

The Ongoing Impact of COVID-19 on the Kansas Arts and Culture Sector

Report of Findings January 2021



**HUMANITIES
KANSAS**

A Movement of Ideas

A project in partnership with the Kansas Creative Arts Industries Commission, Freedom's Frontier National Heritage Area, Kansas Museums Association, and the Kansas Library Association.

Overview

The Kansas Arts and Culture Survey was created to measure the ongoing impact of the Coronavirus on the arts and culture nonprofit sector in Kansas in December 2020-January 2021. The goals of the survey were straightforward:

1. To capture data on the ongoing impact of the pandemic
2. To establish the areas in which arts and culture organizations need additional support
3. To use the data to develop sustainability plans and create mechanisms for financial and other support

This survey was designed to be used by museums, historical societies, art centers, libraries, performing arts venues, and other organizations critical to our state's flourishing and important arts and culture infrastructure, as well as for use by individuals in the arts and culture sector.

The survey was distributed December 15th, 2020-January 31st, 2021 through social media and email. The survey received 142 responses—107 from organizations and 35 from independent professionals in the arts and culture sector.

Key Findings

1. **As predicted in the March-April 2020 COVID-19 Impact Survey, the Kansas Arts and Culture Sector has experienced a significant financial impact as a result of the pandemic, and assistance will be needed.**
 - a. The Kansas arts and culture sector has experienced significant financial losses as a result of the ongoing pandemic. The 142 respondents collectively estimated a deficit of \$11,626,000.
 - Organizational respondents estimate total loss in admission revenue to be \$6,975,000.
 - Organizational respondents estimate total loss in non-admissions revenue to be \$2,196,000.
 - Organizational respondents estimate total in private funding to be \$916,000.
 - Organizational respondents estimate total loss in municipal funding to be \$352,000.
 - Organizational respondents estimate total unanticipated expenditures as a result of the pandemic to be approximately \$1,041,000.
 - Individual respondents estimate total loss in income to be \$146,000.
 - b. Organizations and individuals are seeking alternative funding models, but reliable government assistance will be needed as private and municipal funding for the sector has decreased.
2. **The COVID pandemic may lead to a shrinking of the Kansas Arts & Culture Sector, which will have a ripple effect on Kansas communities.**
 - a. Kansas arts and humanities organizations have had to lay off employees in order to adapt to the new economic reality:
 - Organizational respondents report terminating 20 full-time positions.
 - Organizational respondents report terminating 175 part-time positions.
 - Organizational respondents report terminating 253 contract positions.
 - b. Some organizations (51%) are currently unsure how they will make up the budget shortfalls they are experiencing, while some individual arts and culture professionals (28.6%) are considering leaving the sector to find more reliable work.
3. **Organizations and individuals are pivoting, adapting, and building on their strengths, but flexibility varies.**
 - a. Many organizations (61.6%) and individual arts and culture professionals (28.5%) are pivoting their programming to online platforms in order to serve their audiences.
 - b. Respondents reported some unexpected positive outcomes from the pandemic:
 - 79.4% of organizations and 65.7% of individuals have learned new skills.
 - 72.9% of organizations and 48.6% of individuals have embraced new approaches to old challenges.
 - 62.6% of organizations and 22.9% of individuals have developed new programs.
 - 48.6% of organizations and 28.6% of individuals have reached new audiences.
 - c. Programming flexibility varies from one organization to another, however. Some organizations do not have the staff, the technical skills, or the infrastructure to move their programs online (2.9%). Individual arts and culture professionals who are not technologically savvy share many of these concerns.

PART I: ORGANIZATIONS

About the Organizational Respondents

Survey respondents represented a wide cross-section of Kansas culture organizations and individuals working in cultural fields. Most of the organizational respondents (107 in total) were nonprofits (50%), followed by government institutions (17.6%), institutions of higher learning (4.9%), and for-profit business (2.8%).

Disciplines

The top ten disciplines most represented by organizations in the survey were:

- Museums (32.7%)
- History/Heritage/Preservation Organizations (30.8%)
- Public Libraries (23.4%)
- Local Cultural Organizations (city, county) (20.6%)
- Performing Arts: Dance, Music, Theater (19.6%)
- Visual Arts (18.7%)
- Literary Arts (7.5%)
- Humanities (6.5%)
- Regional Cultural Organization (5.6%)
- Media Arts/Film/Video (4.7%)

Populations Served

When asked if their organizations primarily serve people of color, individuals with disabilities, indigenous Americans, LGBTQIA+, low-income, or other marginalized identities, responses were as follows:

- 23% of respondents serve people of color with more than 50% of programming, and 68% serve people of color with less than 50% of programming.
- 17% of respondents serve individuals with disabilities with more than 50% of programming, and 62% serve individuals with disabilities with less than 50% of programming.
- 21% of respondents serve Indigenous Americans with more than 50% of programming, and 50% serve Indigenous Americans with less than 50% of programming.
- 21% of respondents serve LBTQIA+ with more than 50% of programming, and 66% serve LGBTQIA+ with less than 50% of programming.
- 42% of respondents serve low-income individuals with more than 50% of programming, and 51% serve low-income individuals with less than 50% of programming.
- 41% of respondents serve senior citizens with more than 50% of programming, and 52% serve senior citizens with less than 50% of programming.
- 58% of respondents serve rural communities with more than 50% of programming, and 33% serve rural communities with less than 50% of programming.

Geographic Distribution

99 of the 105 Kansas's counties were represented by organizations in the survey. Statewide organizations counted for 6.5% of organizational respondents:

- Sedgwick (14%)
- Douglas (9.3%)
- Shawnee (7.5%)
- Johnson (7.5%)
- Pottawatomie (7.5%)
- Chase (6.5%)
- McPherson (6.5%)
- Harvey (6.5%)
- Sherman (6.5%)
- Butler (5.6%)

Budget and Staff

The survey reinforced the fact that Kansas cultural organizations accomplish an incredible amount with modest budget and staffing.

Budget:

- 41.2% of organizational respondents reported an annual operational budget of \$99,999 or less. Of those organizations, 23.4% operate on an annual budget of \$50,000 or less.
- 13.1% of organizational respondents have a budget of over \$1,000,000.

Staff:

- 48.6% of organizational respondents reported no full-time staff member or one full-time staff member.
- 41% employ between 1 and 3 part-time staff, while 23.4% employ no part-time staff.
- 59.8% do not have contract personnel.

Staffing Changes:

- 11.2% of organizational respondents have terminated 1 or more full-time staff as a result of the pandemic, 26.2% have terminated 1 or more part-time staff as a result of the pandemic, and 23.4% have terminated 1 or more contract employees as a result of the pandemic.
- 6.6% of organizational respondents thought that it was likely or very likely they would need to terminate more staff positions as a result of the pandemic.
- 11.2% of organizational respondents thought that it was likely or very likely they would need to lower staff salaries as a result of the pandemic.
- 7.5% of organizational respondents had hired some new staff as a result of the pandemic, but 75% of those who had hired new staff reported that these positions were only temporary and would be terminated when the pandemic was over.

Staff Benefits:

- 47.7% of organizational respondents currently offer health insurance to their staff, but 14% of those said they would not be able to continue to do so at the same level in 2021.
- 64.5% of organizational respondents offer a sick policy, work-from-home policy, or both to staff.
- 24.3% of respondents offered no sick or work-from-home policy to staff.

Organizational Programming Impact

For Kansas cultural organizations, the impact of the coronavirus continues to be felt in several key areas, including:

- Facility closures (16.8%)
- Open with reduced hours (42.1%)
- Event and program cancellations (90.7%)
- Reduced attendance at programs and events (86.9%)
- Event postponements (57.9%)
- Loss of revenue from fee refunds (19.6%) and ticket refunds (13.1%)

86.9% of respondents present and/or produce in-person events, so the stay at home order and restriction of gatherings to 10 persons or less had a profound impact on their organizations.

Pivoting Online

The necessity of cancelling in-person events created new opportunities for organizations to expand or enhance their online presence.

- 67.2% of organizational respondents offer online digital services with 61.6% reporting that all or some of the online services were new since the shutdown.
- Rather than waiting for in-person programming to return, 58.9% of organizational respondents are changing in-person programs to online.

Closed but Adapting

16.8% of organizational respondents reported that their facilities are still closed, but only 2.9% of organizational respondents reported that they were unable to alter their programming and events in any way to meet the new requirements of the pandemic. The majority of organizational respondents (53.2%) reported retraining staff to take on new duties as a result of the pandemic, though only 25.2% said these shifts in duties would be permanent.

Organizational Financial Impact

The COVID-19 pandemic continues to have a tangible impact on cultural organizations' non-admissions income (gift shop sales, sponsorships, contributed income) and admissions revenue. The long-term financial forecast is harder to predict. Organizational respondents anticipate financial hardships with 80% estimating they will range from severe to extremely severe, but many feel it's too soon to estimate exactly how much they can expect to lose.

Non-Admissions Income

- 66.3% of organizations report that they have lost *non-admissions* income, like gift shop sales, sponsorships, and contributed income as a result of the coronavirus.
- When asked to estimate exactly how much non-admissions income has been lost, 30.8% of organizational respondents say it's too soon to tell and another 34.5% estimate less than \$10,000.

Admission Income

- 49.6% of the organizations surveyed receive revenue from admissions.
- 88.8% of organizations that receive revenue from admissions have experienced a loss in revenue from admissions.
- 71% of organizations that receive revenue from admissions estimated that the total loss in admissions revenue would be less than \$50,000.

Unanticipated Expenses

Unanticipated expenses as a result of the coronavirus – purchasing new cleaning products, new technologies, unexpected marketing expenses, cancellation fees – are on the rise or expected to be on the rise for the majority of organizations.

- 79.4% of organizations agreed that expenses have increased.
- 5.6% expect expenditures to increase.
- 3.7% say it's too soon to tell.
- 8.4% do not expect a change.

When asked to estimate the cost of these COVID-related expenses, 43% replied that they could not currently provide an accurate estimate, 32% estimated the costs would be \$25,000 or less, and 4% estimated.

Cash Reserves

If coronavirus-related shut downs were to extend for another year, it would pose a financial challenge to many cultural institutions. The amount of cash on hand varies greater among the respondents.

- 22% of organizations have cash reserves to cover 12 or more months of operating expenses.
- 29.9% of organizations have cash reserves to cover 6-11 months of operating expenses.
- 28.8% of organizations have cash reserves to cover 3-5 months of operating expenses.
- 11.9% of organizations have cash reserves to cover 2 months of operating expenses.
- 7.4% of organizations have cash reserves to cover 1 month or less of operating expenses.

Cost Saving Strategies

If organizations lose revenue, most respondents would cut the expenses in the following order:

1. Marketing
2. Programming
3. Facilities
4. Staff

Private Funds

88.8% of those surveyed rely on a percentage of private funds for operating expenses. 40% reported that private funds account for between 50-100% of their budgets. 45.8% of organizations felt it was likely or very likely they will lose private funds as a result of the pandemic. To date, the majority (51.4%) have already lost some private funds as a result of the coronavirus, and 58.9% of respondents anticipate losing additional private funds in the next 12 months. While 12.1% of respondents felt that they would be able to compensate for the loss of private funding, 87.9% did not think they would be able to or were unsure.

The following comments from respondents speak to some of these challenges in more detail:

“The marketability for donations to the arts is severely limited due to the immediate physical needs of people in our rural community. Food, housing, and health are taking precedence over non-essential services.”

“The inability to meet with people face to face has hampered our ability to make connections.”

“Our annual spring fundraising activities were drastically scaled back and due to a similar drastic reduction in programming, we just absorbed the losses - not anticipating the virus situation would extend this long. Now, we need to fundraise in order to be solid for 2021 & we expect it will be harder than ever before.”

Municipal Funding

62.6% of organizations surveyed receive municipal funding, and 21.4% felt that it was likely or very likely that they would lose some or all of this funding as a result of the pandemic. 58% felt that a loss of municipal funding was unlikely or somewhat unlikely. 20.6% were unsure.

Funding Sources

When asked if the federal government’s response to the coronavirus included a stimulus package with funding for humanities and arts and which funding source (local, state, federal) would be the most effective for receiving these funds, organizations ranked them in the following order:

1. Local Government – Most Effective
2. State Grant – Moderately Effective
3. Federal Grant – Least Effective

Organizational Cultural Impact

The cultural impact of the coronavirus on communities continues to be profound. This survey found that organizations in the arts and culture sector have many concerns about the long-term impact of the pandemic but are also adapting in innovative and often ingenious ways. While many are afraid of losing connections with the public and relevancy in their community, they are also moving their programming online, employing new engagement strategies, and working hard to become even more cost-efficient through new collaborative partnerships.

Organizational respondents reported that, as a result of the pandemic:

- 79.4% had learned new skills.
- 72.9% has embraced new approaches to old challenges.
- 62.6% had developed new programs.
- 48.6% had reached new audiences.
- 42.1% had developed new partnerships.
- 42.1% had strengthened their sense of inter-organizational community.
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Organizational respondents identified the most critical needs moving forward as:

1. Financial assistance (73.8%)
2. New fundraising models (64.5%)
3. Training in digital platforms and tools (64.5%)
4. New programming models (60.7%)
5. New partnerships (52.3%)

The following comments from organizational respondents speak to the value of adaptation as well as the importance of the key needs listed above:

“The staff and board have been incredibly nimble in responding to the pandemic. Pivots began within days of the pandemic lockdown in March and we haven’t slowed yet. I don’t want to lose the spirit of creativity, risk-taking, and connectivity that has emerged.”

“We have embraced storytelling, both through our social media audiences and our newly revived newsletter. Despite being closed to the public for several months and still operating under reduced hours, we are hearing more people than ever commenting on and sharing the stories we are telling. I think we are maintaining and growing our connection to our community. The biggest challenge is how to convert that into financial support so that we can continue to serve our community.”

“One take-away is that we will keep posting online for our out-of-town and former county residents. They really liked it. There has been a tension in the museum world over how much to put online and the balance between sharing online and making it to where visitors don’t have to visit in person because they feel like they have had the experience online. We’re coming down on the side of more online programming now that we’ve experienced the world of COVID.”

“Our staff is resilient. History and culture teach perspective about how communities endure events, such as COVID, and we are more creative and adaptive than ever.”

“Pre-COVID, we kicked around a lot of new ideas, but we never implemented them. COVID has given us permission to do it--and because our community understands these are strange times, they’re granting us a lot more grace when things don’t work as well as they might.”

“No museum or man is an island. We all need to work together.”

“Remote, online participation in programs and access to exhibitions will be a requirement from now on. This has been revealed as an equal access right for people with disabilities or health issues, restrictive work schedules, remote living situations, or any constraint on physical attendance.”

“There is critical need for arts organizations to partner, and perhaps in the future, even merge.”

PART II: INDIVIDUALS

About the Individual Respondents

Individual professionals in the arts and culture sector are an important part of Kansas's arts and culture ecosystem. Individual artists made up 19.7% of total respondents to the survey, and individual humanities scholars made up 4.9% of total respondents to the survey. Amongst individual respondents, the top professional fields represented include:

- Visual arts (37.1%)
- Performing arts (31.4%)
- Literary arts (34.3%)
- Humanities (25.7%)
- History/Heritage/Preservation (20%)

The majority of individual respondents came from Johnson (28.6%), Douglas (14.3%), and Shawnee (14.3%) counties, and respondents self-identified as rural residents (23.8%), senior citizens (20%), people of color (8.6%), and/or individuals with a disability (5.7%).

Individual Programming Impact

In-Person Programming

68.6% of individual respondents present and/or produce in-person events such as performances, exhibitions, classes and/or lessons, meetings and/or conferences, lectures, readings, workshops, etc.

Digital Programming

While only 8.6% of individual respondents offered digital programs prior to the pandemic, 46.1% offer digital programs today, with 28.5% reporting that some or all of these programs are new since the pandemic.

Future of Individual Work in the Cultural/Artistic Sector

28.6% of individual respondents reported considering working in a field outside of the creative arts/cultural sector as a result of the COVID pandemic.

Individual Financial Impact

44.1% of individual respondents reported losing income as a result of the COVID pandemic, and 11.85% were not sure if they would lose income or not. 31.4% of respondents estimated that the financial impact of the coronavirus on their households would be severe or extremely severe.

Individual Cultural Impact

As a result of the pandemic, individual respondents reported:

- Learning new skills (65.7%)
- Embracing new approaches to old challenges (48.6%)
- Reaching new audiences (28.6%)
- Developing new programs (22.9%)

Individual respondents saw the most pressing needs moving forward as:

- Training in digital platforms and tools (65.7%)
- Financial assistance (62.9%)

- New fundraising models (51.4%)
- New programming models (51.4%)

The following comments from individual respondents speak to the value of adaptation as well as the importance of the key needs listed above:

“Personally, I have started creating electronic soundscapes with solo instruments that can be performed without rehearsals. I have also learned much about online platforms and virtual performances.”

“The pandemic has actually provided many things: a keener understanding of my own patience and stamina for the long haul; abiding compassion and empathy for others; more time to read; time for deep reflection.”

“I am a community based public muralist. A lot of my work is dependent on people attending workshops to deceased mural designers together and on site community painting days. Due to the need to social distance, I have had a lot of my projects were canceled. Being that the murals were to take place in public schools and other public spaces that have closed their doors. This resulted in loss of income.”

“There is no blueprint for how to move forward. Some artist have struggled on with less, some have totally backed away for the time being and some have taken jobs outside of the arts. The real key is how many will come back knowing how vulnerable they are.”

Next Steps

Like the survey Humanities Kansas conducted in March-April 2020, this survey demonstrates the continued impact of the coronavirus—in terms of both extended hardships experienced by the arts and culture sector and the pandemic’s ability to galvanize shifts in the sector’s programs, policies, and procedures. The willingness of organizations across the state to respond so quickly to this survey – and with such candid answers – has provided enormously helpful information.