

## **IPS-SAM Spotlight on Cultural Policy Series: Roundtable on Bang for the Funding Buck: KPIs and Capturing the Impact of the Arts**

By Tan Tarn How and Shawn Goh Ze Song

Artists and arts groups receiving government funding are familiar with Key Performance Indicators (KPIs) imposed by the National Arts Council (NAC). What are these KPIs, and are they good measures of the impact of direct and indirect state investment in the arts? Do KPIs capture the wider and deeper benefits of the arts, including the intangible and intrinsic? Should more multidimensional assessments be used in addition to those that are economic and instrumental? These and other issues were discussed at a roundtable discussion organised by IPS on 1 June 2018.

The three presenters were Kenneth Kwok, Assistant Chief Executive of the National Arts Council; Audrey Wong, Head of the School of Creative Industries at LASALLE College of the Arts; and Kuo Jian Hong, Artistic Director of The Theatre Practice (TTP). Following their presentations, Emmeline Yong, Co-founder and Director of Objectifs, and Vivian Wang and Cheryl Ong from The Observatory, gave their responses to the three presentations. The roundtable ended with a discussion session that was open to all participants.

### **Performance indicators: Evaluating impact and the difference we make**

Mr Kwok spoke about NAC's approach to using KPIs to evaluate performance in return for government funding. He said funding across the public sector is competitive and NAC has to demonstrate impact in order to secure funding for the arts. As a statutory board, NAC aligns its priorities with the Ministry of Culture, Community and Youth, which in turn directs how NAC disburses funding and determines the KPIs that come with funding. However, Mr Kwok stressed that NAC has taken into account feedback from the arts community in designing KPIs to cater to different arts groups. NAC also draws reference from arts councils outside of Singapore to understand the KPIs they have been tracking. He acknowledged that there are better ways to measure performance in the arts sector, and that NAC is committed to dialogue with the arts community, to continue to make KPIs more effective and meaningful.

### **Towards 'meaningful' KPIs? Capturing multidimensional impacts in the arts**

Ms Wong made a case for more multidimensional ways of capturing the impact of the arts in Singapore. She said the link between a numeric result and the actual impact of an artwork is not easily demonstrated because impact is not always tangible. NAC can do more to move away from purely numeric KPIs. For instance, in-depth studies of subjective audience experiences can measure the emotional resonance, and the transcendent and empowering

aspects of an arts experience. She added that the way KPIs are implemented imply that an arts organisation has “underperformed” or even “failed” by falling short of its KPIs. She called for KPIs to be seen as one dimension of the effectiveness of an arts group and how it could improve, rather than as absolute and final measures of performance.

### **Defining ambiguity**

Ms Kuo spoke about TTP’s experience of dealing with KPIs imposed by NAC as a recipient of the Major Company Scheme. She said the condition of pegging a concrete percentage of its funding to TTP’s performance was unsettling because it felt like the company was being forced into a “bottom-line situation”. She also said that the implementation of measuring TTP’s Cost Recovery Ratio as a KPI did not make sense as it meant that TTP risked losing more money if they were not doing well financially to begin with. She questioned whether one can measure something when its objective is not to be measured, and challenged the assumption that the funding buck must always be followed by a “bang”.

### **Responses**

Ms Yong gave three follow-up thoughts in response to the presentations. First, KPIs should not take a “one-size-fits-all” approach. For instance, compared to a veteran arts group with more marketing resources, an individual artist might struggle in audience outreach. Second, funding assessors should engage arts practitioners and equip them with the knowledge to analyse post-funding reports critically and meaningfully. Third, responding to Ms Wong’s comments about the finality of KPIs, KPIs should be a two-way relationship between funder and receiver, where both work towards a common goal.

Ms Wang and Ms Ong spoke about The Observatory’s experience of using alternative ways to measure KPIs and the challenges they faced. For instance, The Observatory used Facebook page analytics to track indicators such as how many people “liked” or commented on their posts. After Facebook revised its algorithms, this affected how often their content appeared on users’ news feeds. Despite these challenges, Ms Wang and Ms Ong were heartened that NAC was always open to discussing how to mitigate their situation without affecting their funding. However, they questioned why artists had to do all the measuring themselves, and if NAC should hire objective experts to measure the impact of the arts instead.



*Participants at the IPS-SAM roundtable discussion, held at the Singapore Art Museum.*

## Discussion

Participants surfaced four key points during the discussion:

1. **What should be measured?** Metrics used to measure the impact of the arts tend to focus on “direct” and “immediate” impacts such as audience numbers and audience experience. More should be done to measure “indirect” impacts, such as how a critically thinking individual who had engaged in the arts can benefit his or her community. Measurement also tends to focus on what has been achieved, rather than what is missing. KPIs should encompass the latter in order to shift policymaking to fill these gaps.
2. **Who should measure/be measured?** Besides having KPIs imposed by NAC on artists and arts groups, an idea was raised that members of the arts community should also develop their own KPIs to measure the effectiveness of NAC as an advocate for the arts, and whether NAC’s policies have created a safe space for artists to create art.
3. **How should we measure?** Although the concept of KPIs is often associated with economics, economists themselves have recognised the limitations of KPIs as a form of measurement. For instance, numeric measurement might be useful as a diagnostic tool, but cease to be valuable and effective if numbers becomes targets. New ways of measuring impact were proposed, such as the method of “thick description” from the discipline of anthropology.

4. **Why should we measure?** Some participants challenged the need to have KPIs as a form of measurement to begin with. For instance, public expenditure in certain domains, such as defence and education, do not need justification because society has agreed that they are important and necessary. Singapore should work towards a similar stage, where the arts is acknowledged as intrinsically good.

More details about the event can be found [here](#). A full report of the roundtable, titled “The Art of Measuring the Arts” can be downloaded [here](#).

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