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STANFORD SOCIAL INNOVATION *review*

What Works

Not-So-Starving Artists **Artists for Humanity students are also employees**

By Vinay Jain

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SOCIAL ENTERPRISE

Not-So-Starving Artists

Artists for Humanity students are also employees *by Vinay Jain*

Next year, Artists for Humanity (AFH) plans to move into a new 23,500-square-foot building in South Boston – with art studios, offices, exhibition galleries, and, it’s safe to say, “green” expectations.

The nonprofit organization, which operates afterschool art programs for inner-city Boston teens, is spending about \$6 million on the building. The exterior will be constructed from recycled corrugated metal. Interior light fixtures will be energy-efficient. The facility will use solar panels and a geothermal heat pump to meet all of the organization’s energy needs. Last year, the *Boston Globe* hailed the planned building for its “spirit of entrepreneurial creativity.”

At least as striking, however, is the fact that AFH plans to sell excess energy back to the city. It also plans to raise money by renting out its student art galleries for special events. It is in these details – where edgy nonprofit meets for-profit gallery meets power plant – that the organization’s unique approach to revenue generation becomes plain. As Susan Rodgerson, AFH’s executive director and founder, puts it, “We’re based on a small business model, rather than a social service model.”

AFH traces its founding to the summer of 1991, when Rodgerson, an artist, opened her own studio to six inner-city teenagers she had met while running a mural project at a Boston public school. Rodgerson says the students began showing up daily, talking with her about art, and painting “on everything they could find.” She bought them art supplies and lunch and drove them home in the evenings.

When the new school year rolled around, Rodgerson says, the students wanted to continue their studio visits, but she had a major problem. “At the end of the summer, I told them, ‘I’m broke,’” Rodgerson recalled. “[I knew] we would have to



find a way to pay for our supplies if we wanted to keep going.”

That’s when the students came up with an idea: They could airbrush T-shirts, sell them, and use the proceeds to buy supplies. That fall, when the Massachusetts Institute of Technology’s Sloan School of Management gave AFH permission to sell T-shirts in its lobby, the group earned \$1,400 – on its first day.

Today, AFH offers some 60 low-income youths supplies, instruction, and studio space.

What sets these students apart is that they are not simply participants: They get paid – \$6.75 to \$8.50 an hour for creating their art. They also earn a 50 percent commission on sales; the rest of the proceeds support AFH programming.

In addition to the obvious benefit of a source of income, AFH teaches these low-income youths how to produce, market, and gain income from their creativity. “It’s all about pushing them out there,” said Damon Butler, assistant artistic director and one of Rodgerson’s original students, “so they can promote themselves.”

Molding artistic teens into professional, working artists in the employment of AFH is not without its challenges. One of the largest obstacles is teaching them about the value of work and work habits. If her students fail to stay on task while waiting for their muses, Rodgerson reminds them that they’ve got a job to do. “Just because you’re doing art doesn’t mean it’s not a job,” she says. “Creativity

is a serious business.”

T-shirts are one of AFH’s main products, but they are no longer airbrushed. AFH owns silk-screening equipment, which students use to mass-produce self-designed shirts for corporate clients, from the Boston Red Sox to Gillette. The shirts, like all of AFH’s commercial products, carry a tag explaining the organization and highlighting the fact that the

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work was created by inner-city youth.

Rodgerson says the biggest problem she faced in the early days was convincing people that student art was worth buying. “It took several years for us to build a portfolio where the work could speak for itself,” she says.

It also took time to build the strategy and infrastructure to support the marketing and sales of the art products. In the beginning, student volunteers from MIT provided a major assist, helping AFH analyze the T-shirt market. The volunteers also helped hash out a business plan, write grant proposals, develop a bookkeeping system, and locate the first corporate clients.

Today, two of AFH’s 11 full-time staff manage sales – setting prices, negotiating contracts, and developing production schedules. (Since most of the sales come through customers drawn by word-of-mouth marketing and most paintings and sculptures are sold during fine art exhibits, the organization economizes on advertising and marketing.)

The business-based strategy has helped AFH become more self-sufficient. Instead of relying solely on donations, AFH’s sales revenues have allowed it to expand, even in a climate of declining government and individual funding. Product sales have totaled about \$1.2 million since AFH began. And in 2002, the organization earned \$200,000 from the sale of student art.

The sales revenues are not enough to cover the organization’s operating budget – which was over \$1 million last year – so AFH still does considerable fundraising. (The new building is being funded mainly through individual and corporate donations.) However, according to Rodgerson, the fact that AFH is able to partially support itself is appealing to potential donors, many of whom appreciate the fact that the nonprofit goes to great lengths to maximize financial resources.

AFH grant proposals emphasize the fact that students learn not just how to create art, but how to market it. Furthermore, having products to sell gives AFH a strategic advantage when it comes to fundraising: Donors can sweeten the pot by giving the nonprofit their business. In several instances, AFH has sold products and services to corporations while receiving grant support from the corporation’s foundation. Boston-based Grand Circle Travel, for example, has purchased AFH T-shirts and cards, and its Grand Circle Foundation has supported AFH both with cash and in-kind contributions, including a \$1 million donation for the new building.

“When we need something, we call them,” said Maury Peterson, director of the Grand Circle Foundation. “We want to give them our business.” □