Single Carrot Theatre:
Financial Crisis Leads to Artistic Pivot

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Abstract
This teaching case study examines how Single Carrot Theatre in Baltimore, Maryland used adaptive capacity, leadership structures and risk assessment to implement a large organizational and artistic pivot. The case study is designed for undergraduate students to analyze how an established arts organization in financial risk can pivot from a traditional model to an innovative business structure while managing financial sustainability, audience growth and artistic vision. The Instructor’s Manual includes learning objectives, sample questions and additional resources to guide discussion around organizational culture and the important role of artistic vision in arts organizations.

A Theatre Company Forced to Pivot After Early Growth

In 2016, Single Carrot Theatre celebrated its tenth anniversary season. This was a great accomplishment for an organization started by a group of undergraduate students right out of college. Single Carrot established itself as the only midsize theatre company in Baltimore, Maryland with a focus on new and experimental theatre. It developed a strong artistic reputation and became an inspiration for other emerging theatre artists.

However, the company also experienced several years of deficits and increased expenses throughout their history. In 2018, the company implemented a series of organizational adjustments and an emergency fundraising campaign, but could not see a clear path to sustainability in their current business model. Genevieve de Mahy, an original ensemble member and the Artistic Director since 2014, led the ensemble in a series of difficult conversations about the future of the company. The theatre’s staff and board realized they had a serious financial problem. It became clear the company had to plan a major pivot or risk closing its doors. This case study looks at the factors that led Single Carrot Theatre to a major institutional pivot and the adaptive capacity that contributed to its success.
Historical Background of Single Carrot Theatre

In 2007, a young and energetic group of recent undergraduate students from the University of Colorado Boulder decided to create their own theatre company. They called the company Single Carrot Theatre, named after the Paul Cezanne quote: "The day is coming when a single carrot, freshly observed, will set off a revolution." Cezanne's ethos of change through authentic art making would continue to inform the company’s grit and passion through many years. The young artists made the bold choice to do a national city search to find the best home for their theatre. Selecting Baltimore as the ideal place to start a new company focused on contemporary work, they grew steadily into an important part of the city’s arts ecosystem. During the first ten years, they produced over 50 productions, grew their operating budget to more than $400,000 and developed a strong brand of innovation and experimental programming.

In 2013 they decided to find a permanent space for future growth and stability. Partnering with a restaurant to join a development project, they had a unique opportunity to design their own 6,000-square-foot facility to fit their needs and mission. They implemented a capital campaign and believed the new space would allow them to grow their audience. Indeed, the new space seemed to validate the long-term viability of the company and established the group’s reputation as an important theatre in the city. The new space helped to centralize operations, created a professional face of the organization and rooted the company in the Baltimore’s trendy Remington neighborhood.

Although there were many benefits to having their own theatre, it became clear in the first few years the space would cost more than originally anticipated. The company was also not able to grow its audience as quickly as planned and the facilities required additional staff time to manage and maintain.

Hard Conversations and Finding a Way Forward

Single Carrot tried to find creative ideas to its financial problems before considering more drastic solutions. An emergency fundraising campaign in the summer of 2018 yielded $55,000 to help pay rent and keep the organization solvent while planning next steps. It did not solve the structural problems leading to the deficits, but this success was a testament to the company’s base of support.

The very real risk of closure forced the ensemble and board to see and feel what that would look like. Single Carrot began open conversations around larger structural changes and the possibility of a major organizational pivot. After some hard conversations, the staff and board identified three possible options:

1. Find more affordable facilities to rent for operations, including rehearsals, productions and administrative needs;
2. Create an alternative way to produce theatre;
3. Consider permanently closing.
These options required leaving the Remington space, knowing that traditional theatre organizations depend on dedicated facilities to produce their work and grow their audience. Leaving the space was serious risk for the company’s future and went against decades of established industry norms.

There was no clear consensus in the early conversations about a major pivot. Some ensemble and board members wanted to rent other theatre spaces and continue doing similar programming. Understandably, there was concern this would feel and look like the organization was going backwards. There were also strong voices for using this financial crisis as an opportunity for genuine innovation. Could the financial crisis allow the organization to refocus its artistic direction and create new opportunities under a different model for producing theatre?

Single Carrot consistently prioritized a collective artistic decision-making process through the ensemble. The board historically offered more financial stewardship for the organization. Yes, these two bodies supported each other, but in many ways operated separately. Although there were some downsides to this structure, this focus on artistic decision making likely helped lead the organization towards more creative solutions in this pivot and allowed for a bold vision for the future.

In 2018 the company renegotiated a temporary one-year lease at a reduced rate in the Remington space, giving them time to plan next steps. Deciding to pivot was the first step. It would require months of additional strategic planning, restructuring internal systems for management and production needs, in addition to successfully communicating the change to stakeholders.

**Staying Art Focused**

Conversations about the pivot continually came back to the artistic vision of the company and questions around the type of work the ensemble wanted to make in the future. When the ensemble talked about past work they liked and felt proud of, two projects came up again and again. *A Short Reunion* was a collection of newly-commissioned plays performed at site-specific locations in the Remington neighborhood. *Promenade: Baltimore* was an international collaboration with the Budapest-based ensemble STEREO Akt in which the audience boarded a bus to experience performance across the city. This latter work included interviews with Baltimore residents as part of the narration and informed the overall tone of the piece. Both pieces focused on site-specific elements, creating new work and connecting with the larger community through meaningful artistic collaboration. When the ensemble imagined what future programming might look like, they said “Let’s do more of that!”

Because the site-specific and community-focused aspects of theatre making were already part of Single Carrot’s culture, it helped to manage and communicate the pivot. These modes of working had been tested for logistical feasibility and desirability with audiences. *Promenade: Baltimore* was financially the most expensive show in the company’s history, but it was also one of the most highly attended.

Having in-depth conversations about the artistic future and mission of the organization allowed the ensemble a more critical review of their past work. As Artistic Director Genevieve de Mahy once said, “We are eating from the buffet but haven’t
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learned to cook one dish really well.” By deciding to rewrite their mission statement as a central part of the pivot, the company refined the niche they could fill in the Baltimore theatre ecosystem.

The ensemble’s structure and focus on collective decision making remained the same. There were many conversations around “What do we want to do?,” “What is important to us?” and “What kind of theatre do we want to be making?” In the end, Single Carrot decided to become a site-specific theatre company (i.e., performing in non-traditional spaces).

They also decided to lean into the social relevance and advocacy aspects of the mission statement, which included how theatre could generate more impact rather than more art making. Lastly, they wanted to find ways to connect more with and across communities in Baltimore, as de Mahy was interested in how the company’s work could truly mean something to the city’s residents.

What made the organization unique was trust in the artistic leadership. Despite (or maybe because of) the financial pressures forcing this pivot, they were making the theatre they wanted to make. In other words, they leveraged serious financial issues to fully embrace an artistic evolution of the company (through the artistic process itself) that realized their core mission and continued their unique decision-making culture.

The Perception of Closure and Failure: Guiding the Story

Single Carrot Theatre understood that some patrons would be open to shifting with the company, but not all. A successful pivot depended on the ability to communicate the shift and bring people into a new chapter. By letting go of a physical space, there could be the perception the organization was closing or failing. Even from the early stages of this process, staff heard community members ask “Is it true you are closing?”

Obviously, there was an underlying concern that the move would always be seen as a compromise rather than an artistic enhancement. This was especially challenging for a board having difficulty envisioning future programming. Once the company did their first site-specific production using the new model (*Mr. Wolf* by Rajiv Joseph), it helped the board and other key stakeholders fully understand and buy into a new vision. The play was staged in a church rectory, which not only allowed the audience to move to different rooms but also provided both clarity and excitement about a new way to produce theatre. As one person said, “Oh, that was so cool! This is what you are doing!” Genevieve de Mahy said it “finally clicked” for the board.

Poised for Future Growth and Innovation

As Single Carrot planned their 13th Season, they had already accomplished one full year with their new “nomadic” model. Board members and audiences saw the unique opportunities site-specific work could provide. Conversations about potential new partners such as community groups, neighborhoods, other nonprofits and government entities (such as parks and recreation) were plentiful. Producing theatre across the city also created opportunities for finding new audiences. There was renewed excitement around the artistic future of the company and a clearer public understanding of Single
Carrot Theatre’s newly-refined niche in Baltimore’s theatre landscape.

As part of their successful pivot strategy, Single Carrot Theatre refused to abandon core elements of its previous brand of theatre making. Instead, it focused on the strongest aspects of its artistic history and eliminated unnecessary operational costs. They were able to alleviate financial burdens while maintaining artistic momentum. Single Carrot decided to make a risky choice. Genevieve de Mahy said “What feels like the safe route can actually be the death sentence. Theaters and arts organizations should be the leaders in risk taking.” When faced with the real possibility of closure, Single Carrot Theatre decided to take risks based on past success while also following their core artistic instincts. Single Carrot always had a culture of innovation, but it took a financial crisis to propel the organization forward in its artistic growth. The company felt they had nothing to lose having been so close to closing, which may have helped the organization become more nimble and reject risk-averse programming. “Being risk-embracing actually has huge potential to yield results by doing work that is exciting and compelling,” said de Mahy. Another way she described this was “If you are playing it safe, why are you there? What are you existing for?” This speaks to artistic purpose being central to an organization and not letting financial growth—or even stability—be the sole driving force in decision making.

Summary

When Single Carrot Theatre was faced with a financial crisis and evidence of ongoing instability, they were able to have serious conversations and implement a major pivot in the organization’s business model. Single Carrot had a strong history of dedicated stakeholders and an ethos of artistically-based decision making that helped guide the leadership to a mission-focused solution.

The organization intentionally followed its strength of innovation in theatre making, with a recommitment to community-based processes and growth of its successful site-specific direction. Both the leadership staff and board intentionally avoided “safe” options and decided to take thoughtful risks as the company imagined and planned for its future. Demonstrating early evidence of new audience growth, they continue to discover new options for innovative partnerships and funding opportunities. Single Carrot Theatre avoided a closure, reinvigorated its primary stakeholders around a refocused mission and created a strong foundation for future growth and sustainability.