

National Cultural Policy Submission

Business Foundations Ltd

Submitted: On behalf of an organisation with arts-components (e.g. community organisation, tourism, venue, health, education etc)

What challenges and opportunities do you see in the pillar or pillars most relevant to you? Feel free to respond to any or all pillars:

Strong Institutions

Business Foundations is a not-for-profit social enterprise which educates, enables and supports people to achieve financial independence through starting and growing their business.

We were founded over thirty years ago in Fremantle, a recognised creative and artistic cultural hub in Western Australia. We have assisted countless artists, musicians and people working in the creative industries in Fremantle and across Western Australia over three decades start their own business and become financially sustainable over the long term, and we would like to share our thoughts to assist the development of the Creative Australia policy.

Central to our approach in assisting people to start a business is that enterprising skills can be taught, and that anyone can be enterprising regardless of their level of education, ethnic and cultural origins, religious beliefs, physical abilities or if they are indigenous.

For artists, musicians and creative people, the creation of a business can often be a challenge, as the generation of income is seen as less important as the creative endeavour itself. The pursuit of money is thought as corrupting the artistic process.

Unfortunately, this thinking misses a key aspect of creative output (regardless of type), in that it must be valued in some way (have an audience) and that ultimately a financial transaction is involved, either in the form of a government grant, philanthropic funding or from an individual consumer of the artistic endeavour.

For creative people, if they want to pursue their artistic endeavours over the long term, they must learn to create artistic output that someone will pay money for. Using business terminology, that means matching a product to a market.

Business Foundations would argue that artists and creative people lack skills in market identification, that there are different markets for artistic output, in understanding that their

artistic output can be matched to markets and that they are able to pursue artistic endeavours and not compromise their output to generate income.

It is possible to sustain artistic output over the long term and create financially sustainable income.

To achieve this result requires business support that is provided free of charge (or at very low cost) to artistic and creative people to assist them in developing marketing skills. The business support must be tailored to creative people, taking into account their creative strengths and acknowledging weaknesses in business skills such as financial reporting and bookkeeping.

Business skills required by artistic and creative people include all aspects of starting and operating a business in Australia, which includes: business planning, market identification, sales and promotion, financial management, employing staff and operations.

Business support should be over the long term, and not provided through one off, classroom based short courses or workshops. Support such as business mentoring and advisory sessions over a period of time creates rapport between the creative person and the business professional. Rapport creates trust, which becomes the basis to shift the thinking of the artist to adapt creative output to a market that will value (pay) for their artistic endeavour.

Business Foundations would also recommend the creation of a government-backed loan facility (based on future revenue) to help smooth cash flow for creative people. Artistic output takes time to create, in which the creator is unable to generate other income whilst being occupied in the creative process. The artist could borrow money from the loan facility to cover their living expenses and then pay the money back once their creative output is sold (such as a painting, sculpture or a performance).