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# Canadian Arts Sector Governance Survey

June 24<sup>th</sup>, 2020

Matt Fullbrook, Manager

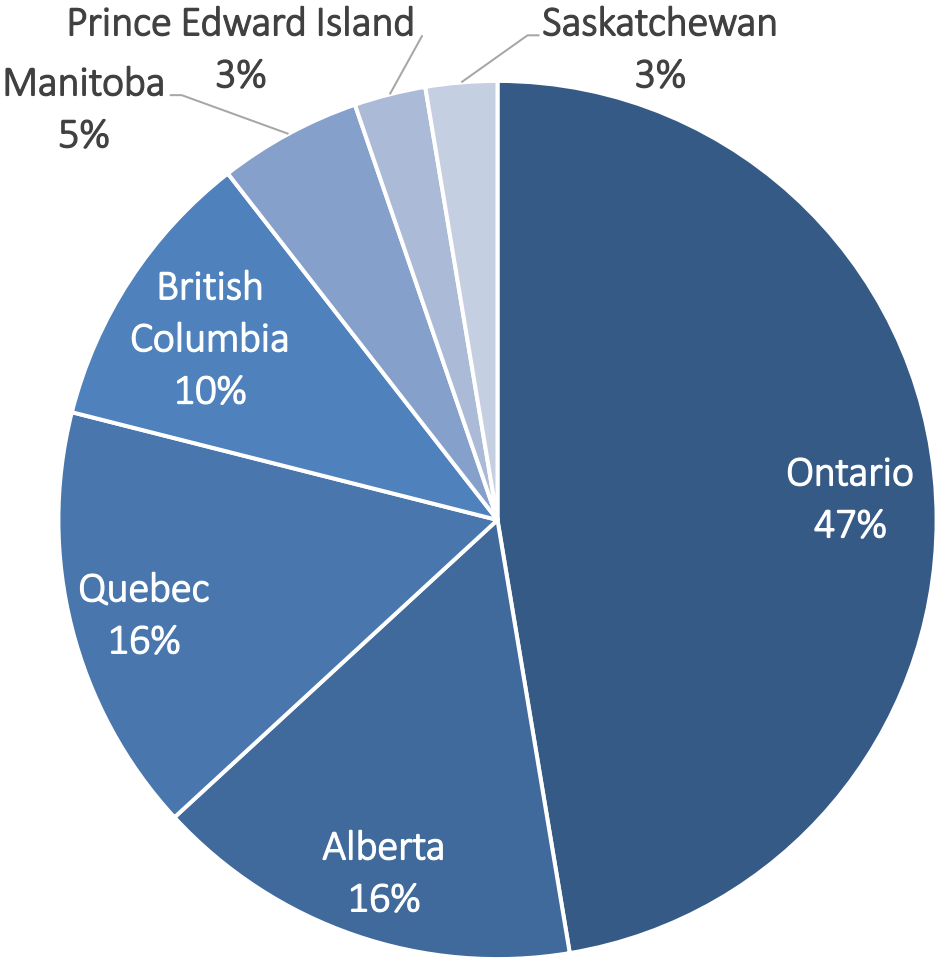
David & Sharon Johnston Centre for Corporate Governance Innovation



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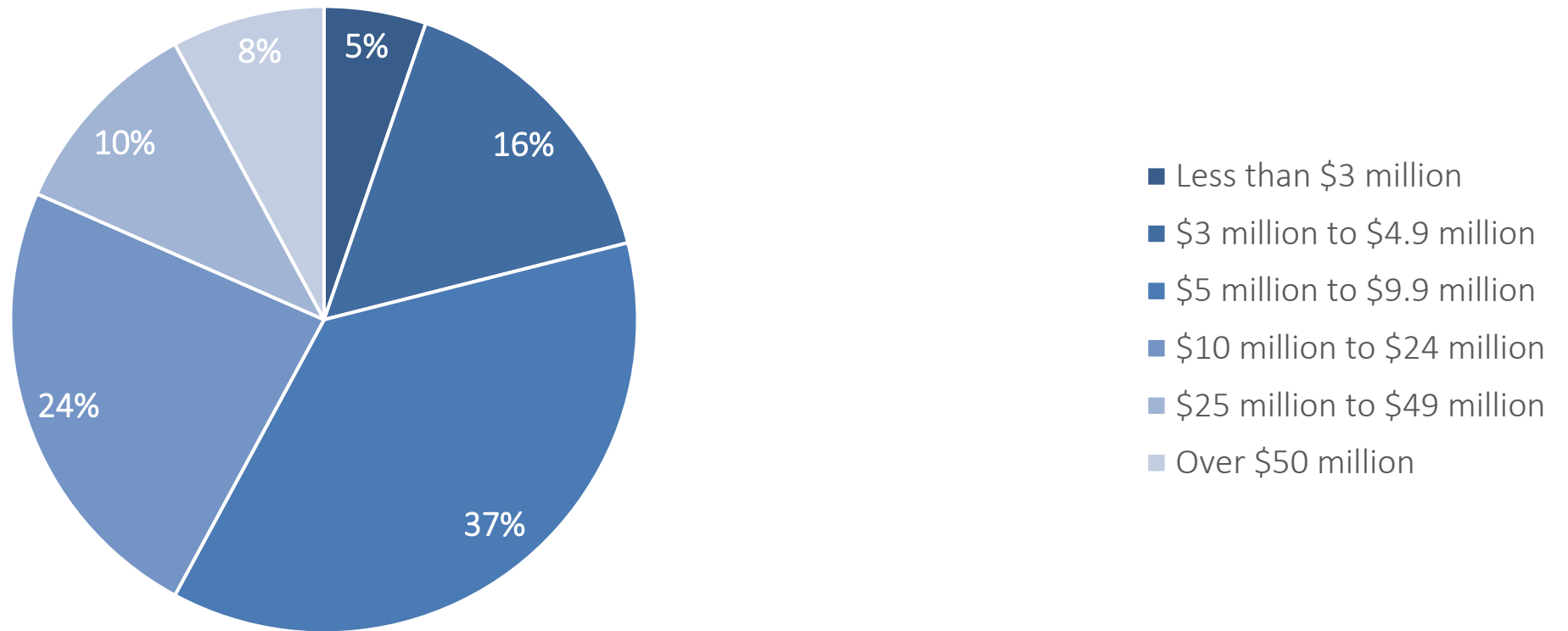
# About our survey participants

# Our 38 participants represented Canadian arts organizations in seven provinces

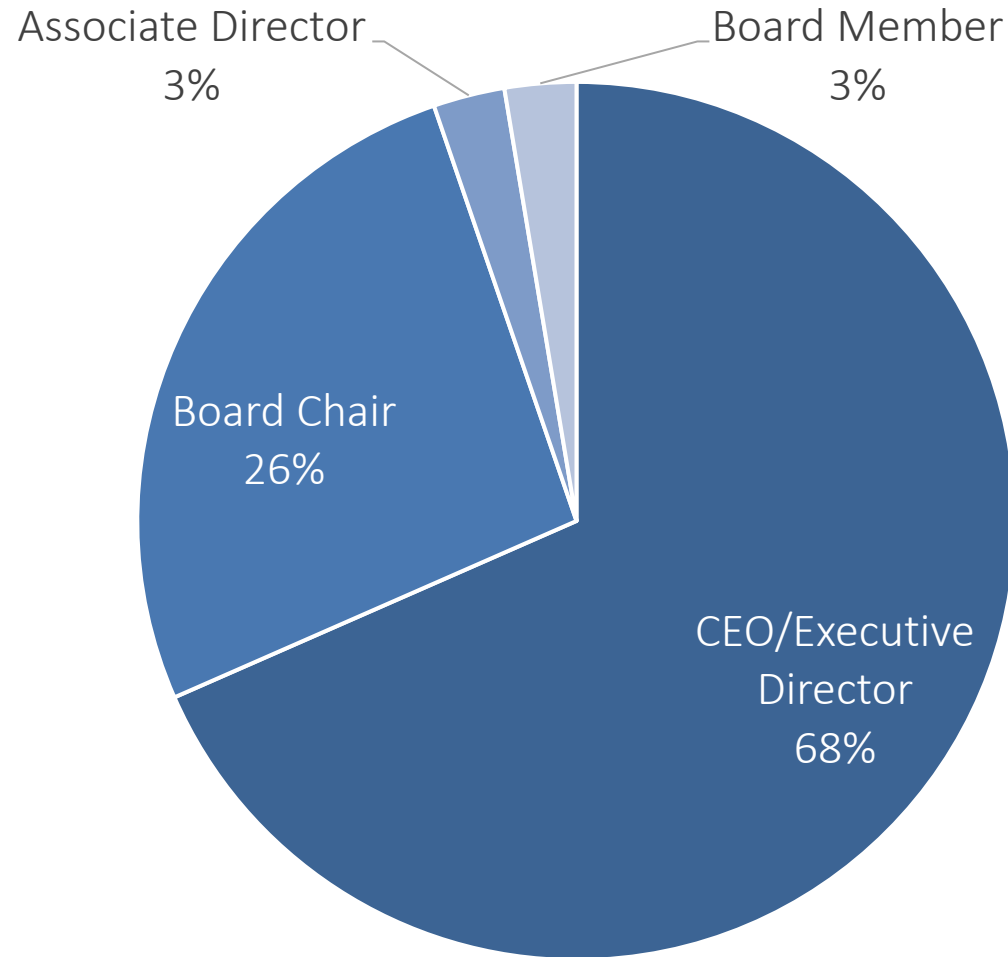


# Participants' budgets ranged from under \$3m to over \$50m

Approximate Annual Operating Budget



# Nearly all of our participants were CEOs or board chairs



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What did we learn about the  
governance of arts organizations?



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## It was almost all good news!

- Four out of five participants believe their board adds value
- Most directors are fully aware of their roles and duties
- Meeting agendas are appropriate, and directors arrive fully prepared
- Boards are not afraid to challenge managers when appropriate

## WHAT MAKES ARTS SECTOR GOVERNANCE UNIQUE?

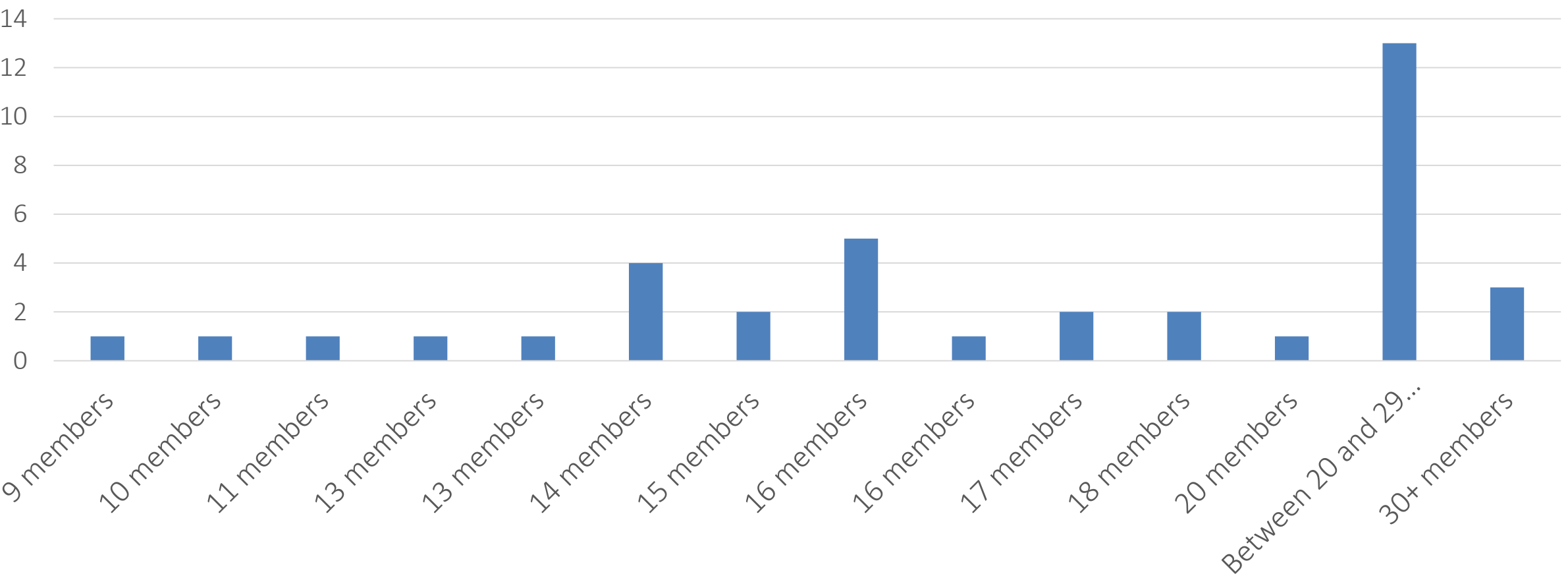
Beyond the fact that most boards have two direct reports





# More than 40% of participants have boards with 20 or more directors

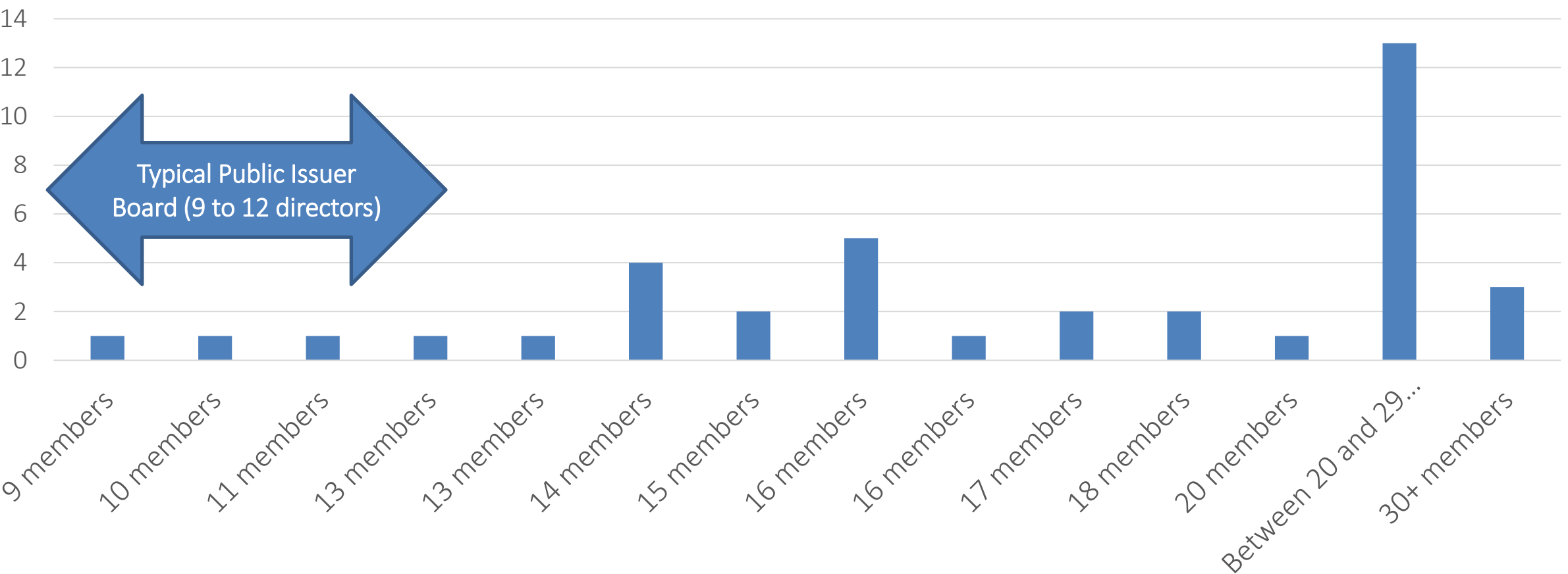
What is the size of your board?



Average board has 88% independence

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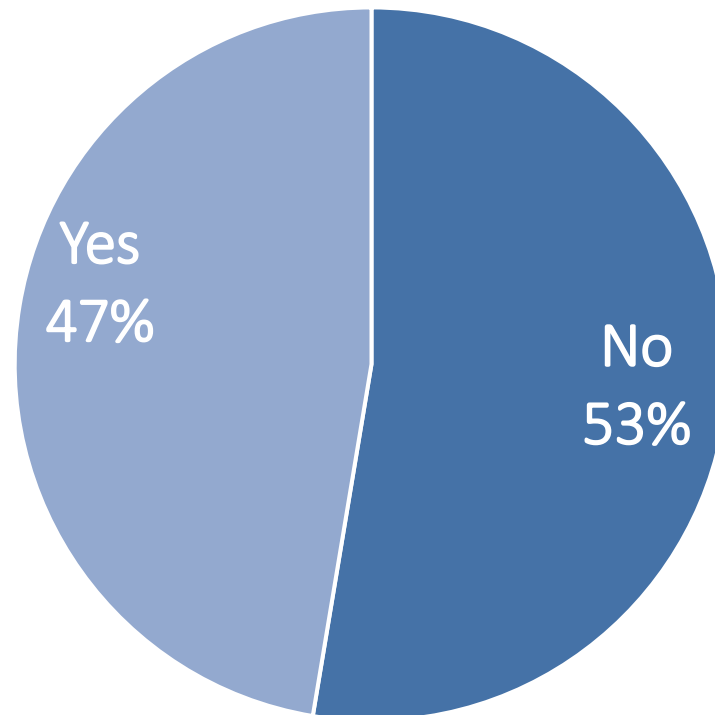


Average board has 88% independence

# About half of participants have a separate fundraising board

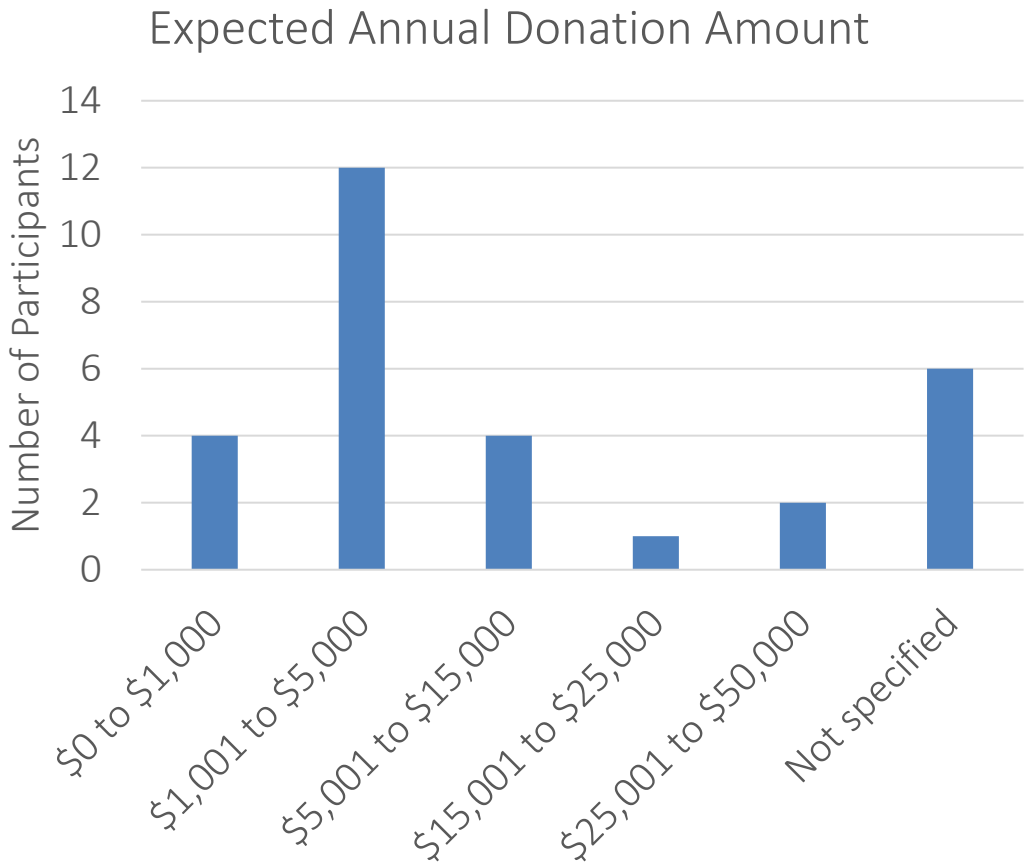
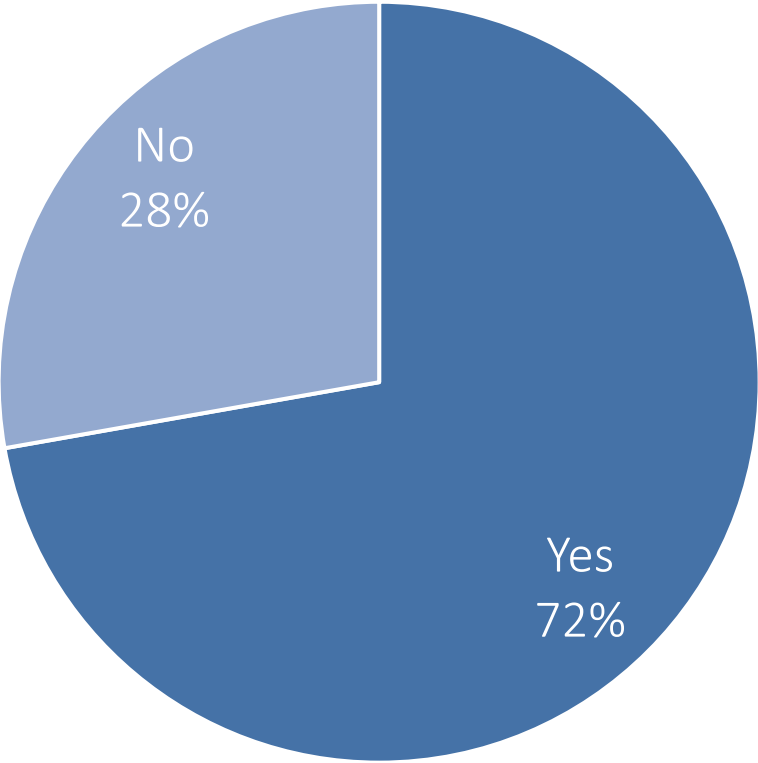
Question:

Do you have separate governing and fundraising boards?



# A majority of boards expect directors to make an annual donation of at least \$1,000

Question: Do you expect a minimum annual donation from board members?



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# SOME APPROACHES ARE SIMILAR TO OTHER SECTORS

Particularly when it comes to director recruitment and board composition



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# In what ways are arts organizations similar to other sectors?

- Most organizations are using a skills matrix to recruit new board members
  - As a result, there is very high confidence in director skills
- Boards and Executives often disagree on governance priorities
  - e.g. Managers think boards need more fundraising expertise, while boards think they should focus on financial literacy
- Board diversity is a very significant concern

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# HOW HAS COVID-19 IMPACTED GOVERNANCE?



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## COVID-19 has forced boards and managers to take new approaches to governance

- Boards are diving deeper into operations, and management welcomes the support
- Virtual meetings are going better than expected, but are still not a substitute for meeting in-person
- Organizations are exploring new ways to deliver art and engage with audiences
- Government relations and advocacy have taken on a new form of urgency
- Engagement with donors is also more complex
- Funding is the #1 concern, but that was also the case before COVID-19