

Entrepreneurs: the artists of the business world

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What do a performance artist/sculptor and a heavy metal rock musician have in common? They are both entrepreneurs who have used specific, practical techniques from their artistic backgrounds to successfully advance their multi-million dollar enterprises. Is this a coincidence, or does an arts background provide distinct advantages to entrepreneurs?

Many have extolled the metaphorical relationship of the arts (and the humanities) with the world of business. Much that has been written on the "experience economy" includes references to Mr Shakespeare's famous line "All the world's a stage . . ." Arts-based learning has entered the lexicon of modern management consulting, featuring creativity expansion, role-play and other easily relatable "soft" approaches in a business environment. But what of the many practical business lessons that can be learned in the arts world? Are there tactical, operational advantages that entrepreneurs with backgrounds in the arts have when building a start-up or managing a fast-growth company?

What follows are two examples of entrepreneurs who have systematically applied operational techniques they developed in the arts to their businesses. Their success in adapting these processes suggests that the answer is "yes."

Measure twice, cut once!

When Christina Harbridge Law founded her credit collection agency she did so with the intention of bringing humanity to an otherwise dehumanizing field. The experience of dealing with medical collections associated with her father's terminal illness drove Christina to open her own medical collections agency in 1994. Christina believed that collections could be done in a non-aggressive friendly manner with positive results, and she founded her company, Bridgeport Financial, on a unique approach that focuses on long-term business relationships with the debtors, rather than on the debt itself.

Christina's background includes 15 years of involvement in San Francisco's underground performance art community. She has created public art as a metal sculptor and taught numerous classes in the metal shop as well. With no formal business training and a fast-growth company at her command, Christina looks to her arts background for guidance in managing the company's processes and twenty-five employees. Highly creative, she has infused Bridgeport with her own sense of fun and creativity in promotion and employee rewards, gaining her loyalty from customers and staff alike. Her approach of using marshmallow fights to defuse conflict and public Hula Hoop contests with competitors are distinctive attention getters and differentiators in an otherwise dour industry. Christina's unique approach has brought her company a successful collection rate nearly three times that of her traditional "unfeeling" and "uncreative" competitors. Bridgeport, which quickly grew to nearly \$2 million in annual revenues, has been listed in *The San Francisco Business*

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Times as one of the fastest growing privately owned companies in San Francisco four years in a row.

But despite distinct advantages her creativity gave her in dealing with the interpersonal elements of running a company, it's the nuts and bolts operations that required her focus as the company grew quickly. Christina had succeeded in attracting clients; now her company needed to perform at a professional level while building an infrastructure to support the growth. Like many fast-growth entrepreneurs facing systemic problems stemming from inadequate resources and razor-thin margins of error, she found solutions in her artistic background.

As a sculptor, Christina had mastered the challenge of creating ambitious large-scale art installations with tiny budgets, by developing a highly efficient methodology which she summarizes as “measure twice, cut once.” In the metal shop, “measure twice, cut once” was born out of the frustration she experienced destroying much-needed material by moving too quickly. Christina carried into her new work environment the lessons she learned about the importance of double-checking her marks. “Measure twice, cut once” became the inspiration for Bridgeport's organizational culture and is thoroughly integrated into Bridgeport's core values. Used as a regular mantra in all of Bridgeport's corporate meetings, the phrase can be found in company documents and even written in marker on the glass windows/walls throughout the office. New employees are given rulers with the words “measure twice, cut once” imprinted, to remind them of Bridgeport's approach. It is the indispensable checkpoint that must be passed prior to the execution of tasks in the company.

Recently Bridgeport signed on to install an all-new software system at a considerable cost. Grounded in the “measure twice, cut once” philosophy, at the last minute Bridgeport's management forced the vendor to install an additional test run of the system to identify bugs *prior* to permanent change. Although the vendor would normally have installed first and cleaned up problems later, Bridgeport's management held their ground, recognizing that system problems could cost the company tens of thousands of dollars in down time and inefficiency. By executing an extra trial run, the vendor could resolve the issues prior to taking the old system offline, without disrupting the normal work process for the Bridgeport staff. Ultimately the vendor ran the test before permanent installation; debugging was executed without disruption of the everyday workflow saving time, money, and – of course – the relationship.

Christina believes that the practical application of tactical processes she learned in the arts gives her the capacity to stretch for the high bar, that working in a structured environment gives her the freedom to think creatively, and that working in a secure environment allows her to take the risks needed for innovation. By allowing routine and alignment to take care of the predictable, Christina and her management team are able to focus on responding to unexpected occurrences and taking advantage of new opportunities.

The benefits of heavy metal

Unlike Christina, Scott Peloquin's relationship with metal came in the form of leading a 1980s heavy metal rock band in New Jersey. Back in Scott's days of tight pants and long Breck-girl hair his aspiration was to change the world with his songs. These days, his talent for communicating life-changing information has led him to success as the founder and CEO of



benefEx benefit consulting, a fast-growth employee-benefit consulting company Scott founded in 2000. A finance graduate of Seton Hall University, Scott worked in the benefits industry identifying tax and benefit trends. Since going out on his own, Scott has grown benefEx to \$9 million in revenue and 47 employees.

A big challenge in any financial services company is the need to constantly assess the commitment level of its commissioned sales consultants. Although committed to one company, these consultants function as independent contractors and tend towards a freelance mentality. Consultants who love their work will build and maintain a steady clientele for years on end, while unhappy consultants can destroy client relationships and cost a business like benefEx hundreds of thousands of dollars. Ultimately the success (and value) of a financial consultant depends on the desire factor, but assessing the consultants' desire can be difficult since they naturally exude confidence and can often project a positive attitude in the face of darkness. Training new consultants that lack desire can be an exercise in futility and a colossal waste of time and money, so Scott sought methods to eliminate halfhearted people from his sales team. To help him, he turned to his band experience.

Working with freelancers is nothing new in the arts world. Most professional artists function as self-employed independent contractors, and even among America's largest artistic enterprises, independent contractors make up a significant percentage of the arts workforce. The practice is widespread in Europe as well. For example, according to Britain's Department of Culture, Media and Sport, of the roughly 500,000 creative industries jobs in the United Kingdom, over 50 percent are self-employed. For details, consult their web site (www.artsadvice.com/knowledge). Like financial sales consultants, independent artists learn to survive and flourish in environments where the availability of work can be erratic.

Scott experienced this freelance mentality first-hand in his heavy metal band. Club band musicians are notoriously unreliable. They tend to follow their own drummer, so to speak. Often they lose interest in the band, turning in indifferent performances until they can find another gig. As leader of his band, Scott was constantly faced with this problem, making it difficult to maintain consistent quality. In response, he identified a set of tell tale signs to help him identify band members who were starting to lose interest: unwillingness to collaborate, resistance to change or new ideas, being late for rehearsals and performances, verbal disrespect, disruption of band hierarchy, etc. By itself, any one of these behaviors might be an isolated incident, but the appearance of several of the signs was a clear warning that desire was lacking and a band member change was imminent.

Scott quickly found that he could use the same behavioral criteria to assess his sales consultants' performance at benefEx. By applying the signs he learned from his rock band experiences in a business context, Scott was able to eliminate consultants who were marking time while looking for a better opportunity, and focus his resources on players who were truly committed to the benefEx culture and clientele. As a result, benefEx was able to reduce its training budget by 50 percent and shorten the financial independence curve for the consultants by several months, allowing the company to efficiently generate revenues with a smaller, more dedicated sales force.

The arts/entrepreneur connection

Is it just a coincidence that these two entrepreneurs found practical solutions to their business problems by applying lessons learned from their artistic endeavors, or is there a

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broader connection between the process of creating art and the entrepreneurial mind? Certainly, the arts/entrepreneur connection is not limited to Christina and Scott. My own 2005 survey of several chapters of the Young Entrepreneurs' Organization (an international organization of 6,500 entrepreneurs under the age of 47, who have started businesses that have revenues of greater than \$1 million) revealed that 15 percent of the members surveyed have training in the arts, or a hands-on artistic track record.

Do these entrepreneurs have an advantage over the classically business-trained entrepreneurs? Or is the entrepreneurial process merely a natural fit that attracts people with a right-brain approach? Much research will have to be done before we can answer this question with confidence, but when examining the requirements for successful entrepreneurship, several obvious parallels can be seen with the arts world:

- Artists spend their lives exploring their unique and individual perspectives on the human experience; inevitably, they often approach the world in an unorthodox manner and exhibit unconventional behavior they consider necessary to unleash the creative flow. Managers, on the other hand, function within corporate environments designed for predictability and built on conformity. An employee exhibiting unorthodox behavior is cause for concern, and uniformity is considered to create efficiency in large organizations. A manager visiting an acting class will be treated to sounds and sights not seen in a normal office environment, but I know from experience that many entrepreneurs will feel right at home. This is because entrepreneurs tend to prefer – and create – working environments that allow for uninhibited behavior and big picture thinking. Their unorthodox viewpoints are often what drive them to create; their frustration with the status quo inspires them to attempt a better approach, often with minimal resources.
- Artists and entrepreneurs alike must take a practical approach to the management and development of their enterprises. Both utilize extreme creativity and flexibility to shape raw materials into a communicative entity that creates value out of what may appear to be mere nothingness. Within that process they will attract and align supporters, helpers and consumers to give sustaining life to their creations. Often they will facilitate unique methods of achieving previously unattainable goals without manuals or precedent to guide their way.
- The business start-up process has much in common with arts production, particularly the performance process. In both cases an idea is formed and must be researched in detail. The artist/entrepreneur must extrapolate and explore all the possibilities that can stem from the original idea. Once the idea is developed and articulated, the artist/entrepreneur must recruit a team of helpers to mold the idea into a physical reality. The execution process must be done with extreme frugality and efficiency, since both artists and start-up entrepreneurs typically begin with limited resources. This makes philosophical alignment and effective internal communication critical in the transformation of vision to creation. A shared culture and vocabulary plays a big part in the success of the endeavor.

The education factor

Arts education in universities uniquely focuses on repetition of practical skills, preparing artists to focus on the creative opportunities while relying on solid technical training. Many artists turned entrepreneurs can tap into these transferable learned skills in their business

practices. Business schools teach many of the skills of entrepreneurship and innovation on a theoretical level, but generally lack the opportunities for practical application necessary to hone these skills through repetition. This forces employers to provide on-the-job training, making for longer management transition times. Although some business school entrepreneurship programs are beginning to form practical laboratories, they only occasionally tap into the arts-based expertise available close at hand. Stanford's Graduate School of Business and its drama department are literally next door to one another, yet neither the faculty nor the students engage one another on any level.

Recently, some refreshing examples of the arts melding with entrepreneurship have begun to appear at the university level. The Tippie School of Business at the University of Iowa, ranked among the top 30 entrepreneurial schools by *US News and World Report*, has developed an entrepreneurship program specifically connected with their Theatre Department, and has sponsored learning seminars with the Orpheus Chamber Orchestra.

Also significant is interdisciplinary work between the Baylor University Theatre Department and the school's Entrepreneur Program, also ranked among the top 30 in the nation by *US News and World Report*. Baylor has created a program where business and theatre undergraduates work together, as if consultants, with local entrepreneurs, helping them with business plan development and the practical execution of start-up enterprises. In addition, Baylor recently created a unique portfolio study allowing both business students and theatre students to develop skills in arts/business/entrepreneurship through a series of core courses combined with internships. Ironically, the development of these programs led to the surprising discovery that both of the faculty heads in entrepreneurship have been active in community theatre for decades.

Breaking barriers

Successful entrepreneurs are pragmatists. They tend to respond to experiences gained from practical environments and move quickly to embrace problem-solving solutions that they have learned through doing. It's not their risk-taking instincts that attract entrepreneurs to arts-based management techniques; it's the fact that the project management methods routinely used in the performing arts are among the most effective, efficient and sustainable the world has ever seen. What's more, these systems are so uniform that any theatre person or musician can quickly and easily adapt in any foreign theatre environment or orchestra worldwide.

Unfortunately, the general public perception (however clichéd) is that artists are "flaky," "impractical" and "poor at business." Among entrepreneurs, this perception is frequently reinforced by a misunderstanding of the fact that most arts organizations function on a not-for-profit basis and virtually all arts organizations – not-for-profit and commercial alike – are constantly fundraising for capital. Although most successful artists achieved their success in part by agile entrepreneurship, it is a stretch for many business people – even ardent arts supporters – to overcome this prejudice and derive peer-to-peer education from arts/business practitioners.

While the corporate world is beginning to waken to the opportunities that incorporating arts practices presents, a great opportunity exists for entrepreneurs to draw upon specific practices from the performance world and gain efficiencies. Considering both endeavors thrive upon strong skills in collaboration, communication and resource management, the common ground deserves additional exploration. Certainly the greater business community can benefit by further exploring the interrelationship between the worlds of the entrepreneur and the artist.

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