



## **Budgeting and Performing Arts Management in Nigeria: Valuated Concerns**

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### **ABSTRACT**

In spite of the many benefits accruable to organisations who engage in budgeting, performing arts establishments continue to treat same with levity. This work presents the two categories of performing arts establishments in Nigeria (government and privately owned) and outlines their budget practices. Terra Kulture is then presented as a case study of an outfit whose success and sustenance is attributable to good budgeting practices. The possible and estimated benefits from budgeting indicate why it pays to engage in effective budgeting.

**Key Words:** Budgeting, Performing Arts Management, Organizations, Valuated Concerns).

### **INTRODUCTION**

Every organization the world over, profit oriented or non-profit oriented, thrives on the pedestal of attaining its set goals and objectives. Inyang informs that organizational goals and objectives remain the end product of an action or activity or process and the job of management is to achieve these organizational goals (*Management...* 25). All resources at the disposal of the organization, human and material, are often invested in the project of attaining the pre-determined goals and objectives of the organization. Personnel; from the Chief Executive Officer through the Manager down to the Casual Staff, all work towards one particular goal. In the performing arts, the personnel include Business or Troupe Manager, Artistic Director, Actors, Dancers, Musicians, Lighting Designer, Set Designer, Costume Designer, Music Director, Props Master etc. All these artistes and personnel work towards a tripartite goal and objective. Chris Nwamuo succinctly outlines these goal and objective to include guaranteeing satisfaction, ensuring that

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there is a full house and maximizing profits (37). Innocent Ohiri seems to share this opinion when he avers that the cardinal outlook is a presentation at the right time and for the right audience with the capacity to inform, educate, entertain as well as maximize profit (1).

The above mentioned goal and objective would become largely utopian and all the resources wasted without proper planning. The concept of planning is a very fundamental and primary management function for any organizational operation. It is a requirement even in the formation or design of an organization and in the execution of all the activities. It is considered the foundation for corporate performance or performance of the manager's job (Inyang, *Corporate...2*). Planning is said to be a link that bridges the gap between where we are and where we want to go. It is further stated that without planning, those things we want done would not happen or take place (Inyang, *Corporate...27*). Therefore planning is an invaluable exercise for managers and organizations. It gives direction, reduces the impact of change, and minimizes waste and redundancy while setting the standards for control. It helps minimize cost and promotes efficiency and effectiveness (Inyang, *Corporate...31*).

The primary aim of the manager is attainment of organizational goals with proper planning as the vehicle. One veritable and effective planning tool available to management and managers is budgeting. Some performing arts (music, dance, drama/theatre) managers still treat budgeting with levity. This work examines the estimated importance of budgeting to performing arts management especially in this dispensation where patronage continues to dwindle. The paper draws examples from governmental and privately owned performing arts establishments in Nigeria.

### **Budgeting**

To operate effectively and efficiently within a given setting, a budget ought to be prepared and used as an instrument for allocating regular financial and extra acquired resources to all important organizational policy areas (Enamhe 45). "The budget is the blueprint that guides the operation of any organization..." (Brooks et. al.). Thus a budget can be defined as "a monetary statement, a financial statement or a quantitative course of action, prepared and approved prior to a defined period of time. It contains the goals and aspirations of a business outfit" (Adeniji 355). P. K. Bessong agrees with this assertion, submitting that a budget remains a quantitative expression made in relation to a plan of action (211). Corroborating Bessong's definition, Inyang goes further to relate budgeting with management function:

.... The use of a budget enables managers to perform their managerial functions more effectively since a budget provides them with the proper guidance in matters of disbursements for each factor employed, such as materials costs, wages rates, machines rates, space requirements, personnel needs, etc. Budgets are also considered as instruments of control against

which actual financial performance is measured and compared (*Management...37*).

There are various budgets but all can be collapsed into two types; Financial and Capital budgets. Bessong indicates that financial budget deals with the expected cash-flows and outflows related to the operations of an establishment while capital budget is concerned with decision-making process which enables a firm to evaluate investment proposals in fixed assets like plants and equipment, building etc. The performing arts run predominantly, financial budgets (216-217).

### **Performing Arts Management**

The different art forms perform different functions within different societies. They exhibit the people's temperament, world view, wishes, aspirations, relationships (personal and social) and modes of existence. Art forms provide channels of communication, which transcend the ordinary, with capacities to outlive their creators and generations.

By the 19<sup>th</sup> century, the arts and religion lost the importance hitherto accorded them due to man's embrace of the sciences and social sciences in search of solutions; the much needed succour and answers to mind-bugging questions concerning human existence. But one very interesting feature of the arts through the ages is that they thrive through patronage where each form has its own patrons. To make meaning, the art form must have someone to appreciate its aesthetics, the ingenuity and creativity embedded in it. Without this very vital exercise, the work is not complete and the artist may not derive full satisfaction for his endeavour. This may have informed Roman Ingarden's assertion that:

... art works achieve full existence only in someone's reading of them, for the work is more than the material thing, it encompasses the meanings and experiences generated by our interpretation of that thing (179).

Today the arts have been broadly divided into three categories: Performing Arts, Visual Arts and Literary Arts. This work concerns itself with budgeting practices in the performing arts. The constituents of the performing arts include music, dance, and drama/theatre. They form part of the indices or parameters often employed in delineating one group or tribe from another. They are part and parcel of a people's culture. The world view, wishes, aspirations and tenets of a people are often expressed and transmitted through these art forms. However, evolving a clear-cut definition of the term has been somewhat difficult. This may arise from the fact that what the constituents do not share with each other may be more apparent than what they do share, apart from relying on live performance in the presence of a

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live audience to subsist (Cameron and Gillespie 445). The sustaining force for live performances is patronage.

In Nigeria, performing arts outfits are divided into two categories – government and privately owned establishments. Management of the two categories differ due to the structures in which they are subsumed. The government-owned outfits included the Nigerian National Troupe, States' Arts Councils and Theatre/Performing/Dramatic Arts Departments in universities. Management of these bodies follow laid-down structures instituted by the government. The artistes who form the base are responsible and report to their superior (the Head of Performing Arts) who is answerable to the Director, who is in turn supervised by the Board appointed by the government. The Board is regulated by the Special Adviser (SA) to the Governor on Arts and Culture, where the outfit is a department under the Governor's Office. But where it is under a ministry, the Board is supervised by the Commissioner in that Ministry, who reports to the governor. In the universities, the units are supervised by the Head of Department who reports to the Dean of the relevant faculty. The Dean is answerable to the Vice Chancellor, who is answerable to the National Universities Commission (NUC).

This is the chain of control that determines the success of any activity that must be hosted by government owned performing arts outfits. In this system, where there are conflicts, the civil service rule takes predominance. On the other hand, privately owned performing arts outfits, as the name implies, are owned and managed by individuals and sometimes by groups of persons with interest in the arts. In terms of management, the structure is simple and decision making is faster though their capital outlay may be small. Examples of privately owned performing arts outfits include the Jos Repertory Theatre, Larri Williams Playhouse, Terra Kulture, James Ene Henshaw Foundation among others.

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It has been identified that management of the performing arts in Nigeria, follow two distinctive structures. One falls within the ambience of government and the civil service while the other manifests private mentorship. Every governmental unit or parastatal is required to draw up a budget for every fiscal year and forward same to the supervising body. This may form part of the overall budget for the ministry or department as the case may be. Sometimes the head of the unit is required to personally defend the submissions therein. As such, the government owned performing arts establishments do budget but investigations show that they are often left in the dark after such submissions. Within the fiscal year budgeted for, their operations are based on what is available to them, not on the budget provisions.

The Theatre and Media Studies Department at the University of Calabar, Calabar makes projections for its activities which include exposing students and staff and the society to the various theatrical manifestations in different parts of the world within the different theatrical periods. These projections are transmitted to the Faculty Board and Faculty Finance Officer, the University Management and ultimately to the National Universities Commission (NUC); which is the overall supervisory body.

The department is not communicated with regard to the approval, disapproval or modifications on its budget. Before the late 1990s, such projections received attention and funds were made available at the Bursary Unit for productions. The funds were accessed by production Directors with the approval of the Play Selection Committee (set up by the Departmental Board) and the Head of Department. During such productions, a Bursary Unit Staff was on hand to collect the proceeds from the Box Office and lodge same into the designated account for play/other productions. The funds recycled in this manner ensured the continuous presentation of seasons of plays. A glimpse at the Recurrent Estimate in the Dean of Arts office indicates that for 2012/2013 session, the estimated value outside personnel cost by the department was N25,615,459.00 (Twenty-five Million, Six Hundred and Fifteen Thousand, Four Hundred and Fifty-nine Naira only). Nine months into the session, only N12,313,561.00 (Twelve Million, Three Hundred and Thirteen Thousand, Five Hundred and Sixty-one Naira only) representing 48.07% is released and utilized (25).

This reality may be responsible for the change in the trend. Currently, requests for funding of productions often meet with the response, 'no funds'. As such, production Directors have to task themselves and students to put up productions. Consequently, standards are adversely affected. The institution seems to pay attention and make some funds available only for Command Performances during Convocation ceremonies and other supposedly grand or important occasions. Its counterpart, the Calabar Cultural Centre seems to toe these lines also. The Performing Arts Department is most actively engaged in predominantly command performances for dignitaries visiting the state and other state events. Other activities planned and budgeted for are left in the doldrums. The neglect is such that some years the centre and the state do not attend the annual National Festival of Arts and Culture (NAFEST) even though it has been planned and provided for in the budget. For 2012, the department budgeted (including personnel cost) N218,929,026.00 (Two Hundred and Eighteen Million, Nine Hundred and Twenty-nine Thousand, Twenty-six Naira only). The Cross River State 2013 Approved Budget document indicates that between January and October, 2012 only N34,711,943.77 (Thirty-four Million, Seven Hundred and Eleven Thousand, Nine Hundred and Forty-three Naira, Seventy-seven Kobo only) representing 15.85% was released and utilized. However, only 3.3% of the released sum was utilized for other areas as 96.7% totalling N33,592,943.77 (Thirty-three Million, Five Hundred and Ninety-two Thousand, Nine Hundred and Forty-

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three Naira, Seventy-seven Kobo only) was expended on personnel cost (463).

A similar thing occurred in 2013 where the department's budget was put at N206,406,144.63 (Two Hundred and Six Million, Four Hundred and Six Thousand, One hundred and Forty-four Naira, Sixty-three Kobo only). The 2014 budget document indicates that between January and June 2013, the released and utilized sum was N66,433,208.14 (Sixty-six Million, Four Hundred and Thirty-three Thousand, Two Hundred and Eight Naira, Fourteen Kobo only) representing 32.18% of the budgeted sum. Again, personnel cost consumed a greater part; 97.80% leaving only 2.20% for other areas and activities (483). Thus, a large chunk of the department's budget is used for wages and salaries leaving little or nothing for other activities. One wonders how developmental and creative projects can be embarked upon with such financial standing.

Some privately owned performing arts outfits like the Terra Kulture seem to have scaled such hurdles. Situated at Plot 1376 Tiamiyu Savage, off Ahmadu Bello Way, Victoria Island, Lagos, Terra Kulture was established as a Nigerian Cultural Centre with the aim of promoting the richness and diversity of Nigerian languages, arts and culture. Its conception was borne out of the fact that there is no venue with the intended ambience in Nigeria for Nigerians and foreigners alike to learn about Nigerian cultures and languages (Terra Kulture Brochure 2). The project which started in 2005 has provided a veritable platform for many groups and artistes to express themselves and display their artistry. The outfit plans and budgets for its activities each year. For instance, a rundown of its planned theatre activities in 2007 published on [www.Theatre@Terra](http://www.Theatre@Terra) presented the list of productions and other information. The list included *Idemili* by Ahmed Yerima, directed by Kenneth Uphopho, *Midnight Blackout* by Femi Osofisan, directed by Taiwo Ibikunle, *Who's Afraid of Tai Solarin* by Femi Osofisan directed by Segun Adefila, *Wedlock of the Gods* by Zulu Sofola directed by Wole Oguntokun and *Sizwe Bansi Is Dead* by Athol Fugard, directed by Sunkanmi Adebayo among others. The Managing Director of Terra Kulture, Bolanle Austen-Peters asserts that:

In line with how we do business here, we try to give as many artists as possible the opportunity to practice because the real problem we have in Nigeria is the lack of a platform and structure to show what they do ([www.myhimagazine.com](http://www.myhimagazine.com) 1).

In 2011, the same outfit, apart from the normal season of productions, announced the premiere of the play *The Cost of Living* written by Sefi Atta and directed by Nick Monu. It was sponsored by Guaranty Trust Bank and Murtala Mohammed Foundation with stage props provided by Julius Berger Nigeria. Promotional support was provided by Sesema PR while Terra Kulture collaborated with Sefi Atta and Monu and Monu Productions in producing the work (Theatre@Terra 1). From this we can infer and believe that Terra Kulture's has good budgeting practices. It should be noted that

prominent establishments, especially financial institutions, do not relate with establishments without proper lines of operation.

### **Valuated Concerns**

The significance of budgeting to business and management are numerous. Budgeting is beneficial in the areas of planning, co-ordination, clarification of authority and responsibility, communication, control, motivation and goal congruence and performance evaluation (Bessong 212). The more pertinent assertion in this regard is presented by Pyle et. al. They relate management of a business to planning and control, to budgeting and then state the benefits of budgeting. They posit that the process of managing a business consists of two basic elements – planning and control. For business to accomplish the variety of objectives expected of it, management must first carefully plan. Most business failures appear traceable to inadequate planning. This process of planning future business actions and expressing those plans in a formal manner, they assert, is called budgeting. If management plans carefully and the said plans are formalized completely enough, that is if management engages in a thorough budgeting process, it may expect to obtain benefits in the areas of focus on the future, evaluation of performance, co-ordination, communication, motivation etc (918-921).

The above assertions confirm budgeting as a planning tool with the capacity to propel the business to the realms of success and sustenance. Failure to engage in the process could spell doom for any performing arts outfit. Needless to say that the performing arts are businesses because the post-‘art for art’s sake’ era we find ourselves manifests the realities of a capitalist environment where survival seems dependent on the commercial successes one can achieve. Thus emphasis is on budgeting and adherence to the provisions of such budgets. The government owned performing arts establishments like the Calabar Cultural Centre and the Theatre and Media Studies Department earlier mentioned merely project on paper, they do not adhere or operate same. As such, they are removed from achieving the benefits which accrue from budgeting. They merely grope without a clear-cut direction. Their activities are based perhaps on intuition, assumptions, blind faith and not on pre-determined and focused measures.

Budgeting serves as a guide and a road-map. It lays out the tracks to be followed to arrive at the desired destination. It serves as a bridge; a link between where we are and where we desire to be, while equally providing the focus in which the energies and resources are not dissipated on issues and activities that do not form part of the vehicle to transport the endeavour to success. Terra Kulture desires to promote the richness and diversity of Nigerian languages, Arts and Culture by providing the platform and structure to as many artistes as possible to practice. These desires manifest (the array of scheduled performances attest to this) because there is adequate planning and control. There is a clear-cut direction mapped out for attaining these

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desires. Because the organisation is not groping; there is a direction, distinguished organisations like the Guaranty Trust Bank, and Julius Berger support their endeavours. This is the power of budgeting. Such organisations may not work with government owned performing arts establishments because their planning and control instruments are faulty.

Budgeting aids in the reduction of wastes. Where wastes are reduced to the barest minimum, chances are that the resources are appropriately applied to the functional areas and the probability of making profits is increased. Except for non-profit oriented establishments, profit is the pivot for continued existence. The fact that Terra Kulture has been in existence and operation for several years is an indication that it has been solvent; able to succeed and remain in business. In contrast, government owned performing arts outfits are only sustained by government subventions.

If one of the collective objectives of the performing arts is to guarantee satisfaction, then budgeting can help determine the calibre of artistes to employ, who can adequately deliver and satisfy the audience and sustain their patronage, within the means of the organisation. If the performing arts desire to have full houses for their presentations, then budgeting can give an idea of the patrons at their disposal through the audience research endeavour which forms the basis for projections, not speculations. If the desire is to maximize profits, budgeting can aid reduce costs by appropriately applying the resources and reducing wastes.

### **RECOMMENDATIONS/FUTURE RESEARCHES**

- Since budgeting remains a planning and control tool, it is pertinent to budget and operate same. If the performing arts do not budget, then they have not adequately planned their endeavours. Thus cannot control the operations and perhaps the outcome.
- The reality of 21<sup>st</sup> century existence is that many endeavours operate on systematic platforms not esoteric formats. Budgeting is one avenue of placing the performing arts on a systematic pedestal. If the performing arts desire to compete favourably within the 21<sup>st</sup> century commercial space, they should budget and adhere to the provisions of the budgets.
- The performing arts are aspects of our culture and culture remains a vehicle that drives a people towards development. Indulging in measures that help sustain aspects of our culture means driving ourselves towards development. Government owned performing arts establishments and their hierarchies should realize this and allow budgets to condition their operations and activities. They should go beyond spending predominantly on personnel cost and look at other developmental and creative areas.



- Budgeting should be regarded and viewed as an endeavour with the potential of opening new vistas for the performing arts. From operating our budgets, we would be able to research further into how they can aid us determine which productions or presentations would be viable, in order to engage in them.
- We can equally use budgeting to know the breakeven points for our productions and determine the number of tickets we need to sell, that is the level of patronage, in order to make profits, considering also other sources of revenue.

## CONCLUSION

Some personalities and groups register and show their intentions to join the world of commerce each year. Some of these interests may not survive beyond their second year of operation. Different reasons can be attributed but the more central point remains poor planning and non-adherence to the nitty-gritty of such endeavours. As such, organisations who desire to succeed encourage their personnel to adhere to and practice those measures (budgeting inclusive) that help them excel and stand out among equals. If budgeting can assist the performing arts to succeed, if budgeting can make the performing arts stand out, if budgeting can sustain the performing arts and their artistes, if budgeting remains one of the avenues of attaining the set goals and objectives, if budgeting is significant to the performing arts and their management, then it pays to indulge.

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