The Art of Money for Creatives

A toolkit to building a balanced and financially sustainable creative life
Thank you for choosing to be a creative
It's incredibly important that you do it.
And that you make it sustainable.

Legal disclaimer
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Acronyms

Covid 19  Covid-19
ROOM  Resource of Open Minds
Without a doubt, Malawi, Zambia and Zimbabwe, have huge creative talent. These creatives face a myriad of challenges in establishing and maintaining financial sustainability. Against a background of Covid-19, financial sustainability has become more important than ever for creatives, requiring creatives to learn and apply new skills and technologies in short time spans for them to survive and thrive and hopefully flourish. Creatives often need help with financial information and support around their money management. It is possible to promote artistic excellence and organizational sustainability. Strategic or long term planning is also a critical building block for an effective financial management culture.

In an effort to improve the sustainability and performance of creatives in the region, Hivos conducted a research on the state of financial sustainability among creatives. This document presents a toolkit that was developed as part of the strategic assessment effort. We identify and discuss major challenges of financial sustainability for creatives and synthesize key lessons learned and promising practices to overcome these challenges. Evaluating activities and operations based on profitability and mission impact, as well as the interaction between these two dimensions, may allow creatives to develop strategic plans to manage short-term financial challenges while maintaining long-term mission goals.

The full potential of the unique and diverse creative resources in the three focus countries can be harnessed through increasing the knowledge of finance and accounting among creatives of all character. Fact of the matter is that if a creative becomes careless about their finances, there is a high likelihood that they will never be able to express themselves fully.
Creatives need a roof over their heads, transport and equipment and money to fend for themselves and their families. Creatives need to define personal rules to do with managing finances. Unlocking the power of finances can enable creatives to thrive even amid unpredictable crises such as Covid-19.

Creatives are indeed in the business of ideas. Ideas need nurturing so that they can come to life. In the absence of nurturing, ideas either die prematurely or do not mature to their fullest potential. If you want to live to your full potential as a creative, and produce true creative gems, you need to take an active role in managing your financial resources.

Creatives and finances may at first seem like water and oil. There is a general myth that creatives only care about their work and don’t want anything to with numbers. To make matters worse, many creatives are generally regarded as freewheeling spendthrifts, bar hopping, ganja smoking and beer guzzling that taking care of finances is the least of their cares.

Whatever the case, a creative that does not care about his business will soon find themselves in doldrums. Caring about the business of your creativity is an act of creativity itself. Ideas are transformed into something tangible that can be provided to audiences at a price that can sustain the creative’s life, and enable them to produce more.

The more a creative can use their creative talent, the more they should be able to build an environment that helps the creative endeavor to sustain itself. That’s where the numbers come in. Simply put, without a thorough understanding of income and expense, a creative will not be able to fully realize their full potential.
The creative therefore has a responsibility to be interested in the state of financial affairs of whatever domain, project, activity, production or experimentation that they have dedicated a substantial amount of their time to. In commissioning this research and training of creatives in financial sustainability, our aim was to contribute to unlocking the potential that is inherent in the creative sector.

We want our creatives to thrive. While our mandate is to promote critical online content and other critical creative processes, we are equally interested in seeing the same creatives flourish in their creative endeavors and personal lives.

Understanding how creatives value and manage money in order to sustain their creative output is a key first step in equipping creatives with knowledge, skills and tools to manage their finances. We hope the research and training will go a long way in promote more creatives to flourish in their domains and callings.

To conclude, assistance with finances can enable creatives to maximize their potential, shape our cultural landscape, and contribute to the creative economy.
Hivos’ Resource of Open Minds (ROOM) program supports artists, culture and media producers, and creative hubs in many countries around the world to freely express themselves. The R.O.O.M. program specifically aims at diversifying dialogue and debate in society through the power of art to bring about structural social change. The overall objective of the project is defined as:

New and counter-hegemonic narratives by a young generation of makers contribute to more diverse dialogue, debate and dissent in societies where public space is shrinking.

Why is art so important?

Art and media have the power to question dominant structures in society, propose alternatives and bring about change. In fact, freedom of expression is the main measure of openness in a society. But globally, the space for free expression is shrinking, which reduces the diversity and independence of makers, media, content, channels and audiences. So R.O.O.M supports the creative work of a new generation of artists and critical content producers around the world who strive for openness and social change, while leading the resistance to shrinking civic space.

How we support art and media practitioners

R.O.O.M. provides funding for audiovisual art and media projects that challenge social issues such as LGBTI rights, police corruption, neoliberalism and outmoded gender norms, amongst others. The program organizes training events and creates resources for makers to help them become more
independent, critical and sustainable, for example accelerator toolkits for creative hubs.

Together with the BOOST program, R.O.O.M. co-organizes African Crossroads, a network of future-oriented thinkers and doers who meet to exchange knowledge and critically reflect on current developments on the African continent. And the research fellowship Digital Earth – for artists who investigate our current technological reality – makes up R.O.O.M.’s Experimentation and Learning component.

Since its inception in 2017, R.O.O.M. has supported a variety of artists, collectives, designers, animators, musicians, and creative hubs. From a recording studio in Zanzibar mentoring young musicians, to a digital production company in Zimbabwe that tells the African narrative. From multimedia stories about sexual orientation and gender identity in Zambia, to a public education graffiti and mural campaign in Kampala.

The “Resources of Open Minds (R.O.O.M)- Freedom of Expression in the 21st Century” is an ambitious project – or programme, with many projects within – engaging dynamically with the reality in which it unfolds and continually addressing emerging challenges. Striving to be the ‘hands-off-facilitator’, allowing the young creatives form and shape their own way forward, Hivos has a wide range of roles to perform, including building of capacity in the many areas where needs arise, forming new and inspiring partnerships and connections – along with the important grant-giving mechanism.

According to the mid-term evaluation, the root of the programme supports critical voices to do what they want, while providing handholding where needed. The programme multiplies effects by facilitating collaboration across borders and disciplines, including through the matching of arts and culture
with technology, Communication for Social Change (CfSC) and Freedom of Expression (FEX), as well as academic reflection.

The R.O.O.M programme was found to have facilitated – as it intended – a space for dissent among other through new, traditionally unheard voices. As a part of the efforts to add a space of reflection to the ‘doing’, the programme was found to have provided space to re-appropriate the past while building on this for the future, including through community ownership, advancing empowerment.
Financial sustainability is a goal that all creatives should strive for and demands creatives to develop new skills required for them to survive in the new normal. At the outset, there are four kinds of capital that creatives need to be aware of in the pursuit of sustainability: physical and financial; social; intellectual; and organizational.

It is important to stress that financial sustainability is not just about money. While money is critical to financial sustainability, there are many other factors that come into play to maintain financial sustainability.

It takes a sharp, creative eye to notice new niche opportunities for financial sustainability. Creatives need to be nimble, quick, and cost-efficient. Sustainability requires for creatives to keep their stakeholders (such as donors, clients, fans, audiences and collaborators) happy and supportive of the creative work. This is not easy. Creatives need to have patience, commitment and dedication to achieve results.

At the core, it's important for creatives to also interrogate their own understanding and relationship with finances.

Creatives are part of a larger interconnected system, and that having an outward looking system-wide perspective will help creatives identify and understand their dependencies and impacts. This understanding can lead to the development of a more resilient business model that is the basis for creating and sustaining value over time.

Creatives need a plan for financial sustainability that includes settings, objectives, strategies, and action steps to get, keep,
maintain and find new resources. It is important to emphasize that a financial sustainability plan is not the raison d'etre of being a creative.

Creative output need not be slaughtered on the altar of financial sustainability. Rather, being financially sustainable must inspire more creative output. Financial sustainability is not the reason why creatives are in business, it’s not why they get up in the morning or stay up late at night trying to put a creative project together.

A financial sustainability plan is not just about looking for money. Of course, money is key and can be raised through grant, tickets sale, product sales, or all of these, to name a few examples.

But that’s not the whole story. A financial sustainability plan will also include other types of resources that a creative can obtain, such as in-kind support, crowdfunding, own income generation, voluntary staff or shared resources from other creatives. It may include collaboration and co-creation.

The Art of Financial Sustainability Toolkit is meant to represent a starting point for further collaboration, discovery, and discussion on the topic. It is not intended to be a comprehensive nor a definitive guide to creative enterprise financing.

The goal is to provide inspiration about a spectrum of instruments that can increase the financing options available to creatives in Malawi, Zambia and Zimbabwe, delivering returns to funders and at the same time supporting the specific needs and goals of creative enterprises.
1.1 Introduction & Background
Background
Let’s be creative and find ways to ensure the continuity and sustainability of the sector. Without it the world will lose its heart and become a boring place and we should not let that happen. Hubert Gijzen, UNESCO Regional Director for Southern Africa

Achieving financial sustainability is a goal that all creatives should strive for and demands creatives to develop new skills required for them to survive in the new normal. This financial sustainability should cover administration costs, cash flow management and fundraising and allow for creatives to focus on what they do best: to create critical content that can push the societal envelope.

Creatives need great awareness of how they can make a difference to society with their work, as well as developing the professional skills and competences to support stronger and more sustainable organizations.

Creatives who don’t invest in financially sustainable practices won’t just be left behind, they’ll miss the opportunity to create longevity for their creative enterprises and careers.

The COVID-19 pandemic emphasizes the urgency for creatives to implement financial sustainability strategies. Covid-19 has had enormous global ramifications for the creative sector. It has affected the entire creative value chain – creation, production, distribution and access – and considerably weakened the professional, social and economic status of artists and cultural professionals.

Given this scenario, for creatives being financially sustainable
can ignite innovation, achieve substantial cost savings, improve financial performance, and elevate creative reputation.

Before developing a plan for financial sustainability, it’s important for creatives to consider what the broader creative landscape is doing and how you can gain a competitive advantage.

To bring this vision closer to reality, this toolkit clarifies the important role creatives can, and must, play in embracing sustainability to ensure that the organizations and the causes they serve are resilient.

Financial performance is not achieved in a vacuum. As captured by the value-creation model in the International Integrated Reporting Framework, organizations rely on a broad set of inputs, or capitals, such as financial, natural, and human resources.¹

Creatives are part of a larger interconnected system, and that having an outward looking system-wide perspective will help creatives identify and understand their dependencies and impacts. This understanding can lead to the development of a more resilient business model that is the basis for creating and sustaining value over time.

Unfortunately, the percentage of creatives that achieve financial sustainability across the world is very low, and can ironically be attributed to lack of investment in financial resource management. However, the survival of the creative sector critically depends on its ability to attain financial sustainability.

In Malawi, Zambia and Zimbabwe, the vast digital presence of young creatives is fueling new and dynamic takes on humour, politics, fact, social norms, fiction, animation, sexuality, satire, fantasy, technology, innovation, imagination and much more.
With new and established African and Africa-based artists reacting to their immediate and to global locations, the abundance of sharp, edgy, smart or whimsical content exists as a dynamic source of delight, surprise and aesthetic invention, fueling a rich eco-system of bold and digitally borderless artistic expression.²

In the region, there is an exponential growth of an exciting new digital age that is proving to be attractive to young people and creative minds. The rich artistic heritage and cultural traditions in the three focus countries are bottomless wells of inspiration for creatives.

The creative sector is a largely untapped resource that could give the region’s economic development a welcome fillip. Creatives have a responsibility to prove that their talent is worth value for money.

Economists agree that the creative industries, such as film, music, TV, advertising, design, publishing, live performance and craft, together form a remarkably healthy branch of the global economy.

However, creatives often face an existential crisis regarding how to manage financial resources. Creative efforts often fall by the wayside due to poor management of financial resources. But this not be the case: managing financial resources is not a mystical process. It is not something that can only be understood by a gifted few. It is a process that almost any creative can undergo. With enough time, patience and effort, the process of finding and managing financial resources can be richly rewarding to the creative.

Creatives need a plan for financial sustainability that includes settings, objectives, strategies, and action steps to get, keep, maintain and find new resources. It is important to emphasize that a financial sustainability plan is not the raison d’etre of being a creative.

Creative output need not be slaughtered on the altar of financial sustainability. Rather, being financially sustainable must inspire more creative output. Financial sustainability is not the reason why creatives are in business, it’s not why they get up in the morning or stay up late at night trying to put a creative project together.

For a creative, therefore, planning for financial sustainability is just one part of the overall plan for ensuring that there is continuity in the creative’s output. A plan for financial sustainability is a tool that creatives can use to thrive, and continue thriving over the long term.

In addition, a financial sustainability plan is not just about looking for money. Of course, money is key and can be raised through grant, tickets sale, product sales, or all of these, to name a few examples.

But that’s not the whole story. A financial sustainability plan will also include other types of resources that a creative can obtain, such as in-kind support, voluntary staff or shared resources from other creatives. It may include collaboration and co-creation.

As has already been stated above, a plan for financial sustainability includes settings, objectives, strategies, and action steps to find, maintain and maximize on resources to keep the creative work going. All of these should be made concrete as part of the creative’s financial sustainability plan.
Our synthesis of the existing literature on financial sustainability uncovered a host of implications and associated recommendations for creatives in the three countries. Establishing financial sustainability should be viewed by creatives as a dynamic and continual process. Creating a clear strategic plan that defines the social mission and builds projects, community support, and collaborative partnerships that closely align with the mission may help creatives overcome the challenge of establishing sustainability in the short and long term.

This toolkit is about innovative financial sustainability options tailored to the needs of creative enterprises. Our hope is that this toolkit will enhance the limited literature on financial sustainability among creatives in the regions and will contribute to an evidence base for promising practices, providing leaders of and investors in creative projects the ability to support and promote growth among organizations seeking to promote free expression.

The Art of Money for Creatives is meant to represent a starting point for further collaboration, discovery, and discussion on the topic. It is not intended to be a comprehensive nor a definitive guide to creative enterprise financing.

The goal is to provide inspiration about a spectrum of instruments that can increase the financing options available to creatives in Malawi, Zambia and Zimbabwe, delivering returns to funders and at the same time supporting the specific needs and goals of creative enterprises. Creative enterprises usually operate in a different ecosystem than traditional enterprises because they face more uncertainty due to possible instability, typically more challenging target client segments and infrastructure barriers that could derail projected impact.
During tough economic times and health crises like the Covid-19, companies can experience an increase in operational risk and financial duress, pushing them to obtain additional emergency short-term funding in order to cope with the problematic and uncertain situation.
1.2 HOW TO USE THIS TOOLKIT

This toolkit is designed for creatives who want to diversify the mix of finance tools at their disposal. It provides the knowledge to foster participation in creative finance activities, and to mobilize and make more effective use of financial resources for creative projects development.

The toolkit can be used to:

1. Get a better understanding of your creative profile. There is nothing that beats to know yourself because it provides a route to get a greater handle of your creativity.
2. Expand your knowledge over the breadth of financing solutions available to implement an integrated, sustainable financing strategy for creative project.
3. Examine the potential, advantages, disadvantages, risks, and characteristics of the financing solutions in the context of your own work or country setting.
4. Inform brainstorming and writing workshops, design and planning processes for drafting project-specific strategies.
5. Identify additional sources including case studies, e-learning and advanced guidance materials to operationalize financial sustainability for creative projects.
LETTER OF COMMITMENT

Along with creativity, great creatives also need to be money savvy to launch creative careers, develop arts projects and grow creative businesses whether they are starting out as a freelancer or working with peers in collaboration.

Sign the commitment letter below and you’ll begin to notice your life changing for the better.

I .......................................................................................(first and last name) commit to dedicating myself to investing the time needed to learn and implement these proven business systems and strategies into my own life and business.

Signature: ...........................................   Date:................................................

For accountability, take a picture of this signed page and email it to us at info@mayittah.com.
This financial sustainability toolkit aims to empower creatives to overcome barriers by providing an overview of possible financing mechanisms, guidance and training materials.

So what is a financial sustainability plan? Simply put, such a plan is a tool used to help the organization or initiative - and more importantly, its goals - thrive. And allow it to continue thriving over the long term.

One of the most challenging steps in creating a truly sustainable business is understanding precisely what sustainability in business is.

Traditionally, companies interpreted it as a focus on financial strategies that guaranteed long-term economic success, but this is only part of the definition. Sustainability is defined as a fluid construct that differs according to a company’s industry, goals, and the product or service it provides.

For the purposes of this toolkit, financial sustainability in the creative sector, the one common thread is it offers every creative organization and professional the chance to create long-term value and make an impact that matters. But before creatives can realize their full potential, they’ll need to ensure they’re doing well in sustaining their creativity.

A plan for financial sustainability is not just about getting money. It is about maximizing the creative potential and learning to survive shocks such as those presented by Covid-19. A financial sustainability plan will also include other types of resources you
might obtain, such as in-kind support, income diversification, generating multiple lines of income, volunteer staff, or shared resources from other organizations. It may even include convincing another organization or creative to take on a project you started.

A simple rule to go by: If it helps keep your organization or its work going, and if it’s something you would have had to pay for if it hadn’t been a donation, then developing it fully will be part of your financial sustainability plan.

Planning for financial sustainability takes time and effort, and a true commitment to the vision, mission and goals at hand. But by developing such a plan, a creative can become more focused on the work that they need to put out into the world. Advantages of a financial sustainability plan include:

- An increased focus on the real, creative output: A creative can do more of what they set out to do because your focus will be on the vision and mission of your creative output and not just on day-to-day survival
- Becoming more exceptional in your field: Money gives you the freedom to buy new equipment, hire new staff, which, again, allows you to do more to obtain your mission.
- Easier transition. A plan allows you to have a forecast of your resources. It can allow the creative to anticipate periods when financial resources are limited.
- The existence of a financial sustainability plan will allow you to stay a step ahead and can give confidence to anyone who may be interested in investing in your project.
Every creative project is unique, and each will have its own way of doing things. Planning for financial sustainability is certainly no different. For creatives, a process like the following can be very helpful. This can be modified to fit the needs of any size of a creative project.

Before you get started on developing a financial sustainability plan, it’s important to be fully aware of what you really need and want in terms of financial sustainability.

In order to reach a state of financial sustainability as a creative, you need a plan that outlines long term, medium term and short term goals and the resources you’ll need to achieve them. In addition to this, you need to keep a watchful eye on your cashflow, to ensure your outgoing expenses aren’t greater than your incoming funds.

In this toolkit, we will present a comprehensive approach that covers aspects from the planning needed to achieve financial sustainability, to strategies for achieving the same such as income generating creative projects.

Basic Principle of Financial Sustainability

Finance can be broken down in to three main areas; strategic, operational, and cultural.

Strategic – income, expenditure, reserves, balance sheet, and cashflow. These are all the basic elements of finance which you will need to consider to ensure financial sustainability. In the long-term, if your expenditure is greater than your income and you can’t support this from your reserves then you are no
longer financially sustainable. To prevent this, and ensure that you have enough cash to trade, you need to keep on top of the basics. Do you understand these and also your business model – how you generate and spend cash? Do you understand your income streams and services sufficiently to understand which make money and which don’t? You are going to need to know this to make decisions about which services and activities to keep going and those potentially to scale back, or stop.

**Operational** – this is where we look at the mechanics of finance: financial governance, transaction processing, controls, management information and sign off on bids, costing and cost recovery. Each element of the finance function is critical to protecting the assets of the organisation, and reporting on this quickly and in a good enough format to make management decisions.

**Cultural** – this is often forgotten about, but looks at whether people think that finance is important or whether finance lacks teeth to get budget-holders to take action. It also focuses on finance’s role as a business partner, to help creatives think in difficult times, and not just act as a processing function.

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**Practical Exercise**

What do you think are the factors that are required for a creative project to attain financial sustainability?

Evaluate how much you have progressed toward this goal?
On being a creative

Creatives are not a homogenous group. They come in all shapes, sizes and formats, so to speak. In all their diverse roles, creatives are involved in activities and decisions that will influence society. Delivering continuing value to society is the key to creative business resilience and requires longer term thinking on a broader range of matters.

Creatives need to consider how, through their work and position of influence, they can contribute to nurturing freedom of expression in society as well as influence their organizations to integrate sustainability matters into organizational strategy, finance, operations and communications.

Linking Sustainability to Business Resilience

Creating a resilient creative enterprise involves understanding and responding to a range of risks that are often associated with creative work. For creatives in the domain of freedom of expression, critical risks, such as profound political and social instability and governance failure have serious implications for sustainability and resilience. Instabilities caused by these risks may hinder progress on cross-cutting, long term challenges and lead to increased inefficiencies. Managing this uncertainty will require flexibility and fresh thinking.

To ensure resilience, creatives need to transform the way they think about their products, processes, and business models.

Key challenges and promising practices of financial sustainability for creatives,

- Risk of reliance on external funding sources and streams. Creatives depend on diverse sets of funding sources and streams of funding to sustain their operations. The creatives under the
ROOM project receive funds mainly from Hivos. Substantial cutbacks in funds from Hivos suggest that creatives should develop or revisit their fundraising plans to support financial sustainability. Additionally, creatives may wish to consider innovative fundraising techniques, such as collaborations, crowdfunding and fostering relationships with investors to address financial challenges.

- **Creating a creative “brand.”** Creatives depend on marketing and branding efforts to help promote and sustain their projects and services. Defining and developing the creative mission, identifying and addressing mission drift, and developing a clear marketing plan will help communicate a creative project’s mission to funders and the community in which it resides. A brand that clearly and consistently communicates a creative project’s mission may build trust between the creative organization and its constituents, and may ultimately insulate it from competition from other organizations (Renz et al., 2010).

- **External expectations of partnerships.** Due to changes in the funding climate and the financial challenges faced by many creatives during these turbulent times, creatives have begun to consider formalized collaborations as a way to respond to the changing resource environment and minimize competition for funding sources (Connolly and York, 2002; Renz et al., 2010). This is occurring as creatives are seeking each other out to explore potential partnerships, and also through funders themselves that are trying to maximize impact with limited resources (Renz et al., 2010).

- **Demonstrating value and accountability to funders.** Foundations and other donors increasingly want access to up-to-date information about operations and finances of creatives and their organizations as a way of ensuring return on their
investment (Bray, 2010). Engaging in evaluation activities that outline financial and programmatic outcomes as a result of funding support demonstrates the value of operations and help determine mission impact. Additionally, clearly and consistently communicating to funders and investors demonstrates accountability.

- **Promoting community engagement and leadership.** Creatives often reside within the communities that they serve, creating a unique challenge of promoting ownership and collaboration among community members while maintaining programmatic and mission integrity. Establishing and engaging community provides creatives a resource of varied experiences and expertise while bringing a sense of ownership to the communities that they serve.

Sustainability is a challenge that most creatives must address: managing financial viability in an evolving funding landscape, contending with competition while establishing collaborative partnerships, demonstrating value and accountability to funders and supporters, and maximizing the contribution of creativity within the community.

Utilizing technology and developing a marketing strategy that clearly defines the creative goal will help reach new audiences and build a reputation within the community. In an environment flooded with many creatives seeking to serve the same community, creatives can address financial constraints to operations and limit competition by establishing high-impact partnerships with creatives that have similar strategic goals. Collaborations may also benefit creatives in low-resourced areas by building capacity to demonstrate the value of their operations.
SECTION 1
Personal Creative Business Model
SECTION 1: PERSONAL CREATIVE BUSINESS MODEL

Personal business model canvas, fondly called “Business Model You” is a personal tool for professional development. It helps people define their own personal business model, picturing the business as a person.

It helps users to discover and visually summarize their networks, skills, activities, resources, and value propositions on a one-page canvas. The major advantage of this tool, and of the overall “Business Model You” concept, is that it encourages people to develop a strategy to reinvent their career. While people typically write a descriptive resume, the canvas helps you understand how other people perceive your value. After all, having a strong brand presence helps your creative work stand out and builds trust and confidence with your donors. That’s why it’s important to take time to understand the value that you bring to the table.

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<td>Who You Are/What You Have</td>
<td>How They Know You/How You Deliver</td>
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Brand awareness is the first stage to building financial sustainability. Think about the awareness of your brand within your target community. Have they ever heard of you? Have they been to see your work? Once you know who you want your brand to speak to, you can undertake activities to build brand awareness within that target segment.
Mapping the Creative Business Model
SECTION 2: MAPPING THE CREATIVE BUSINESS MODEL

Many creatives in Malawi, Zambia and Zimbabwe are untrained in creating profitable and sustainable business models from their creative practice. In order for creatives to identify potential opportunities they must rethink their current business strategies and resultant business model.

The Creative Business Model Canvas is a creative business strategy tool developed to help you describe what you do in your creative practice, your creative business and the symbolic value you provide. ⁴
**KEY PARTNERS**
Who helps you in your art practice?
How do they help you?

**KEY ACTIVITIES**
What is the process you use when creating art products?
What administration activities do you do?
How do you develop your artistic identity?

**COMMUNICATION**
How do you communicate with your audience?
How does your audience know who you are?
How do you reach new audiences?

**YOUR AUDIENCE**
Who are the people who like your work, attend shows, follow you on social media?
Who are the people who buy your work?
Who are the people who pay you for your services?

**KEY RESOURCES**
What are the things you need to make art?
What are the things you need for your administration activities?

**ARTISTIC IDENTITY**
Who are you as an artist?
What is your work about?
What are your professional achievements?
Why do you make art?

**ART PRODUCTS**
What products do you make for sale?
Describe your genre, style and subject matter.

**ARTISTIC SERVICES**
What services do you provide to others?

**CHANNELS**
Where do you sell your art?
How does your audience find out about your product?
Who helps your audience make decisions about buying your work?
Who conducts the sale of your work?
Who delivers and installs your work?
What services do you provide to your audience after they have purchased your work?

**COST STRUCTURE**
What are the resources and activities that cost you money?
What are the resources and activities that you receive at no cost?

**REVENUE STREAMS**
What are the ways that you gain income from your art practice?
How do you determine the sale price for your art products and services?
What are the ways in which you earn income outside of your arts practice?

*Based on the BMC Strategizer.com modified for Creatives by Michelle Carter*
SECTION 3
Basics of Financial Literacy
One main reason why creatives fail at becoming professionals – making a full-time living from their work – is because they are not financially literate.

The starving or poor creative is a pervasive idea, and in reality many creative people struggle in self-employment because money is a constant battle. This isn’t always just due to lack of funds. Creative practitioners sometimes need the basics of business money and financial literacy explained in a way that is easy to understand. Budgeting, investing, and creating income are issues that creatives need to contend with in order to survive in the unforgiving world of creativity.

The most common financial questions that creatives have include:

• How do I make money from my practice?
• How do I weather the ups and downs of creative income?
• Do I have to keep working for free?
• How do I register my creative practice?
• What should I charge? How do I work that out?
• What’s the deal with cash flow and budgets?
• How do I invoice? How do I enforce an invoice?
• How do I pay people that work with me fairly?
• How do I separate my personal and business accounts?

Understanding the intersection between money management and creative fulfillment is paramount to building a sustainable creative career. With a bit of planning and mindfulness around your financial health, you can use financial information in support of your creativity.
After developing an understanding of one’s passions, vision, mission, values and goals, the next step that a creative is supposed to undertake involves developing an understanding of the numbers involved at arriving at the stated goals.

Creative organisations must have a strategic plan in place, which sets out the activities and projects they are going to pursue. They also need fundraising strategies to help pay for these activities and projects. Their strategic plan and fundraising strategies need to reinforce each other.

Start with a vision

Many strategic planning processes start with a big picture vision guided by the organisation’s management and board. Don’t limit your thinking at this stage. Think big and then consider how much money will be needed to realise that vision. Plans can always be scaled back, but there’s value in the strategic thinking that results from this process.

Provide detailed budget forecasts

All strategic plans contain budget forecasts, which outline expenses and income over the life of the strategic plan. Include detailed notes about your plans for achieving these forecasts. If you’re forecasting an increase in philanthropic income, for example, you need to assure the reader that you have plans for reaching those targets.
Include fundraising in your goals, strategies and key performance indicators

These are critical components of any strategic plan. They spell out exactly how you’re going to achieve your vision and what steps you’ll take to do so. Your fundraising ambitions should be represented in this section. Explain your fundraising targets, your strategies for achieving them, and outline who has responsibility for pursuing them.

Boost your fundraising efforts by creating a database of sponsors. Collecting information about your donors will help you to plan more effective fundraising campaigns. This article explains what you should track and why.

At a minimum, capture names, addresses and emails and get into the habit of communicating with supporters regularly. The more deeply you engage with them, the more you will learn. Make sure you continue to add relevant information to your database.

If you’re starting to build your database, a simple spreadsheet will do. This will allow you to sort and filter your sponsors by variables such as age, gender or location.
<table>
<thead>
<tr>
<th>THE C+B CREATIVE BUSINESS</th>
<th>CREATED BY:</th>
<th>DATE:</th>
<th>VERSION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>ONE PAGE PLAN</td>
<td></td>
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<table>
<thead>
<tr>
<th>Name of the business:</th>
<th>Legal Structure:</th>
<th>What are you selling?</th>
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<tbody>
<tr>
<td></td>
<td>Support for the business:</td>
<td></td>
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<tr>
<td>People who own the business:</td>
<td>Legal?</td>
<td>What is your speciality or niche?</td>
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<tr>
<td>Key Suppliers to the business:</td>
<td>Financial?</td>
<td>What problem are you solving?</td>
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<td>Business Mentor?</td>
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<td></td>
<td>Guild or Association?</td>
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<td></td>
<td>Other?</td>
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<thead>
<tr>
<th>Your Unique Value Proposition (USP) or Unfair Advantage:</th>
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<tbody>
<tr>
<td>Your Vision Statement:</td>
<td>Your Mission Statement:</td>
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<thead>
<tr>
<th>Your three core values:</th>
<th>Value 1:</th>
<th>Value 2:</th>
<th>Value 3:</th>
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<tbody>
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<tr>
<th>How much does the business cost to run (per year):</th>
<th>What are your main sources of revenue (per year):</th>
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<thead>
<tr>
<th>Who are your main clients or customers?</th>
<th>What do these clients or customers WANT?</th>
<th>What do these clients or customers NEED?</th>
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<tbody>
<tr>
<td>List some of their main characteristics:</td>
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<tr>
<th>Your Website Address (URL):</th>
<th>URL Registered?</th>
<th>Website Live?</th>
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<td></td>
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<table>
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<tr>
<th>How do your customers buy from you?</th>
<th>What are your main marketing activities?</th>
<th>Who are your Competitors?</th>
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<td></td>
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<tr>
<th>How will you take care of your physical health and mental wellbeing?</th>
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<tr>
<td>What is your exciting Unicorn Project?</td>
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<tr>
<th>What does success look like (in 12 months):</th>
<th>What is your Big Hairy Audacious Goal (BHAG)?</th>
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<tbody>
<tr>
<td>How will you measure your pathway to success?</td>
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</table>

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The C+B Creative Business One Page Plan is based on the Business Model Canvas by Alexander Osterwalder, and the Lean Canvas adaptation by Ash Maurya. Thanks to Strategyzer for starting this story!

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Once you have filled in the business one page plan, the next step is to outline your intended goals for a year. The Table below will help you to plot your annual goals.

<table>
<thead>
<tr>
<th>GOALS</th>
<th>WEEK 1 MILESTONE</th>
<th>WEEK 2 MILESTONE</th>
<th>WEEK 3 MILESTONE</th>
<th>WEEK 4 MILESTONE</th>
<th>WEEK 5 MILESTONE</th>
<th>WEEK 6 MILESTONE</th>
<th>WEEK 7 MILESTONE</th>
<th>WEEK 8 MILESTONE</th>
<th>WEEK 9 MILESTONE</th>
<th>WEEK 10 MILESTONE</th>
<th>WEEK 11 MILESTONE</th>
<th>WEEK 12 MILESTONE</th>
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<td>Business Goal</td>
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<td>Creative Goal</td>
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<td>Financial Goal</td>
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<td>Admin Goal</td>
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<td>Marketing Goal</td>
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<td>Client Goal</td>
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<td>Self-Devised Goal</td>
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<tr>
<td>Big Hairy Audacious Goal</td>
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To find out more about the CREATIVE PLUS BUSINESS Goal Matrix, check out our blog post and download: https://www.creativeplusbusiness.com/wp-content/uploads/2016/08/WORKSHEET-Goal-Matrix-Table.pdf

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One of the key factors in ensuring the stability and sustainability of creatives will be the development of diversified portfolios of funding sources that will be more resilient in challenging economic times.

Diversity of funding sources reduces vulnerability to fluctuations in any one source of funding.

Many creatives tend to depend too heavily on a single funding source for their support.

It’s a common question asked by creatives when the topic of fundraising comes up. Where do you start when there’s so much else to do? Without dedicated time and resources, generating revenue to support your creative work can seem like an impossible task. The trick is to start small. Set yourself an achievable goal so that you can road test your fundraising efforts.

The first step in creating a diversified funding base is the development of a solid business plan.

1. Think about the specific project or cause you want to raise money for. What will resonate with your audience? Make that the focus of your first campaign.

2. Compile a database of your supporters. It costs nothing to start accumulating this data and it can build into a sizeable resource.
3. Use your networks. Do you have Facebook, LinkedIn, Instagram and Twitter profiles? When you combine those numbers, they can add up to a sizeable and useful community of potential donors.

4. Start building a reference list of possible donors, sponsors, trusts and foundations.

5. If you have a board of directors, put fundraising on the agenda for the next meeting. Meet with your Chair about mobilising the board to assist your campaign.

6. Brainstorm the names of three people you think could assist with planning your campaign: for instance, an industry colleague, a supporter of your work and local business owner. Take them for coffee and share your plans.

7. Has anyone donated or supported you in the past? Reconnect with them and talk about your future plans.

8. Choose one avenue to pursue (philanthropy, sponsorship, crowdfunding etc) which you think suits your situation best. Learn all you can about that avenue and specialise.

9. Think about who from around you could be an effective fundraising mentor.

10. Make sure there are processes in place for capturing customer/ audience contact data and adding this to your database.
SECTION 5

Sound Administration and Finance
SECTION 5: STRATEGIC AND FINANCIAL PLANNING

Creatives generally need to stay on top of their game. Knowing numbers is a powerful tool to help creatives do just that. Numbers help creatives to be systematic in their analysis. They impose a discipline on creative work that help creatives to consider and quantify all factors relevant to a decision. It is important for creatives to know that they don’t work for numbers; instead numbers work for creatives. Numbers are just a tool for creatives to make better decisions. Rather than fear or dismiss numbers or cop out to say that creatives are not numbers people, creatives need to get comfortable in understanding and using numbers.

Finance and administration are inseparable from the ability of creatives to be successful. Put simply, creatives need to know about financials, reporting, and administrative obligations. Financial support and creativity come with rules, scrutiny, and new challenges.

Sound financial management ensures that all resources and funds are expended on relevant and value-creating activities; that the resources are used rationally, and that targets can be set for use in prioritizing and streamlining all resource utilization.

- Maintaining well-defined guidelines for financial and administrative processes.
- Developing well-defined financial and administrative guidelines and standards for the conclusion of contracts, and performing strict supervision of contractual compliance.
- Improving risk management activities in order both to reduce the probability of adverse events occurring, and to mitigate any damage caused by adverse events.

Finance for creatives broadly defined requires creatives to first identify what things they need, how to fund those things and how manage the funds when they do become available.
SECTION 6

Own Income Generation
SECTION 6: OWN INCOME GENERATION

Creatives are good at lots of different things, and are therefore well placed ways to broaden their income and revenue options beyond the obvious or immediate. New income streams for creatives can be developed from sources such as donor funding, sponsorship, collaborations, improvisations, crowdfunding and new products.

The following key steps can help creatives to unlock potential income generation ideas:

a. Conduct a skills audit,

b. Develop a list of passive income ideas, adding on products and services, and figuring how to conduct testing and check on how ‘good’ your income ideas might be.

c. Learning new skills

d. Establishing collaborations at national, regional and international levels.

Developing a broad income generating portfolio can help creatives to weather the storm during difficult times such as that presented by Covid-19.
To conclude, creatives are constantly cited as being “change-makers”, and change is so much more effective when there is money behind it, and when creatives themselves are able to sustain their lives and livelihoods. Our society needs creative talents for the long-haul and that means creatives need a financial plan to be able to sustain their endeavors in the long run. It is our hope that this research toolkit will equip creatives with practical tools and knowledge to manage their money and plan for their financial future, as well as begin the journey to reframe their money mindset.

The full potential of the unique and diverse creative resources in the three countries can be harnessed through increasing the knowledge of finance and accounting among creatives of all character. Fact of the matter is that if a creative becomes careless about their finances, there is a high likelihood that they will never be able to express themselves.

Overall financial sustainability is the ability of creatives to continue now and in the future without sacrificing their creative impetus. Becoming sustainable doesn’t happen overnight. But if creatives have the ambition, there are steps that can help to help unlock the potential of financial sustainability. It takes many smaller steps, sometimes challenging and some into the unknown, to really take sustainability to the next level and beyond.