address the cultural balance has been instrumental in the shaping of the company's vision and connection to diversity on the whole. This can be seen in the use of the word urban, for example, and the unexpected challenges its use in the company's name created. Its initial use was simply taken from urban meaning 'from the city', due to the nature and location of the company's projects. The term then morphed to being a synonym for Black. One answer to these conflicting definitions was a short-lived tactical reduction of company's name to UD. The return to Urban Development reflected its arrival at its own definition, equating to a city rich in culture.

Innovation plays an important role in remaining a youth-orientated organisation. Innovation is nurtured by a process of constantly reviewing their business plan, particularly the financial side of things, connecting with the team, referring and aligning with 'the outside world', and buying in expertise for specific areas when necessary. This model led to the development of Urban Development's recording studio. Through conversations with the team, it was clear that recording facilities and rehearsal space would be essential to bring together all the strands of their work.

Another example is their Industry Takeover project. It aims to connect emerging and fringe talent with the right people in the music industry to help them progress in their careers, while helping industry address some of their diversity challenges via internships and sourcing new talent.

Watershed

Watershed is a Bristol-based cross-artform producer set up 1982 as the UK's first media centre. Curating ideas, spaces and talent, Watershed enables artistic visions and creative collaborations to flourish.

Watershed's city centre building was purchased four years ago with support from South West Regional Development Agency (SWRDA), which underwrote the

mortgage, encouraging Watershed to plough income generated from commercial lets into creative economy projects, enabling capital investment to be recycled into ongoing revenue.

The Watershed Group comprises three companies: Watershed Arts Trust, a trading arm and iShed CIC, including the Pervasive Media Studio. Each company is separately run with its own board and advisers and focuses on a specific aspect of the business, creating a lively mix of public and commercial projects and assets ranging from a wholly-owned commercially-led cinema, café/bar and event space, to research projects developed within the Pervasive Media studio. It employs a total of 70 people.

iShed's Director, Clare Reddington joined Watershed as a producer on Seed, a groundbreaking project developing a cloud computing service for animators. DreamWorks used the service to render most of *Shrek*, and its success ignited an abundance of commercial opportunities. This move into the commercial sector provoked concerns from both the Arts Council and Charities Commission, so iShed was set up as a wholly-owned subsidiary to create more flexibility and freedom. iShed currently employs six full-time equivalent staff and four freelance producers.

iShed's main activity has been Media Sandbox, an annual seed funding scheme that invests in six companies that form a peer learning group, Theatre Sandbox, working in turn with six theatre companies and the Pervasive Media Studio's Artist and Residency schemes.

The Pervasive Media Studio was set up in 2008 in association with HP Labs and SWRDA. It is a multi-disciplinary lab, a curated space in which diverse people and projects explore and produce media content, applications and services. It has gathered a community of artists, creative companies, technologists and academics working together on projects.

Watershed's approach to diversity builds on its core values and ambitious forward thinking. As Clare says: 'The thing that really underpins all we do is that the more diverse the background, skills, people and organisations in a project, the better it will be. Diversity for us means that we curate as many different voices into our space and projects as we can, believing it will make projects better. We focus on the quality of the ideas, not the pedigree of the backgrounds, and on working in partnership with people from communities.'

Watershed does not have a diversity policy but chooses instead to ensure communications are as broad as possible. Theatre Sandbox, for example, worked with a disabled theatre company and a deaf company as two of the six commissions simply because the ideas were so much better than others.

This approach means investing in the 'people time' to go out and talk to others to draw in as wide a group as possible. This means Watershed is constantly adapting: 'Watershed is a kind of organisational change beast – we are forever changing our business model and how we operate and I think that's incredibly exhausting for our staff sometimes. But we do tend to be more resilient because of it,' says Clare.

Innovation is nurtured throughout the organisation, with staff at all levels encouraged to find and produce their own projects and do secondments and placements elsewhere. Internship and secondments into the organisation at a senior level bring new ideas into the organisation and encourage change.

Watershed works to develop assets including intellectual property, but it does not currently take stakes in the work, as the stable is too small to bring a significant return, and to avoid the risk of the art becoming 'safer'. Clare describes Watershed as looking at value 'in the financial sense but also social and cultural sense. We look at it from an ecological rather than transactional point of view'. iShed does, however, take broker finder fees when passing on commercial work.

The diversity of activity and programmes within Watershed is important for its income streams, but also integral to its social and cultural business. An example is the multiple use of the cinema, where the breadth allows Watershed to generate income and serve the public. A typical multiplex seat is used about 120 times a year but Watershed cinema seats are used 350 times a year because of the diversity of the offer. The diversity of cultural activity directly increases the ability to generate income, through imaginative use of the 'asset' of the cinema spaces.

The majority of Watershed's income comes from audience members: just 19% of group income comes public funding but around 71% is generated from sales: tickets, tenancies, café/bar revenue and events. This means being mindful of visitor experience, satisfaction and external competition. Staff are encouraged to look for new opportunities and new markets, creating a stimulating work environment, which is also very self-aware. The whole organisation is kept aware of everything from the unit price of a cake sold in the café to the cost of artist residencies.

4. Characteristics likely to increase adaptive resilience

Characteristics	What you might see	Benefits of embracing diversity
Resources		
Culture of shared purpose and values rooted in organisational memory	<ul style="list-style-type: none"> • Decision-making is actively influenced by clearly defined and articulated vision and purpose • Anything outside core purpose taken on very consciously and after due reflection • Purpose and values are shared and understood externally as well as internally – by partners and audiences • An open, transparent culture encourages a diversity of views and input from all levels of the organisation 	<ul style="list-style-type: none"> • A range of voices and inputs into shaping the culture, purpose and values enriches it and makes it more inclusive, capturing ideas from wide set of perspectives • Less chance of ‘losing touch’ with changing environment – artists and audiences, funders, locality – due to diverse inputs
Predictable financial resources derived from a robust business model ³	<ul style="list-style-type: none"> • A clear understanding of how the organisation generates income and creates value for others (i.e. a business model) connects activity, resources, customers and revenue streams • A range of revenue income streams, derived from a range of activities, and sources, with some degree of predictability • Budget includes income derived from exploitable assets (e.g. merchandise, intellectual property, consultancy fees) and expenditure relating to creation of current and future assets 	<ul style="list-style-type: none"> • Diversity of revenue income streams based on range of markets/customers/funders reduces risk of sudden decline • Diversity within audiences increases potential reach • Diversity integral to business model will be well rooted and give greater creativity and reach • A diversity of organisational models and governance structures may increase opportunities and allow innovation (e.g. trading company alongside limited company charity)
Strong networks	Internal:	Internal:

³ Business model: Osterwalder and Pigneur define this as: ‘A business model describes the rationale of how an organization creates, delivers, and captures value.’ (Osterwalder and Pigneur, *Business Model Generation*, John Wiley and Sons, 2009, p14). In a non-profit context this should include how income, including grant funding, is generated, from whom and for what.

(internal and external)	<ul style="list-style-type: none"> • Cross-team working is common and effective • Flexibility in roles is encouraged • Networking by staff at all levels is encouraged and supported • Formal or informal platforms for ideas to be shared and nurtured in place <p>External:</p> <ul style="list-style-type: none"> • Organisation works in collaboration to maximise its impact • Information is drawn from broad networks and utilised • Staff at all levels are involved in appropriate networks and collaborations • Key networks are targeted strategically 	<ul style="list-style-type: none"> • Diversity of workforce integral to the value of networks - creates learning, innovation, breadth • Diversity of people involved in networks creates breadth and fresh ideas <p>External:</p> <ul style="list-style-type: none"> • Networks including diverse groups and communities of interest keep organisation in touch with more people • Information coming from diverse viewpoints challenges established thinking • New and diverse networks bring advocates for the organisation in different places
Intellectual, human and physical assets	<ul style="list-style-type: none"> • Organisation makes best use, including sales where applicable, of intangible assets e.g. staff skills, intellectual property (IP) such as repertoire or data, relationships and physical assets e.g. buildings and equipment • Budgets show planned investment into the creation and exploitation of new assets (e.g. new digital platforms, new repertoire, merchandise) • By-products of primary arts activity exploited beyond event (e.g. from learning materials to T-shirts to DVDs of performances) • IP may be shared with others to be exploited in collaboration with better places partners • Spaces and facilities are often shared with others, with either in-kind or financial income 	<ul style="list-style-type: none"> • Diversity within workforce will tend to lead to diversity of assets and activities and ways to utilise them • Diversity of kinds of assets will reduce risk and increase reach • Diversity of markets and distribution platforms for assets increases resilience (less risk of total market failure) • Diversity of products protects against shifts in individual markets

Adaptive Skills		
Leadership, management and governance	<ul style="list-style-type: none"> • Leadership team provides clarity internally and externally, with appropriate decision-making processes • Management and board always seeking improvement and future-focused, while delivering current mission with flexibility • Clear, challenging and supportive management and reporting systems in place, alongside open culture that involves all staff • Board and leadership team have appropriate skills and commitment and make relevant contributions • Succession issues are considered well in advance, for senior staff and board 	<ul style="list-style-type: none"> • Diversity within leadership teams likely build adaptive resilience – broader skills base, different perspectives and more creativity • Flexibility of approach for different situations will tend to allow for better strategic fit or suitability • Openness and inclusivity encourages the culture of shared purpose
Adaptive capacity: Innovation and experimentation embedded in reflective practice	<ul style="list-style-type: none"> • Experimentation leads to changes in how things are done • Programme is designed to balance forward planning with flexibility – it may leave time or spaces unprogrammed to allow for unexpected opportunities • Lateral thinking and opportunity spotting is common • Successful innovations integrated into how people work • Balance of activities changes over time due to regular reflection on learning from developmental or new activity • Change seen as a natural positive, not an unavoidable trial, and all staff actively prepared for innovation and disturbance 	<ul style="list-style-type: none"> • Innovation can be used strategically to increase the diversity of activities, products and audiences/markets • A diversity of innovation strategies increases chances of success: e.g. approaches based on exploiting knowledge or skills will work differently to those based on new techniques, products or markets • Innovation can itself be a driver of change internally and externally – but puts the organisation in greater control than simply being responsive
Situation awareness of	<ul style="list-style-type: none"> • Formal and informal ways of collecting and considering 	<ul style="list-style-type: none"> • Diversity of ways of collecting information – e.g. not just data

environment and performance	<p>information about the operating environment</p> <ul style="list-style-type: none"> • Awareness of innovative practice in its area of expertise • Well-designed and appropriate metrics and qualitative data in place for measuring performance • Information is regularly and creatively used to inform short-, medium- and long-term planning and decision making 	<p>but also stories, meetings, social media – will tend to create richer awareness and conversations</p> <ul style="list-style-type: none"> • Diversity of perspectives crucial to situation awareness as it creates richer feedback and better self-awareness
Management of key vulnerabilities: planning and preparation for disruption	<ul style="list-style-type: none"> • Analysis of emerging and inherent vulnerabilities carried out on a regular basis and integrated into medium- and long-term planning • An ethos is in place which acknowledges vulnerabilities and accepts that things will change • Some financial and resource flexibility or reserve is retained to respond to the unexpected. 	<ul style="list-style-type: none"> • Diverse sources of information enrich understanding: knowing what you can know (and acknowledging there may be some things you can't)

5. Seven useful things for any organisation to do

1. Build a diverse workforce and talent pool

- focus on attracting and developing the best, most diverse talent you can
- if all jobs require graduates in similar disciplines you may lessen diversity of thought, no matter what age, gender or ethnicity
- diversity of talent leads to diversity of customers (and next wave of talent)

2. Nurture a diversity of markets and partners

- develop sustained relationships, not just 'visits' from particular groups
- diversity of partners builds resilience if one drops out
- stay relevant to your audience and understand their patterns of behaviour by listening and paying attention to data

3. Diversify your assets to diversify your markets

- consider your unique knowledge and skills and target those who need them
- strategically invest in creating assets – knowledge, projects, IP, facilities – that allow you to reach diverse markets

- audience relationships can be the backbone of an ability to respond to change

4. Be open and transparent to increase diversity

- share your vision and reality (including data) with audiences and stakeholders
- test the boundaries of your and others' versions of diversity and be prepared to talk about difficult issues or conflicts that might arise
- open up decision-making processes to include a diversity of people making actual decisions as well as feeding in perspectives

5. Develop a clear business case

- avoid top-down targets and plans in favour of changing behaviours
- you will need to invest in building your diversity and be clear on return sought
- don't forget the cultural dimension to your business case: it's not just numbers

6. Gather good data and stories and share them very actively

- collect, monitor and discuss data about the diversity of your programme, artists, staff and audiences – and understand the nuances
- share what you can in order to benchmark and interpret data
- examine your work regularly and discuss the findings with people involved

7. Be as flexible as possible

- be prepared to adapt your business model, activities and structure in order to be true to your core purpose and identity
- resist systems that reduce risk but make you less responsive
- flexibility over business and governance models can help build organisations

6. Prompts for self assessment

The following questions are offered as prompts for self-assessment and reflection, if you want to think about how your organisation could embrace the creative case for diversity and build your adaptive resilience. There are no 'wrong' or 'right' answers, but talking about some of these questions within your organisation may stimulate fresh thinking and new ideas.

Characteristics	Potential prompts for self assessment
Culture of shared purpose and values rooted in organisational memory	<ul style="list-style-type: none"> • How do you use creative, workforce and audience diversity? • How are staff and board involved in conversations about the ongoing development of your shared purpose? • How are stakeholders, including funders, audiences, artists and communities, involved in developing that shared purpose? • What other approaches are you aware of that you could

	benchmark yourself against?
Predictable financial resources derived from a robust business model	<ul style="list-style-type: none"> • What other sources of income might you explore? • Are there kinds or groups or people/organisations who might want your product or the value you create that you haven't targeted yet? • What in-kind income can you generate, e.g. via collaboration, volunteering, exchanges, sponsorship?
Strong networks (internal/external)	<ul style="list-style-type: none"> • What diverse backgrounds and skills are in your workforce? • How are people encouraged to be confident to share and use their diverse skills, backgrounds and knowledge? • How diverse are the people in your networks – do they include people of different classes, ages, gender, formal/informal educations, positions etc.? • How could you make your networks more diverse or get involved in more diverse networks?
Intellectual, human and physical assets	<ul style="list-style-type: none"> • What do you see as your current assets? • What activity do you do that you could create assets from? • What skills or resources would you need to invest into developing your assets further?
Leadership, management and governance	<ul style="list-style-type: none"> • What are the diverse skills and strengths of the leadership team and board? • How do your processes encourage people to share and use their diverse skills, backgrounds and knowledge? • How do you gain other perspectives on your work?
Adaptive capacity: Innovation and experimentation embedded in reflective practice	<ul style="list-style-type: none"> • What recent learning from experimentation or research could you use to adapt how you work? • How could you get diverse perspectives on how you innovate? • How do your organisational structures encourage or inhibit innovation?
Situation awareness of environment and performance	<ul style="list-style-type: none"> • How systematically or regularly do you use the diversity within your organisation to consider opportunities and threats? • How seriously do you take what you know when it comes to planning and decision-making? • What is happening in your relevant demographics that might impact on you in the future?
Management of key vulnerabilities	<ul style="list-style-type: none"> • How do you talk about change in the organisation? • What do you worry about most? • How does your board think about key vulnerabilities and prepare for different possibilities?

7. Further reading

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