Association of Independent Museums

The National Body Connecting, Supporting and Representing Independent Museums

Making way to the private sector: ***commerciality versus community interest in the independent sector***

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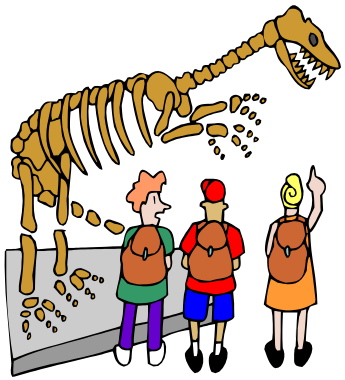
Chairman – Association of Independent Museums

A Dash to the Private Sector?

- Unprecedented state of flux
- Demands to save
- Demands to generate more income
- But “Independent” Sector is NOT the same as the “Private” Sector – perhaps it is the “More-Public” Sector rather than a privatised sector?

What is the independent museum sector?

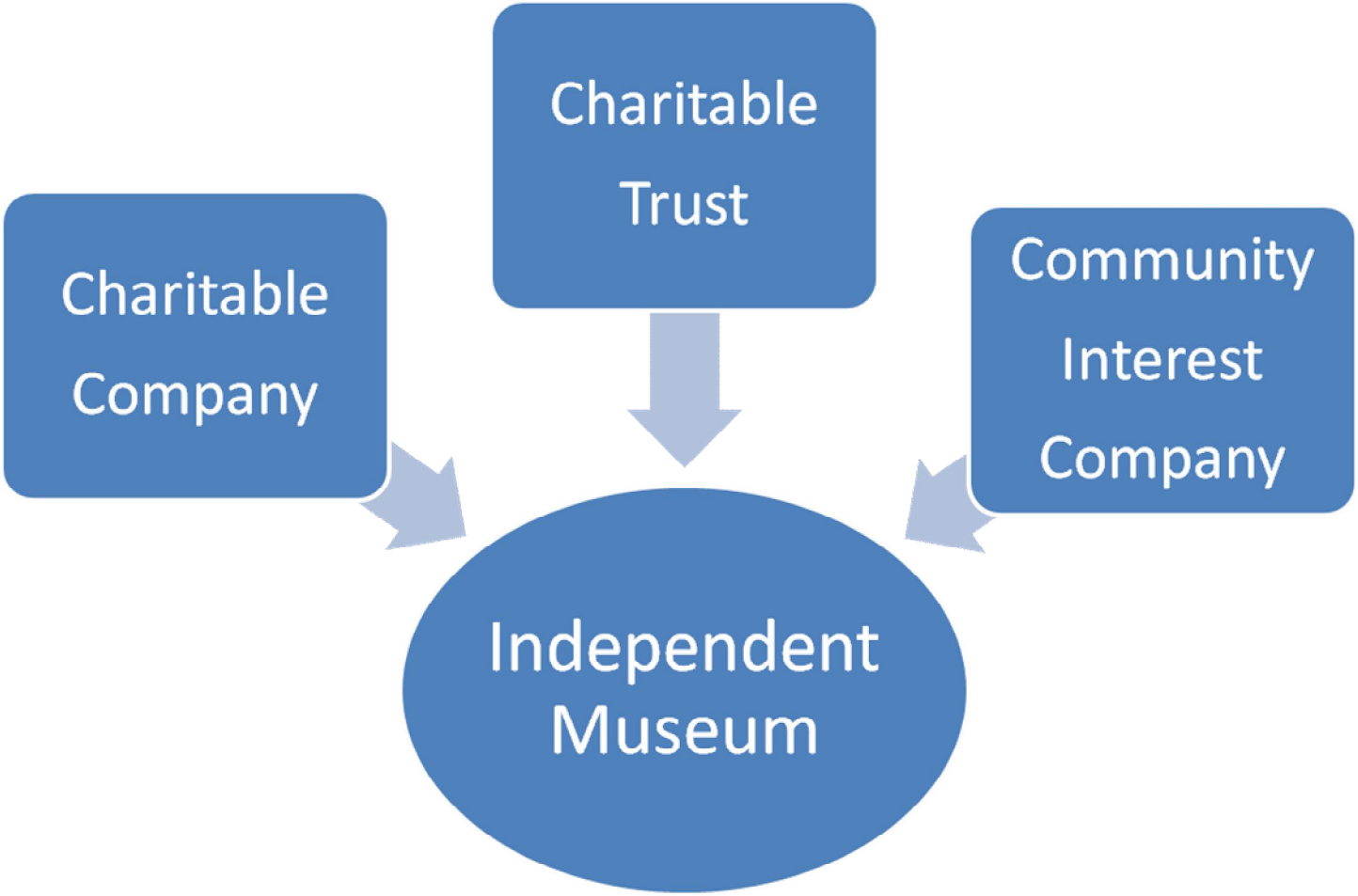
- 900 out of 1,500 accredited museums in UK are already independent
- Characterised by governance model
- Characterised by attitude
- Characterised by need



And they come in all shapes and sizes...

The River Gallery
Lutchard Motor Museum

The Governance Models



Governance: Community Interest Co.

- Light touch regulation – wider definition of public benefit
- Simple asset lock
- Not for profit
- Suitable perhaps for shorter-term, multi-stranded and non-collection based organisations

Governance: Charitable Company

- Governed by Board of non-executive Directors
- Known as “Trustees”
- Completely constrained, but own assets and Ltd.s
- Trustees have limited liability
- Executive staff report to Board and implement Board policy
- Most common and best-tested model
- Total Control...

Governance: Charitable Trust

- See above!
- No limited liability

Shared Attitude

- Completely Customer focussed
- Enthusiastic
- Grounded and creative
- Efficient and volunteer run

Common Need

- They are all driven by need to SURVIVE
- They all use business solutions and commercial attitudes for the public benefit
- They behave entrepreneurially

What stimulates Entrepreneurs?

I wanted to be an editor or a journalist,
I wasn't really interested in being an entrepreneur,
but I soon found I had to become an entrepreneur
in order to keep my magazine going.

Richard Branson

Nobody talks of entrepreneurship as survival,
but that's exactly what it is and what nurtures
creative thinking.

Anita Roddick

What is an “Entrepreneur”?

What is an “Entrepreneur”?

Tycoon?
Capitalist?
For Profit?
Commercial?
Selling family silver?

What are the fears?
Are they real?

The For-Profit “Museum”

- International Spy Museum
- Ripley’s Believe it or not
- The Creationist Museum
- Titanic

- Don’t be afraid to go near the edge!
- There is the best view!
- For “profit to distribute”, read “surplus to reinvest”

I DIE A PIRATE
Fry's
1000
AN ORIGINAL JIGSAW
AFTERNOON TEA
ENGLISH BREAKFAST TEA
ENGLISH BREAKFAST TEA

3

AT BRITAIN

“E” is not new

- **“Entrepreneurs are simply those who understand that there is little difference between obstacle and opportunity and are able to turn both to their advantage.”**

Machiavelli 1469 - 1527

Q: What should be the essence of "E" in Museums?

- **Optimising the potential to generate income**
- Seeing, and making, creative **opportunities**
- Encouraging **initiative** and **enterprise**
- gaining a more insightful knowledge of your **market**
- making best use of limited **resources**
- devising more appropriate **products**
- improving **communications**
- achieving best possible **delivery**

After K. Robinson 2009

Q: What stands in the way of “E”?

- Lack of respect for “E”
- The risk-averse culture: and belief that E is always risky
- Rules, regulations and other operational constraints
- Lack of authority for “E” activities (at all levels)
- The traditional curatorial/conservation “core”; protective, defensive
- Committee decision making
- Performance monitoring - with inappropriate targets
- Lack of leadership commited to “E”
- Political influences
- Lack of incentive (the proceeds of “E” are appropriated)
- Inadequate “E” ability, and no training

After K. Robinson 2009

Aspects of “E” in Museums

- Differences between:
  - Public Sector c.f. Independent Museums
  - Being entrepreneurial is a state of mind, and should be continuous and ongoing
- *“We know it when we see it but we don’t find it”* - in business plans, organisation charts, job descriptions
- to quote Mark Twain:
  - *“I was seldom able to see an opportunity until it had ceased to be one”.*

After K. Robinson 2009

The context for “E” in many Museums

- The ingrained mindset against “E”: *demonisation*
- “E” = trading - and “*they are a different team*”
  - Studies show that the most successful entrepreneurs “are convinced they command their own destinies”
  - The culture of many museums does not encourage this self assured attitude,
  - so often does not permit entrepreneurs to flourish

After K. Robinson 2009

So is E against the community interest?

- Does independent museum = outsourcing?
- Where is the heart as well as the head?
- What do the audience really want?

- Authenticity – keep it real – can't buy it "off the shelf"

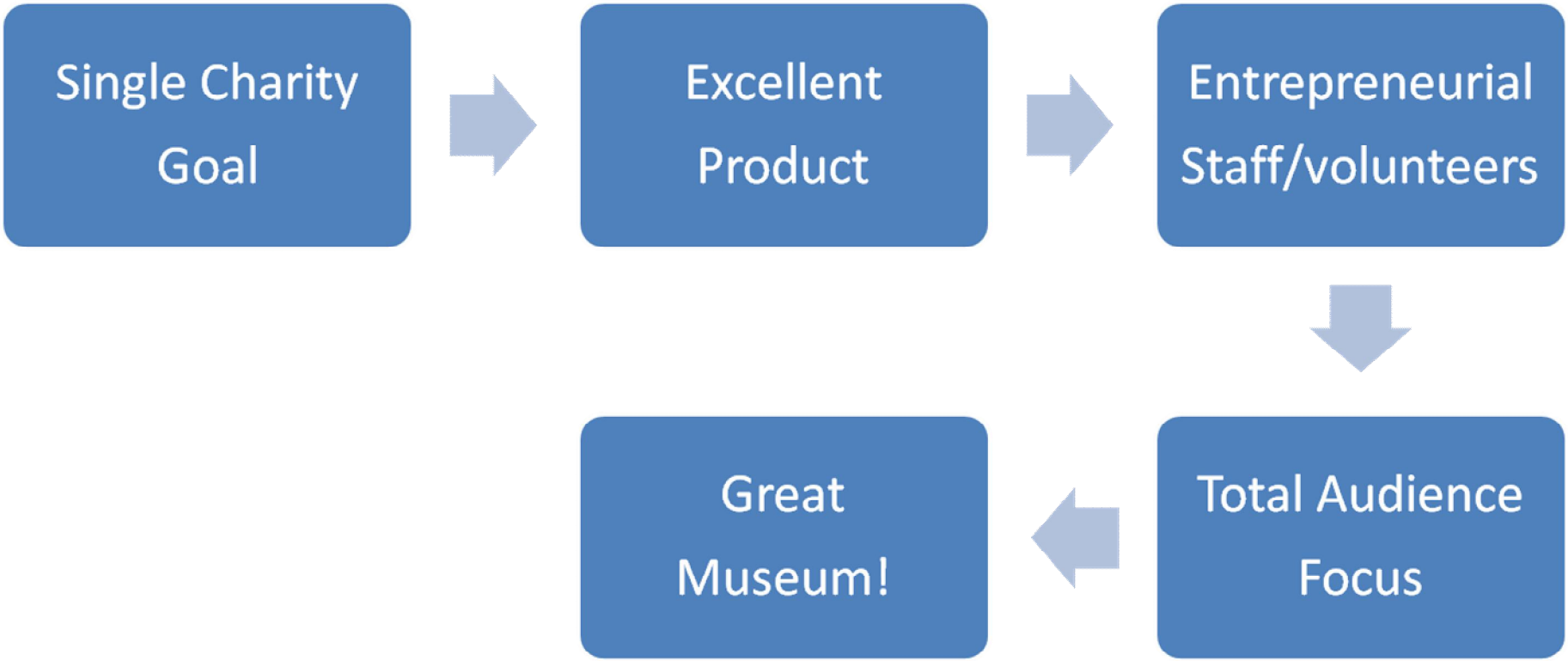
QUEEN MARY
HOTEL

How can Museums be entrepreneurial without compromising their integrity?

A: Don't make compromising decisions

E. does not threaten curatorial standards; (although bad management decisions will….)

A recipe?


Single Charity Goal
Excellent Product
Entrepreneurial Staff/volunteers
Total Audience Focus
Great Museum!

British Lawnmower Museum © 2011

I
INDIE

Need

- Opportunity seized
- Survival

Social enterprises

- Outsourcing –Museum as receiving house

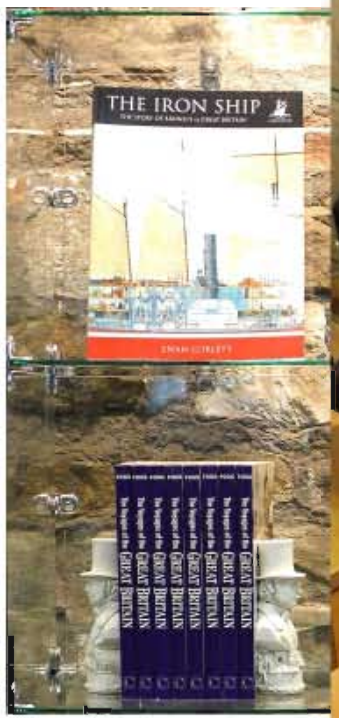
To be Successful you must be:

- Creative and Independent
- Scientific
- Entrepreneurial
- Accessible

The intrinsic value of water

The Museum's product(s)

- Are experiences in the minds of visitors
- Museums are lucky – they have collections
  - A Museum is a "Larder", not a "Cake"
  - The ingredients can be used in many different recipes, to please all tastes
- Refine, re-create and re-present them for your chosen Markets


THE IRON SHIP
The Rescue of the GREAT BRITAIN

Marshfield Farm
ICE CREAM
Delicious ice cream made on our family farm with fresh milk
REW ONLY