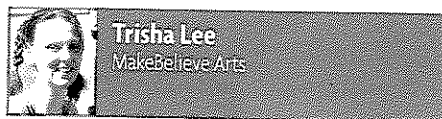


Arts organisations should become social enterprises, according to former Arts Minister Margaret Hodge, but Trisha Lee argues that many of them already are.

# How long have you known?



**Trisha Lee**  
MakeBelieve Arts

I sat drinking tea and feeling awkward, ready to broach a subject that we in the arts are uncomfortable with. The enormity of what I was about to ask the Artistic Director in front of me weighed heavily. I took a deep breath. "Have you... um... I just wondered if... have you heard about Social Enterprise?" A hushed silence. He looked furtively around. "We are one," he whispered. "We are too!" I replied. "When did you realise? How long have you known?" Questions were pouring from us. MakeBelieve Arts had come out.

At the age of 16 I set up a theatre company and funded a tour of youth clubs with my dole money. The angst-ridden show was called 'Real Life', and compared the gritty reality of life on the dole in Plymouth to a circus ring. The show cost a minimal amount to produce and brought in £50 profit. All the money was ploughed back into the next show for its 'new to theatre' audience. At the time I didn't realise what I was becoming. I've spoken to others who say they knew what they were from early on in their company's life. Some of them even knew what they were before they started. Then last year, I applied to become a Social Enterprise Ambassador, through a scheme run by the Office of the Third Sector. Following interview and selection, I joined a group of 33 ambassadors with a remit of helping to promote social enterprise in the UK. Suddenly I was surrounded by some of the most inspiring business leaders in the country.

No longer did I need to hide my social enterprise status in the closet. No longer did I cling to the dream of core funding as the only answer to the financial problems facing the arts. Now I can stand up for social enterprise to describe a business model that is not a part of our everyday language, although applying business principles to create a greater social good so often is. So why do we struggle to acknowledge that we are just as capable as any organisation of functioning as a business, and that doing so does not jeopardise our artistic integrity?

## Dropping the begging bowl

One of the counter-arguments is that if arts organisations function successfully as businesses they will never persuade funders of the importance of putting money into their programmes. Funders don't offer grants to organisations that are capable of making a profit. But social enterprise doesn't shut the doors to funding. We can demonstrate our ability to raise project funding alongside developing business

investment in our services. Funders are beginning to recognise that, in order to build resilience and to ensure the greatest impact, they need to help build the balance sheets of the organisations they fund just as much as the programmes they deliver. Arts organisations can raise funds for core costs and acknowledge the money made through trading income: social enterprise allows us to celebrate the multiplicity of our income streams. It even recognises the importance of our having a decent reserve or a sensible sink fund. We no longer need to cling to the begging bowl, pleading poverty and desperation: now we can hold our heads high and acknowledge that we provide a vital service for which we have the right to be paid. As social enterprises, the arts are enabled to diversify, to find new and innovative ways to get money, to expand our options, finding new resources to deliver the programmes that matter. But hang on a minute, isn't that what the arts have been doing for years? Many of us are already there: we just need to come out and celebrate it.

## Out of the closet

Why is it worth considering describing the way we work as social enterprise? The definition held up by the Social Enterprise Coalition of a 'formally constituted, not-for-profit business with primarily social objectives' fits arts organisations delivering programmes in the community. This definition of primarily social objectives is essential. We already know that the arts are delivering some of the most exciting and innovative social objectives. There is growing realisation that creativity is essential in enabling children to engage with learning. Creativity recently appeared in a list of the top ten skill and values sought after by employers, alongside communication, flexibility and interpersonal skills. As many of the jobs that our young people will enter when they leave school have not yet been invented, the potential social impact of high-quality creative participatory programmes becomes ever more apparent. Arts organisations can already list the benefits we offer to children, young people, or whichever community of interest we place our work in, in a concise and practised way. It's the business side we often shy away from.

But with the recent Arts Council England review and the growing realisation that the days of high-level grant funding are gone, it is time for us to embrace the opportunities of developing and refining our business models. Arts organisations that choose not to chase the funding or to alter their service to fit funding criteria are emerging, searching out new missions and models for future growth. Embracing enterprise does not have to be at the expense of artistic integrity. In fact, it may even offer greater

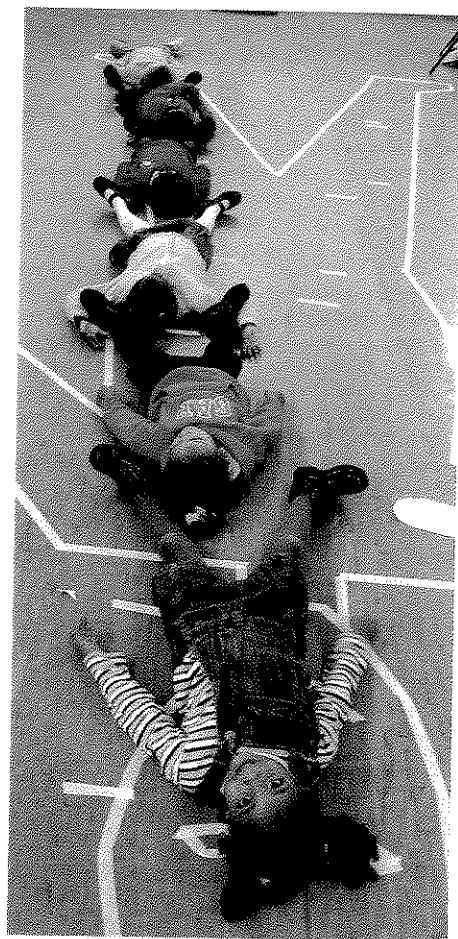


Photo: MakeBelieve Arts

**Maths research MakeBelieve style**

opportunities to deepen our artistic potential once freed from the time-consuming bureaucracy of grant aid. The arts can, and in many cases already do, earn more than the minimum of 50% of our income from selling our services in the open market, which is one of the baseline definitions for Social Enterprise. We just have to value our work, our creativity. The change is more in our minds than in our mission.

The arts have always been at the forefront of many changes within society. Now is the time for us to recognise ourselves as the businesses we are, to learn the lessons of enterprise, and as we always do, begin to explore new ways for us to thrive. Now is the time for the arts to come out... ■

*Trisha Lee is Artistic Director of MakeBelieve Arts, a theatre and education company working with children, young people and families, local education authorities, schools and other organisations to develop the creative potential of children aged 2 to 15.*  
t. 020 8691 3803  
e. info@makebelievearts.co.uk  
w: www.makebelievearts.co.uk  
w: www.socialenterpriseambassadors.org.uk