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| The Community Art Festival |
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| Insights to Achieve Better Results |

**troy university**

**msm 6632 – leadership of innovation and change**

**mgt 6681 – organizational development and change**

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2016 – SUMMER TERM V

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The Community Art Festival

Insights to Achieve Better Results

**OVERVIEW**

Epsilon Consulting, Inc. has completed an in depth analysis of the current organizational structure and processes for The Community Arts Festival. We commend your dedication to the arts and the community. The Community Arts Festival has been a pillar in the community for over 20 years providing local artist a medium to display, sell, and advertise their work to expand their customer base. We are pleased to collaborate with your leadership team to provide an overall assessment of the organizational structures and processes to preserve the rich history and reputation of this dynamic community event.

**DIAGNOSTIC ASSESSMENT TOOL**

The **MiKinsey 7S Model** is the framework our project team used to generate the insights to achieve better results for future festivals. The 7-S model is a proven method useful for situations where an alignment perspective in needed. This approach covers seven key internal elements that are the primary drivers for organizational success. This model focuses on organizational strategy, structure, systems, shared values, style, staff, and skills. These elements enable us to identify gaps and inconsistencies and provide guidance to align the internal elements to ensure they are all contributing to the shared goals and values of the organization (MindTools, 2016).

A key point to remember about this model is the interconnectedness of the areas that forces change in all areas of an organization for it to functionally effectively (Jurevicius, 2013). This model will satisfy your desire for a holistic approach to ensure the credibility and reputation of the organization is sustainable for the future.

**CURRENT STATE ANALYSIS**

*Media Relations*

The first step in our approach to working with clients in the process of change is to start with an extensive internet and social media search to understand the overall impressions about the organization from an external perspective. Being able to identify exactly how, when, and where social media influences helps organizations to construct marketing strategies that take advantage of social media’s unique ability to engage with customers (Divol et. al, 2012).

Results or the Festival indicates a strong social media and public relations presence. The Art Festival has a total of ten positive media impressions and only one negative media impression since January 2016. The social media sites reviewed were Facebook, Twitter, and Pinterest, which are common web tools for festivals. The Facebook site has over 100K followers, an indication of strong community support. Both the Twitter and Pinterest searches did not reveal accounts for the Arts Festival. Finally, we reviewed the Arts Festival external website and found it to be a vibrant, user-friendly site, well organized and contain useful and relevant information. The site does an excellent job of promoting the Festival and displaying the many wonderful aspects of the local community.

Next, we use the 7S model to drive discussions around the internal elements to identify elements that are not in alignment. The seven elements are broken into two categories as outlined below:

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| Hard Elements – Ability to control | Soft Elements – Less ability to control |
| Strategy | Shared Values |
| Structure | Skills |
| Systems | Style |
|  | Staff |

The chart below provides us with an easy to follow snapshot of the current state of the organization in relation to the seven elements.

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| Elements | Current State |
| Strategy | The overall strategy of the organizations is moving in the right direction. The community has evolved over the years to become more commercial with the recent demolition of several large communities, which cause a change in the community demographics. The organization has done an excellent job of recognizing the changing landscape, which supports the change in scope to include national talent. |
| Structure | The operating structure consists of ten appointed positions, including anywhere from three to five permanent staff members. However, there is not a formalized organizational structure in place to ensure appropriate delegation of tasks. |
| Systems | Rules of conduct, expected behavior, and operating principles and guidelines are non-existent. |
| Shared Values | Personality conflict and authority conflicts between volunteers and staff have create a climate of mistrust and dissension. There is little to no support or appreciation for volunteers. |
| Style | Leadership interaction gives the appearance of unethical behavior and supports a laissez-faire management style. There is no accountability within the organization from the leadership or staff. Additionally, the board consists of new leaders without experience running a business. |
| Staff | The staff heavily relies on volunteers to complete critical tasks. Critical tasks such as logistic coordination, planning, security, and public safety are the responsibility of a volunteer. |
| Skills | There is not a formalized training plan for the supervisor and staff. |

*External Pressures*

This section focuses on the festival industry as a whole to help us understand the opportunities and threats that exists outside of the organization. This research will serve as a comparison when completing the gap analysis process.

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| External Pressures | Opportunities | Threats |
| Fashion/Trends: the next big thing | 1. Training program for volunteers 2. Reward system for volunteers 3. Program evaluation | 1. Technology 2. Authenticity and distinctiveness of products and or services |
| Demographics: people, culture, | 1. Diversity of talent 2. Discretionary income 3. Youth engagement | 1. Economy impacts 2. Core values |
| Geopolitics: interdependent global economy, climate change | 1. Income from rent and concessions fees 2. Exotic items 3. Tourism oriented | 1. Decreased funding 2. Logistics costs 3. Mass production of arts and crafts 4. Bad weather |
| Mandate: legislation regulation social responsibility | 1. Opportunity to focus on diverse cultures 2. Social and ethical responsibility to community | 1. Noise ordinances 2. Mandated traffic plans |
| Competition | 1. Planning 2. Varied | 1. Increase in popularity of large scale global events and festivals 2. Primary focus is revenue and little value to communities |

FASHION/TRENDS

Opportunities:

Volunteers are becoming major contributor to success of festivals. Providing mentoring program to include advice on productive volunteers, dos and do not, where to draw the line, and provide advice as needed. Reward systems for volunteers are a great way of showing appreciation for their efforts. Reward system can consist of goodie bags, select parking, t-shirts, and meal tickets. Conducting volunteer feedback surveys as a way for volunteers to present issues or suggestions and receive insight into what is going well and areas of improvement.

Threats:

Modern technology replaces the honed skills of time order traditions of crafting as product. For example, manufactured mass production of art and crafts is replacing the art of block printing on fabric in India (REF). This resulted in loss of appeal as crafted piece of art and is just another piece of fabric amongst many. Technology also makes it easy for consumers to view and select crafts directly from the artist or store from the comfort of their home. Interest and art forms change artist and craft individuals must be will to change with them.

DEMOGRAPHICS

Opportunities:

The Art and Crafts average attendee is women between the age of 24 and 35 and children. Young adults are an untapped audience along with older generation and males often with discretionary income. With easy of transportation and movement most communities are diverse with multiply ethnic groups.

Threats:

Economy is fluctuating state cannot be forecasted as we saw around 2006, decreasing discretionary income with several years of recession affecting revenue. Additionally, attempts to attract diverse attendees must understand and ensure core values are maintained or adjusted to be reflective of the new demographic.

GEOPOLITICS

Opportunity:

Expansion to include unique arts and crafts from countries outside United States brings experience of that country without cost of traveling to these countries. On the other side, festivals can become part of tourist industry, cultural tourism.

Threats:

Festival becomes more of a buy and sell event versus an opportunity for artist to present, educate, and sell their products. A major threat is venders with manufactured goods.

MANDATE

Strengths:

Social and ethical responsibility such as being environmentally conscience: running festival with least impact on environment, going “green.”

Threats:

Local regulations and laws may restrict or hinder activities associated with festival, such as alcohol consumption, hours of operation, noise ordinances and traffic flow or plans.

COMPETITION

Strengths:

A comprehensive and complete strategic plan provides a review of competitors to keep ahead of industry trends.

Threats:

Failure to grow with culture, environment, and changing interest will result in declining attendance and revenue. Community is key player in success of festival failure to account for this by focusing will decrease revenue versus increase.

*Organizational Pressures*

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| --- | --- | --- |
| External Pressures | Strengths | Weakness |
| Growth | 1. Support 2. Plan | 1. Support 2. Volunteers committed to the festival |
| Integration and collaboration | 1. Flexible | 1. Limited coordination 2. Availability of volunteers |
| Identity | 1. Well known in the community and surrounding area 2. Community education programs | 1. Change |
| New broom | 1. Innovative leadership ideas | 1. Newly appointed leadership 2. Cultivation of longstanding artist |
| Power and Politics | 1. Established organization of over 20 years | 1. Awareness of changes within the community 2. Use of power |
| Reputation: process, products, and service failures governance problems | 1. Social Media 2. History | 1. Control over internal processes |

GROWTH

Strengths:

Community support and foresight to plan for future opportunities to grow.

Weaknesses:

Loss of support of local artist and dedicated and committed volunteers.

INTEGRATION/COORDINATION

Strengths:

Flexible to changing dynamics of festival and community. Ability to integrate volunteers into workforce.

Weaknesses:

Limited coordination between board members, staff, and volunteers. Accessibility of board members to make decisions and volunteers who work outside immediate area.

CORPORATE IDENTITY

Strengths:

Know of festival and education program. Defined and positive reputation for quality and dedication to the arts and local artist, demonstrated by educational programs and annual festival.

Weaknesses:

Expansion to move away from local artist. Loss of following.

NEW GROWTH

Strengths:

See need for change by inviting nationally known artist.

Weaknesses:

Failure to see value in growing of local artist in festival.

POWER AND POLICY

Strengths:

Established business with board members who are prominent members in surrounding community. Basic policy for operation.

Weaknesses:

Placement of unqualified individuals on staff. Defined policy for volunteers.

REPUTATION

Strengths:

Positive social media with several popular media avenues. Quality of product evident by 20 years of success and ability to attract nationally known artist.

Weaknesses:

Control of volunteers and staff specifically attitudes of volunteers and staff members. Quality of work and response to errors left negative connotations and loss of employment of committed volunteer.

*Internal Organizational Functions*

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| Functions | Strength | Weaknesses |
| Management: planning, organizing, motivating, controlling, leadership, organizational structure | 1. Knowledgeable supervisor 2. Plan of action for sustaining the festival | 1. Direction 2. Cultivation of volunteers |
| Marketing: customer analysis, selling, product and service planning, pricing, distribution, research, opportunity analysis | 1. History 2. Social Media to include Website and Facebook | 1. Goals 2. Cultivation of local artist |
| Accounting/Finance | 1. Supplemental grant funding 2. Revenue generating education programs | 1. Loss of local revenue 2. Competition for grant funding |
| Information Systems | 1. Website | 1. Detailed database |
| Human resources: recruiting, staffing, compensation and benefits, safety and health, training and development | 1. Number of volunteers 2. Staff tenure | 1. Training program 2. Rewards and recognition for staff and volunteers 3. Job descriptions for staff 4. Task assignments for volunteers |
| Operations: processes, capacity, inventory, workforce, quality | 1. Knowledgeable staff 2. Ability to reach beyond local community | 1. Quality control and oversight 2. Continuity of business processes 3. Ownership and accountability |

MANAGEMENT

Strengths:

Supervisor knowledge of all aspects of festival preparation, finances, market, and timelines gives central point of management and consistency. Established plan for revenue increase and basic running of festival.

Weaknesses:

Ability to make leadership decisions in quick and decisive manner is essential as time progresses towards the festival date. Putting on festival is a business that requires structure and organization. Structure starts at the top with leadership guiding the organization. Today’s festivals and events are increasingly varied and sophisticated than ever before (Tian). Volunteers need direction, oversight, responsibility, and commitment.

MARKETING

Strengths:

With 20 years of success the festival is well know in local community and throughout the state. Excellent established interactive website along with attractive and informative brochures. Social media shows a dedicated following.

Weaknesses:

Establish goals to provide direction in reference to products, services, pricing and researching of festivals within vicinity to identify the market what makes their festival different. Recent years have seen deteriorated participation of local artist.

ACCOUNTING/FINANCE

Strengths:

Limited revenue from local artists did not stop the festival committee instead; they researched available avenues for additional income lost. Submitting and getting approval for grants takes research and work to ensure receipt of requested funds. Branching out to art education programs also provides revenue and promotes festival.

Weaknesses:

No research accomplished to identify reason for steady loss of local artist who were big venue at festival. Could impact active participation within local community.

INFORMATION SYSTEM

Strengths:

Tracking of hits on website.

Weakness:

Expand database to include track artists participation, attendees, investors, gallery and small business. Documentation of surveys completed by artists, and vendors.

Human Resources

Strengths:

Organization has acquired volunteers from all age groups and backgrounds. Staff tenure brings stability.

Weaknesses:

For any organization to function efficiently and prevent frustration members need to know what is expected, how to do it and when. Even a small staff requires a training program and continuity. Additionally with large dependency on volunteers a training program is essential for all volunteers. Job descriptions help define positions for both staff and volunteers. Acknowledgement for a job well done is cost effective and significant to those acknowledged.

*Cultural Web Analysis*

1. The paradigm

2. Rituals and Routines

3. Stories

4. Symbols

5. Control systems

6. Power Structures

7. Organizational structures

*Structural Dilemmas*

*Readiness to Change*

*Recommendation*

*Primary Change Recommendation*

*Conclusion*

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