

**An Oasis of Creative Discovery
Growth Strategy Prepared for UBC Arts & Culture District
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EXECUTIVE SUMMARY

Introduction

In Straton Consulting Group, our vision is to apply strategic analysis to leverage clients' potential and opportunity to resolve current issues. We stand at a neutral perspective to analyze our client's situation and identify any issues underlying in the management and operational level. In the UBC Arts and Culture District case, we are taking a holistic approach to observe and analyze issues instead of examining each venue individually. This allows us to broaden the perspective and provide strategy that can benefit the entire district.

In our strategy, we hope to address issues in business framework of UBC A&C District by shifting it from STEM (science, technology, engineering and mathematics) to STEAM (science, technology, engineering, art and mathematics). In addition, we are aiming to resolve low community engagement by crafting a brand identity for A&C District as a transdisciplinary discovery and creative innovation platform. We believe by leveraging the UBC A&C District's assets and resources, we are able to design a new image and create an interactive platform in UBC community.

Current Issues

Through our observation, we have identified three major issues that UBC A&C District is currently facing. The primary issue is the lack of structural and business framework to support the value of A&C within UBC, and this problem is caused by the insufficient budget for growth and lack of marketing and operational support. The second issue is the lack of unifying strategic vision to guide change at all levels, and the lack of global sense of achievement and redundant efforts has deepened the severity of the problem. The third issue is low community engagement and collaborative dialogue, as students are unexposed to A&C District offerings and the A&C District is not attracting talented individuals that foster the growth.

Our Strategy

Based on our analysis, Straton Consulting Group provides three tactics to improve UBC A&C District's current situation. Our first recommended tactic is to leverage A&C importance through successful art programs at other universities. We aim to create a interdisciplinary curricular programs in A&C District by integrating art and science. This allows students to experience broad spectrum of study and bridge the gap between artistic and scientific research. In addition, we recommend A&C District to connect art with modern technology by incorporating computer science, 3D printing artwork and virtual reality into art. Another tactic is to emphasize the importance of cultural investment through public sector partnership and art competition and exhibition. This allows A&C District create meaningful and influential art and cultural events to attract investment from government, donors and UBC, as well as providing cultural value to community. These two tactics are going to shift UBC A&C District's business framework from STEM to STEAM. In terms of student engagement, we recommend to re-design online presence at UBC by creating an online marketing competition and allow students to develop advertisement for UBC A&C District. This does not only engage students but also spark their creativity, and winner of the competition will receive prize. Along with student engagement, we recommend UBC A&C District to strengthen internal communication by creating an online platform for employees to share information needed as well as to provide feedback and share ideas. UBC A&C District will be about to craft a brand identity through this tactic.



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From STEM to full STEAM AHEAD

- Arts + Sciences = the new power couple
- UBC President Santa Ono presents on move towards STEAM

A Creative Economy for the Future

- VUCA future will need creative mindsets
- Innovators highly influenced by art
- Cultural goods purchases increase 12% per year

Liberal Arts in Demand

- Slack and other tech giants value arts background
- 55% of the world's professional leaders with bachelor's degrees studied liberal arts

INDUSTRY ANALYSIS

From STEM to STEAM: A Perspective Shift

“Future innovation and economic growth will require a balance of both STEM and non-STEM skills, such as those acquired and used in the humanities and social sciences. Leadership, creativity, adaptability, and entrepreneurial can help maximize STEM skills and allow Canadians to actively compete within the ever-changing global marketplace.”

Source: Council of Canadian Academies, *Some Assembly Required: STEM Skills and Canada's Economic Productivity*, 2015

There is a growing awareness in education of the profound link between arts and sciences, which has led the push towards a change from a STEM to STEAM framework for innovative thinking. Worldwide there is a rush towards a new appreciation of the arts, with leading research universities like MIT at the forefront of integrating arts to drive creativity and innovation. Canadian universities show a deep recognition that the arts will be integral to remaining competitive on a STEM scale. At UBC, President Ono expressed his belief in the value of Arts and the university's goals to integrate a STEAM approach.

Key Evidence:

- According to one study from Michigan State University, Nobel laureates in the sciences are 2.85 times more likely to have artistic backgrounds and hobbies than the average scientist. Another study shows that arts exposure leads to increased STEM patents

[https://www.researchgate.net/publication/247857346 Arts Foster Scientific Success Avocations of Nobel National Academy Royal Society and Sigma Xi Members](https://www.researchgate.net/publication/247857346_Arts_Foster_Scientific_Success_Avocations_of_Nobel_National_Academy_Royal_Society_and_Sigma_Xi_Members)

<http://msutoday.msu.edu/news/2013/a-young-picasso-or-beethoven-could-be-the-next-edison/>

A Creative Economy for the Future

The world is changing. Volatility, uncertainty, complexity, and ambiguity are the defining features of the future workplace, and universities are struggling to prepare their students to function in a world that is unpredictable. The arts allow for a different, more flexible approach to viewing problems that often leads to better innovation. And for growth, experts are seeing that economies need innovators, and increasing evidence indicate that innovation in all fields is driven by those who have been strongly influenced by Art, a.k.a Steve Jobs. As such there is greater push to invest in the development of cultural enrichment and creative mindsets in top institutions and cities.

Key Evidence:

- Creativity is the only industry that is not expected to be disrupted by the rise of robots
- Cultural goods purchases increase at a rate of 12% Canada (census data)

Liberal Arts in Demand

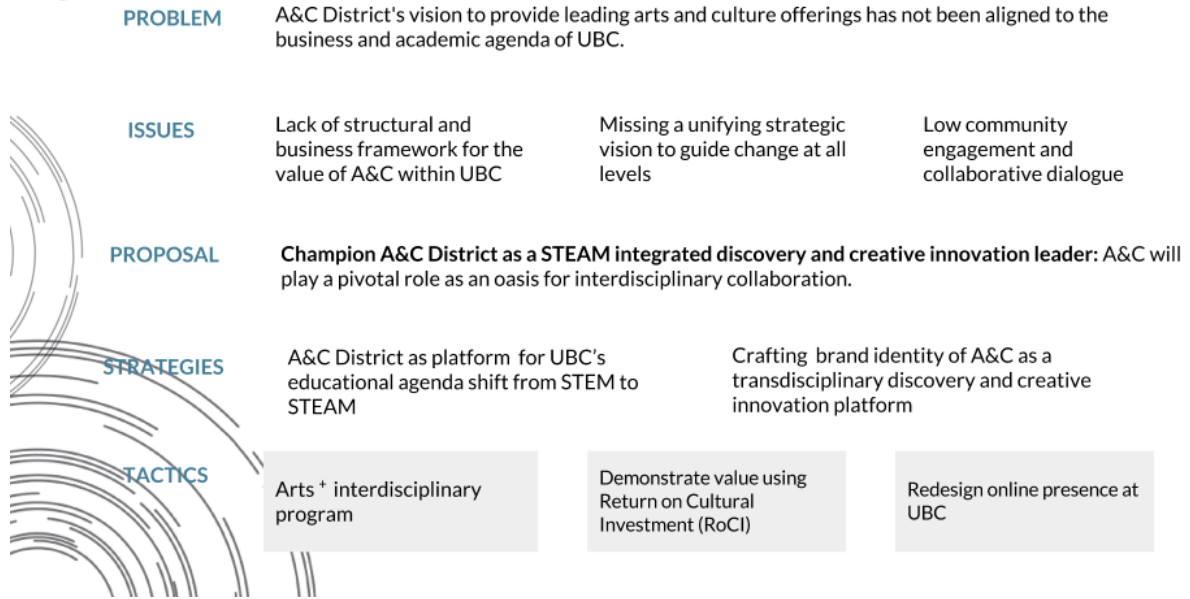
Adaptable and forward looking graduate that can thrive in ambiguous situations such as those in arts are increasingly becoming extremely valuable assets for companies - throughout major US Tech hubs in Seattle and Silicon Valley, leading companies in Software and IT are discovering the value in liberal arts thinking within their companies.

Key Evidence:

- 55 % of the world's professional leaders with bachelor's degrees studied liberal arts
- Over 400 of America's Fortune 500 companies use artistic skills and processes to foster creative and innovation ex.) IBM Watson



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OVERVIEW

As a public institution, UBC's budget is influenced by private endowments and government grants, which often specify what the funds can be used for if they are to be used. This especially impacts funding for arts programs, as grant programs reflect the strong STEM development focus in Canada as a part of its efforts to move towards an innovation economy. As a result of these factors, the arts have been undervalued in the business framework of UBC.

We propose that a reframing of the value proposition of A&C to speak directly to UBC's vision as a leader in research and teaching excellence. The A&C District will be championed as UBC's platform for STEAM integrated discovery and collaboration, as well making A&C a starting ground for creative innovation.



ISSUES

Lack of structural and business framework to support the value of A&C within UBC

Lack of unifying strategic vision to guide change at all levels

Low community engagement and collaborative dialogue

IMPACT

- Insufficient budget for growth
- Lack of marketing and operational support
- Lack of a global sense of achievement
- Redundant efforts in A&C district
- Students unexposed to A&C District offerings
- Not attracting talented individuals that can help grow A&C District

ISSUE ANALYSIS

Issue #1: Lack of structural and business framework the value of A&C within UBC

UBC is a public university known for its strength in STEM research. With its research focus, UBC invests most of its funds and subsidies in advancing hard sciences disciplines that promote its worldwide ranking as a research university. This comes to the expenses of recognising the economic value of the Arts. The implication of a STEM and not a STEAM educational program, is that the Arts and A&C in particular, is underfunded, and unsupported. Arts programs are often structured and perceived as cost drivers rather than profit drivers. On a daily basis, A&C cannot sustain its operational cost, it is limited on how much it can spend on marketing and advertising its activities, and in the long run, it is unable to allocate funds to research and development of its product category.

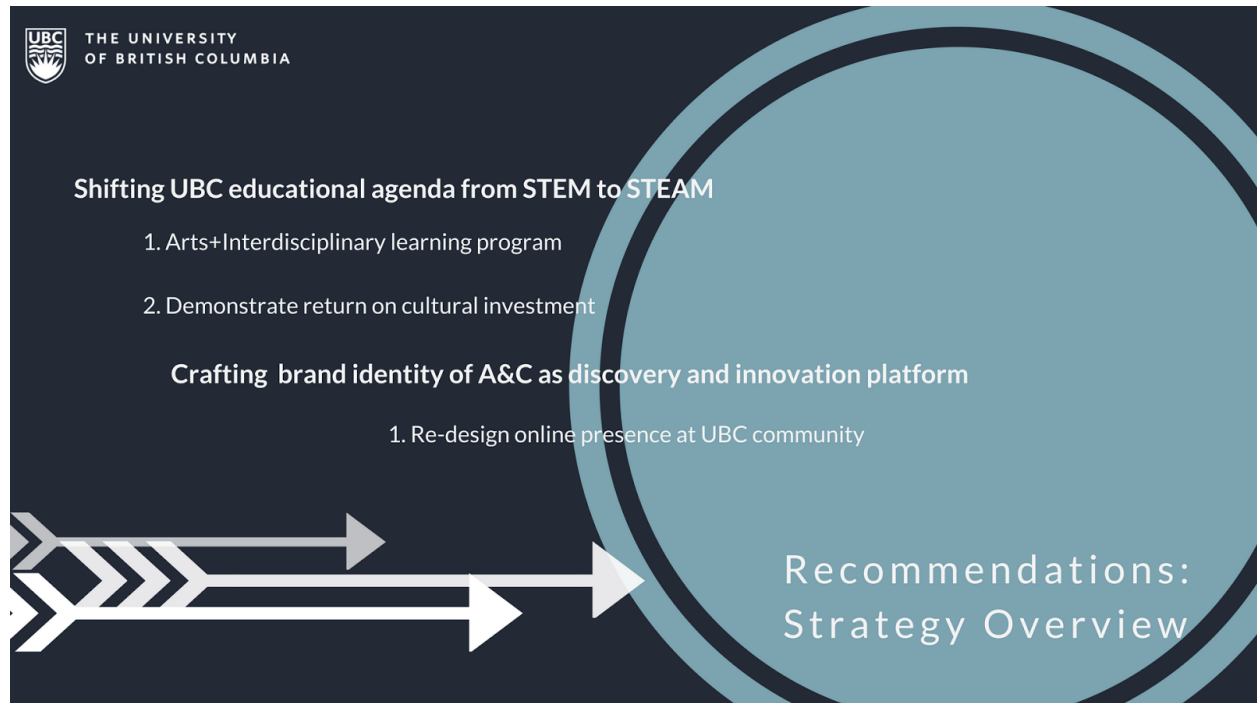
Issue #2: Lack of unifying strategic vision to guide change at all levels

A&C is made of eight venues that individually promote a unique artistic and cultural aspect of the district. Though this strategy may strengthen the product portfolio of the district, a lack in the long term vision and purpose of existence of each venue within the district weakness the mission statement of the A&C. The implication of this is that first, a lack in a common sense of purpose sets different strategic goals that do not necessarily promote the whole district. Secondly, when funding is available, it is coordinated at an individual venue level and not on a district level. As such there is a discrepancy in the awareness of efforts of others in each venue. In the long term, this business model will not sustain nor certain venues nor the district itself.

Issue #3: Lack of community engagement and external collaboration

Students at UBC know individual venues but have communicated mixed opinions on what the district

itself is. From our survey, we realised that the Chan Centre and the Museum of Anthropology were the most widely recognized and visited venues, and most student wanted to attend free shows. Our research results imply that, a.) students are not aware that a district exist, and b.) show a low willingness to pay for arts and culture offerings, and therefore will be unlikely to provide a recurring source of revenue. Inferring this, A&C will need to demonstrate value to UBC for its . In addition, since students want to attend free shows, they are unable to see the value of the art and less create an emotional commitment to it. Combined these issues make it difficult in keeping the district profitable and in getting buy in from different stakeholders.



Strategy : Champion A&C District as a STEAM integrated discovery and creative innovation leader

We propose two strategies to target the issues the A&C are currently facing:

I. Shift UBC educational agenda from STEM to STEAM

Academic institutions are integrating creativity as a central ideology of teaching. Art is no longer seen as a cost model but now as a revenue and skill development model.

1. Arts+Interdisciplinary learning program

Bridging the gap between STEM and STEAM models of learnings by offering dual degree program. Taking a step further in the future and integrating current technology such as IVR into the learning process and supporting financially student art led seminar

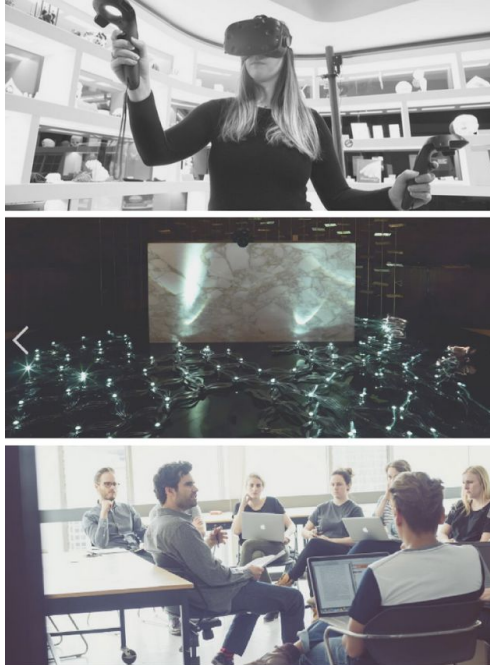
2. Demonstrate return on cultural investment

- Examine social, natural, financial and cultural resources and how they benefit culture activity
- Measure the social, environment and culture and how they benefit societal welfare

Part II : This strategy aims at providing A&C with a vision and identity of creativity and innovation

1. Re-design online presence at UBC community

Foster story and innovation sharing through a marketing campaign called #UACreates . Students will be the one's to create the information and through that model A&C can grow its visibility and create more emotional connection to the student base



Tactic 1: ARTS + Interdisciplinary Curricular Programs

Art and Science Dual Program

Bridge the gap between artistic and scientific research, broaden new perspectives, and create opportunities for experimentation.

Connect Art with Modern Tech

The conjunction of art and technology allows student to explore a new field of study.

Student Led Seminars

Provide students leadership opportunities and fostering bonds across disciplines

ARTS + Interdisciplinary Curricular Programs not only offer students an opportunity to learn different fields of study, but to conduct research with students from different faculty. It is a conjunction of Art, Culture and Science.

Art and Science Dual Program

- University of Chicago opens an Arts, Science and Culture Initiative program to foster collaboration of artistic and scientific inquiry within university. MIT ACT (arts, culture and technology) program.

- We recommend UBC A+C District to open a Art and Science Dual Program, with the intention to engage faculty and students across broad spectrum of areas. Develop such program in UBC to bridge the gap between artistic and scientific research, broaden new perspectives, and opportunities for experimentation.

- Develop partnership with Science programs. For example combine biology, physics and engineering with arts by Project Based Learning. Project Based Learning is a teaching method in which students gain knowledge and skills by working for an extended period of time to investigate and respond to an authentic, engaging and complex question, problem, or challenge. In this case Science students would be able to show their artistic view by engaging in those type of courses.

- Establish partnership with University of Washington to conduct art and science research. Based on Dr. Santa's information, Microsoft is willing to invest more than \$1 million dollars to UBC if the partnership is developed.

Connect Art with Modern Technology

The conjunction of art and technology allows student to explore a new field of study.

Art is no longer restricted to paper and brushes, but involves in variety of tools. Using technology to

create artwork will further engage students' interest and passion. Tech-savvy millennials can learn about arts and technology from 3D printing artwork, Internet art and so on.

Computer programming require both technical knowledge and creativity. Creating programs for Art and Computer Science allow student to explore and develop new innovation to provide convenience to the society.

Virtual Reality transforms art to a new horizon. UBC opens a new VR lab for students and staff to access. This allow UBC A+C take as advantage to use VR inside the gallery or museum exhibitions.

Student Led Seminars

The Student Directed Seminars program provides upper-year undergraduate students the opportunity to coordinate and lead a small 3-credit seminar on a topic not currently offered at UBC. Example : COMM 490F : Finance in Society. They are very beneficial, as they aim to foster interdisciplinary discussion between students from various discipline. However, they are taxing to the student who run them as they are neither financially supported nor granted incentives, as they additionally have to pay to take part in the course.



Tactic 2: Return on Cultural Investment

Public Sector Partnership



Art Competition and Exhibition

As mentioned earlier, one key barrier in funding for A&C is that UBC does not yet see economic benefit from the investment. To resolve the issue, we need to emphasize the importance of cultural investment and how UBC Art and Culture offer intangible value to the society.

Public sector partnership

A&C should continue to deepen partnership with public sector. Working with local authorities and gain sponsorship for projects and programmes is crucial to sustain a forward looking operation for A&C district. While Chan center and MOA have significant relationship with public sectors (school and tourism), we see that Belkin and other venues have relatively less connection. We recommend creating iconic festivals or events each year and connect with tourist service, local education center as well as government, and potential can attract investment from both city and donors.

Art competition and exhibition

Turn art into a reflection of social issue. Art channels awareness and attention to seize public's eye, and we recommend A+C district to host art competition and student art exhibition to demonstrate the importance of cultural investment. Art competition welcome everyone to participate, with a theme that reflect current social issue. This is an opportunity for everyone to express their thoughts and opinion. Through this kind of activity, we draw public attention to emphasize the severity of these issues as well as making a noise for government to listen.

The evaluation of ROCI cannot solely on the financial component. We suggest a general framework that allows UBC A+C district to embrace the entire system, from investment to outcome, to indicate whether value is added or lost through proposed project. This framework capture both cultural, social, environmental and economic value.

source* RSA Towards Plan A: A new political economy for arts and culture.



Tactic 3: Redesign Online Presence @ UBC



Social media

UBC Arts has 13,341 students ranging from Fine Arts to Certificate and diploma programs. However, A&C has only 1085 followers on Instagram (where on average posting receive 20-30 likes) and 300 likes on Facebook and it is following more than 284 people than they follow it. We did an online social media comparative analysis to other universities and we found that universities such as MIT's or University of Michigan, have a total followership higher than 6000, and on average each of their post is liked 200 people. What these universities are doing that we believe A&C is not doing is that instead of posting their own content, they have created platforms where students post their own content but through a general theme such as of distress under a specific hashtag like #Mdraw. This strategy has been effective as it creates a sense of belonging and appreciation and when it is time to promote university programs, it is less of advertising and more of inviting promoting.

We want to create #UACreates, which is short for UBC Arts and Creates. This is to create a platform of creativity and discovery. We advise getting students from all faculties sharing their latest creative art along with a story. The creative art products can be varied, from colourful coding to classical sculptures. Under the hashtag of #UACreates, five postings with most likes on Instagram each wins the prize of \$500 which we raise from the UBC, the government and public donors. The likes on other platforms such as Facebook and Twitter does not count to the evaluation, but we encourage participants to share the post on other social media platforms and call on people to like it on Instagram.

The postings will be further evaluated based on the content of the picture and the concise story by the professors. We are giving out \$500 each on the five best postings. We realize that storytelling are powerful way to attract people and to make sense. We want to erase the untouchable feeling when people talk about arts, so that the concise and understandable posting can enhance the student

engagement.

Hootsuite


Hootsuite is a tool which enables marketers to manage social media account in one place. With the introduction of Hootsuite, A+C is able to post the content and deliver the consistent messages.

Cross-venue communication

<http://smallbusiness.chron.com/importance-communication-between-different-departments-organization-11901.html>

Cross venue communication is vital to identify information needed for each venue and to place everyone on same pace towards a unifying vision. It is crucial to provide immediate updates to ensure information flow among venues, as well as align each employee's work to the vision and show appreciation on their effort. We propose 1.) A new system for employees to provide feedback and share ideas within UBC Arts and Culture District, 2.) Require a personnel in each venue to actively respond on employee's request and feedback and engage them into the conversation, and in addition 3.) Reward employees who actively help and respond on the platform and employees that provide ideas.

ELIMINATE <ul style="list-style-type: none">• Discrepancy of communication among facility• Multiple social media post that do not push for student sharing and creativity	RAISE <ul style="list-style-type: none">• A&C social media presence• A&C participation in the academic planning of integrative and interactive learning• A&C partnership with public sector
REDUCE <ul style="list-style-type: none">• Total financial dependency on UBC• Advertising posters that do not have relatable stories to them• Post to all social media platforms such as Snapchat and concentrate effort on key main one's Instagram, Facebook start f	CREATE <ul style="list-style-type: none">• A district vision of creativity and discovery• Foster communication among all the venues of the district• Marketing campaign to drive engagement and A&C visibility on an international level• Art competition and exhibition

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Financial Implication:

Funding	Amount
Government of Canada	\$500,000 to MOA
Private Donor	\$1,000,000 to MOA
UBC	Various, Depend on Research

SOURCES OF FUNDING

1. **Government and Private donors:** play crucial roles in funding the operation of UBC Arts and Culture District, and we demonstrate the necessity of funding through our recommendation of cultural investment. In 2016, MOA receives combined donation of \$10.5 million from donor, Doggone Foundation and Government of Canada. The reason behind the significant amount of donation is because the cultural meaning behind MOA: commitment of Aboriginal engagement, public awareness and understanding of culture and history. Microsoft's plan to invest \$1 million on Art and Science research if UBC develops partnership with University of Washington to foster art, scientific and technological research and innovation.

2. **UBC Art and Science Faculty:** <http://vpfinance.ubc.ca/financial-reporting/consolidated-expenses/>
<http://vpfinance.ubc.ca/ubc-endowment/>

UBC has a pool of cash to support research related projects. According to UBC Finance statistic, \$376 million research fund revenue comes from government and agency support. Meanwhile, UBC spends \$39 million on research support. Operating budget allocation for the Arts faculty is 22%, the second highest fund allocation among all faculties. The budget allocation increased in year 2016/17, along with revenue increases from Faculty of Art. This indicate Faculty of Art has excess cash every year to fund operations in venues of Arts and Culture District.

UBC offers variety of funding source channel, both external and internal. In our recommendation, Art and Science programs contain research component for students and faculty members to obtain necessary funding to proceed the research. For example, CCSRI's Innovation to Impact Grant, and NSERC's Strategic Partnership Grants for Networks.

Target and Metrics:		
	Metrics	Target
UBC A+C District Objectives	Annual growth of operating margin	Achieve a positive operating margin
Increase Funding for Operation	Number of student involved in multidisciplinary learning program	Increase 20 - 30% on number of students in learning program each year
Enhance UBC Community Engagement		
Improve Effectiveness of Online Marketing	Calculate participation rate for marketing campaign	Increase participation rate by 40-50% each year
Deliver Art and Culture Value to Public	Amount of public engagement in Art competition and exhibition	Improve students academic performance increase of 80 - 100% visit per year, maintain 20 - 30% bounce rate and achieve at least 70% conversion rate.
Improve Internal Communication	Use Google Analytics to measure traffic, conversion rate	
	Return on cultural investment Framework	Promote interaction in public space
	Measure response rate and employee engagement	Engage 90 to 99% employees in meeting and discussion

TARGET & METRICS

There are six target objectives that we measure to ensure the capability of our recommendations.


Funding for Operation: We aim to increase the funding for operation in order to meet the operating budget and achieve a positive operating margin. We calculate the percentage growth of operating margin year to year to measure the improvement.

UBC Community Engagement: The main issue of UBC Art and Culture District is the low community engagement, and we measure the number of students involved in the multidisciplinary learning program and target 20 - 30% on number of students participating in program. In addition, we target to increase participation rate by 40-50% annually through our online marketing campaign and competition. We calculate participate rate by dividing number of active participants by total number of views. Lastly, the amount of public engagement in art competition and exhibition is measured, and we calculate the number of participants and target to improve these participants' academic performance.

Effectiveness of Online Marketing: Through our re-design of online presence, we target to increase the effectiveness of online marketing. We will use Google Analytics to measure traffic and conversation rate. We target to have an increase of 80 - 100% visit per year, maintain 20 - 30% bounce rate and achieve at least 70% conversion rate.

Art and Culture Value to Public: Through our demonstration of cultural investment, we measure the return on cultural investment through our ROCI framework. We aim to establish interaction in public space and encourage social engagement.

Internal Communication: internal communication is fundamental to information sharing through different venues in UBC Arts and Culture District. We target to engage 90% to 99% of employees in meeting and discussion, which we measure their response rate on online platform as well as engagement in meeting.

FINANCIAL PERSPECTIVE : Actions			
To create an investment portfolio for attracting public and governmental support			
Provide a return in student engagement and learning to sustain consistent founding from UBC			
BUSINESS PROCESS PERSPECTIVE ACTIONS 1. Integrated student learning across multiple disciplines 2. Understand student communication stream and increase interaction with them	Vision UBC to integrate Arts as a key component for advancing research and innovation at the university Values Creativity, Discovery, Innovation, Challenge, Belonging Strategy Champion A&C District as a STEAM integrated discovery and creative innovation leader	CUSTOMER ACTIONS 1. Engage in the social media content creation of A&C 2. Foster knowledge and appreciation of an integrative learning environment	
LEARNING GROWTH PERSPECTIVE 1. Be part of the transformation of UBC from a STEM to a STEAM program 2. Understand how social marketing works and provides engagement 3. Improve business process and achieve financial goals 4. Understand the integration between arts and technology			

BALANCED SCORECARD

Financial Perspective

Actions

To create an investment portfolio for attracting public and governmental support:

- Apply for funds and grants from donors that appreciate arts and want to advance it
- Provide a return in student engagement and learning to sustain consistent founding from UBC.

Measures

- Return on cultural investment
- Operating margins
- Balanced budgets

Business Perspective

Actions

- Integrated student learning across multiple disciplines
- Understand student communication stream and increase interaction with them

Measures

- Student registration in multidisciplinary learning courses
- Amount of social engagement in Art competition and exhibition
- Google Analytics measure of website traffic and conversion rate

Customer Perspective

Actions

Engage in the social media content creation of A&C

Foster knowledge and appreciation of an integrative learning environment

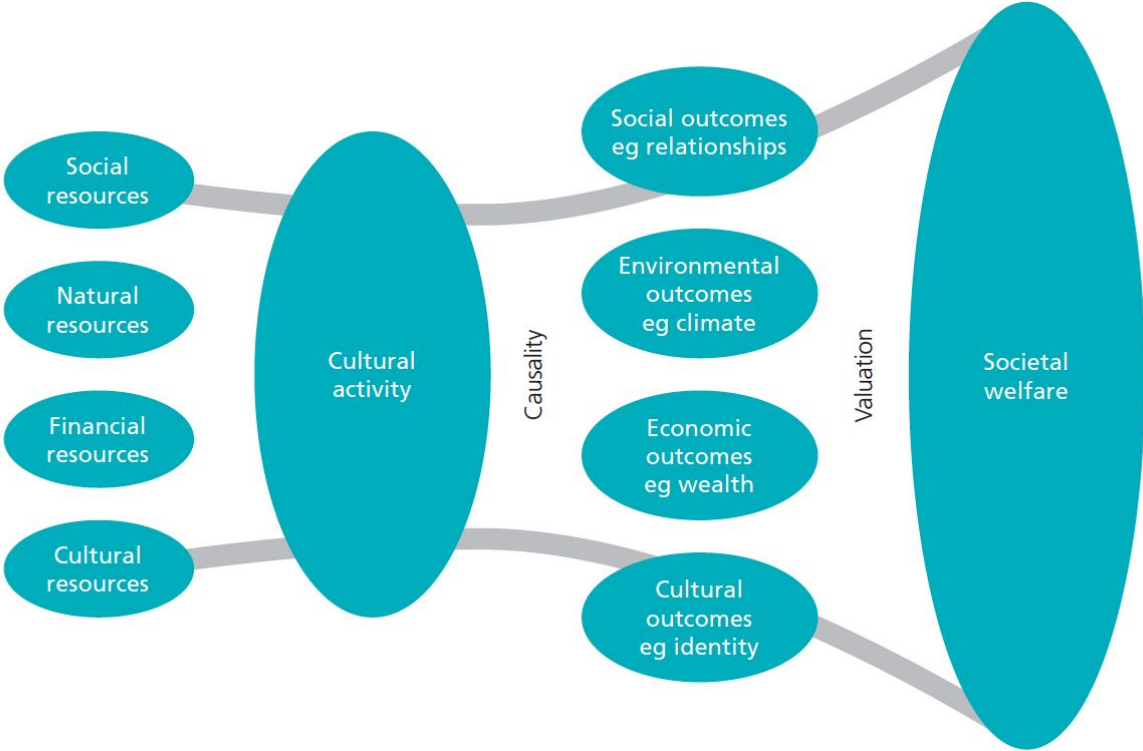
Measures

- Calculate participation rate for marketing campaign

- Number of student involved in multidisciplinary learning / survey responses

APPENDICES

Return on Cultural Investment Metric



Implementation Timeline

