

APPENDIX D

Public Value Statement

The OAC seeks to make a positive difference in the lives of individuals and in communities through the arts. The degree to which we fulfill that goal will be the ultimate measure of our success. We create value for the citizens of Ohio in partnership with the arts, education and cultural communities. Together we sustain Ohio's artistic and cultural assets, protect and preserve cultural traditions, build the economy and cultivate the imaginations and talents of learners throughout their lives.

In 2004, in order to create the highest level of value for our constituents, the OAC undertook a major restructuring of our grant programs and applications processes. This was partly in response to our participation in the State Arts Partnership for Cultural Participation initiative, which was funded through a significant grant from the Wallace Foundation, with the ultimate goal of encouraging widespread arts and [cultural participation](#). During the restructuring process, we explored the topic of identifying and creating public value, and as a result we designed new and re-oriented already existing grant programs. We also shifted the purpose of our grant programs to emphasize a broader range of factors, including the unique contexts of Ohio's communities and the ways in which arts organizations, events and experiences respond to participants' needs and aspirations and advance the public's interests.

The purpose of this appendix is to:

- Explain the concept of public value and how it relates to the arts and the OAC's work;
- Highlight the importance of the instrumental and intrinsic benefits of the arts;
- Emphasize how the OAC, its grantees and others can partner to create public value.

What is Public Value?

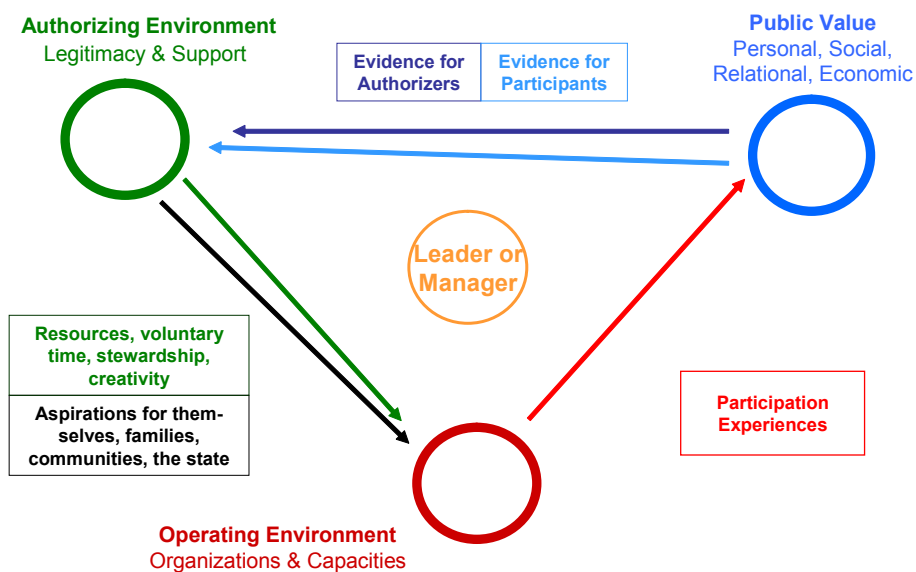
Mark H. Moore, the Hauser Professor of Nonprofit Organizations at Harvard University, first illuminated the term "public value" in his 1995 book *Creating Public Value: Strategic Management in Government*. Moore contended that while value in the private sector revolves around generating profits for shareholders, the value yielded to citizens in the public sector is not so simply defined. In the public sector, value revolves around important collective purposes, such as health, safety, education, cultural preservation, economic development, civic engagement, quality of life, etc.

In a later report, *Creating Public Value Through State Arts Agencies*, written by Moore and Gaylen Williams Moore in 2005, the strategy behind creating public value is discussed. In the private sector, corporations offer products and services in hopes of maximizing profit. In the public sector, however, agencies offer products and services in order to fulfill their legislative mandates and reach as many citizens as possible in positive and profound ways. Yet, these citizens do not pay for these products and services directly out of pocket. Instead, public agencies rely on elected officials who decide what important collective purposes the state should pursue, and therefore how much of the state's tax revenue an agency should receive.

Because of this major difference, state arts agencies (like the OAC) must demonstrate the public value of the arts in order to receive continued support from the legislature. Moore’s 2005 report touches on this through the Public Value Framework. The framework highlights a key concept—the strategic triangle—which shows how public agencies must clearly articulate the public value they seek to produce, the sources of support they can rely on and the attributes of their operational [capacity](#) that allow them to deliver on the promises they make.

According to Moore, only by attending to the entire strategic triangle can public agencies ensure that their work is relevant and beneficial to citizens and decision-makers and then, ultimately, receive the resources they need to continue doing good work. Below is the OAC’s version of the strategic triangle.

Transformational Framework for the Arts



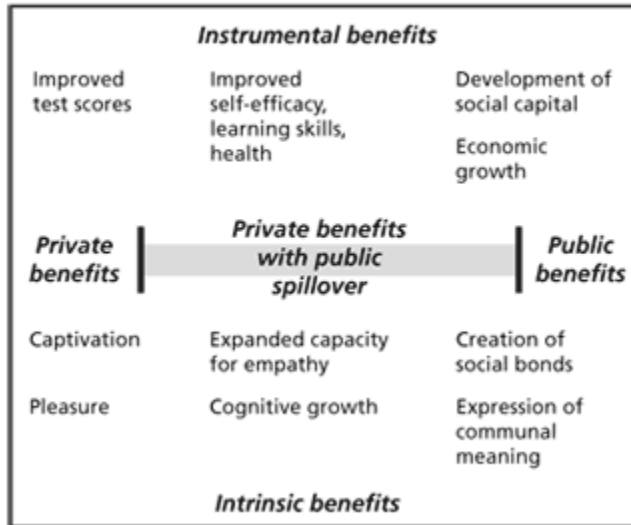
The Public Value of the Arts: Instrumental and Intrinsic Benefits

The public value of the arts has long been debated, and multiple studies have been completed that argue the benefits of the arts in today’s society. For many years, the prevailing view was that the arts possess public value because of their “instrumental” benefits—their contribution to broad social and economic goals, such as economic growth, enhanced academic performance, attraction of a high-quality workforce, improved mental and physical health among the elderly and the creation of community identities.

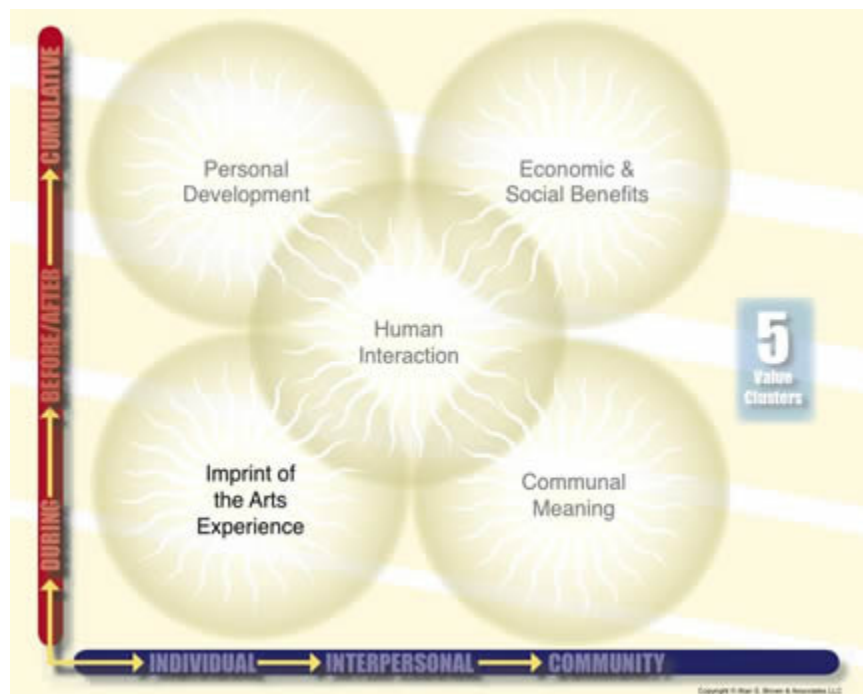
However, in 2005, the RAND Corporation published the *Gifts of the Muse: Reframing the Debate About the Benefits of the Arts*, a report that promotes a new framework for understanding the value of the arts. The report’s proposed framework recognizes how both instrumental and “intrinsic” benefits of the arts contribute to the public realm. Intrinsic benefits (e.g., intellectual stimulation, captivation and emotional resonance) are primarily qualitative and are often viewed as having only personal value. Yet, according to this report, intrinsic benefits play a crucial role in generating all arts benefits.

The new framework to emerge from the RAND Corporation’s report looks at the benefits of the arts along two dimensions—first, the type of benefit (instrumental or intrinsic), and second, how the benefit produces private and public value. This is illustrated below in the report’s *Instrumental - Intrinsic Value Grid*.

Framework for Understanding the Benefits of the Arts



Building on and reinterpreting RAND’s groundbreaking work, Alan Brown, a leading researcher and management consultant, explored the value and benefits of the arts in his 2006 article, “An Architecture of Value,” which was published in the *Grantmakers in the Arts Reader*. In this article, he makes an explicit link between the benefits a participant may garner from an arts experience and how its value can *accrue* and *transform* over time. His schematic, presented below, which reveals five arts benefits clusters, reinforces the notion that participants may value the same arts experience for different reasons.



Becoming Partners in Constructing Value

As the strategic triangle shows, identifying and creating public value is a collective effort. It depends on the shared experiences and strong ties between organizations, artists, citizens and decision-makers. In 2006, Andrew Taylor, director of the University of Wisconsin's Bolz Center for Arts Administration, put it this way: "All value is co-constructed."

In his blog, *The Artful Manager*, Taylor reminds arts advocates and the arts community that while we often "speak the language of production and consumption, or we focus on the demand side," there is much more to our work in the arts than supplying arts programs and services. The OAC recognizes this fact—that with each grant we award, we enter into a partnership with our grantees to support the cultural health and vitality of each grant recipient's community and to enrich the lives of that community's citizens.

By accepting an OAC grant, there is a stated agreement to be accountable for how public funds are used. Grantees are asked to track the results of their work through quantitative measures (e.g., numbers of participants, budgets, etc.) and through qualitative measures that convey the impact of activities on citizens and communities.

The OAC also asks for public value stories, so that the richness of the human experience and the transformative power of the arts can be revealed to decision-makers, citizens and those working in the arts, education and cultural sectors.

As a steward of public dollars, we take our partnerships seriously. Your work allows us to create public value by reporting that the arts and arts education are contributing to Ohio's economic competitiveness and the overall health and vitality of the state and cultivating the imaginative thinking and problem-solving skills that will prepare our children for the 21st century global workforce. During this time of great challenge, let us work together to identify and create the public value of the arts throughout Ohio.

Resources

As a partner, we offer multiple resources to help artists, educators, administrators and volunteers develop or refine their programs, evaluate their effectiveness and better advocate how their work contributes to creating public value. Many of these resources can be found through our [Making the Case](#) webpage, which is designed to provide citizens and decision-makers with the resources to effectively demonstrate to community leaders and elected officials that support for the arts and cultural sector is a sound investment of public dollars.

- [Focusing the Light: The Art and Practice of Planning](#)
- [National Assembly of State Arts Agencies' Research-Based Communication Tool Kit](#)
- [Take pART](#)
- [News Media Resource Guide](#)
- [ArtsOhio](#): Our bi-monthly e-newsletter that regularly highlights remarkable cultural programming

References

Creating Public Value: Strategic Management in Government. Mark H. Moore. 1995. For more information go to: <http://www.hup.harvard.edu/catalog.php?isbn=9780674175587>

Creating Public Value Through State Arts Agencies. Mark H. Moore and Gaylen Williams Moore. 2005. For the full report, visit:

<http://www.wallacefoundation.org/PromoDocs/CreatingPublicValue.pdf>

Gifts of the Muse: Reframing the Debate About the Benefits of the Arts. The RAND Corporation. 2005. See the full study at: <http://www.rand.org/pubs/monographs/MG218/>

“An Architecture of Value,” *Grantmakers in the Arts Reader*, Spring, 2006. Alan Brown. For more information, see the article at:

<http://wolfbrown.com/images/articles/AnArchitectureofValueGIARReaderWinter2006.pdf>

“Three (Short) Detours Back to Public Value,” keynote address at the National Assembly of State Arts Agencies’ Leadership Institute. Andrew Taylor. 2006. See the keynote speech at:

http://www.artsjournal.com/artfulmanager/thoughtbucket/nasaa_keynote.pdf

Focusing the Light: The Art and Practice of Planning. Mary Campbell-Zopf, Michael Sikes, Deborah Vrabel. 2008. A series of seven booklets that present a fundamental management strategy for advocacy, program planning and [evaluation](#). Available from the OAC at:

<http://www.oac.state.oh.us/FTL/>

“Revealing the Public Value of the Arts.” Christy Farnbauch, Mollie Lakin-Hayes, Jerry Yoshitomi. For more information, see:

<http://www.oac.state.oh.us/news/NewsArticle.asp?intArticleId=126>