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Navigating Ethical Considerations in the Music Industry: Empowering Aspiring Music Entrepreneurs for a Responsible Future

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Abstract

This paper explores the ethical dimensions of the music industry and the role of aspiring music entrepreneurs in promoting a responsible and sustainable ecosystem. It highlights the challenges faced by hired artists and musicians in terms of financial compensation and professional conduct, drawing attention to anecdotal instances of malpractice. The paper presents solutions and strategies to counteract these malpractices, including comprehensive consultations, well-defined contracts, healthy management systems, and the power of saying "no" to unsuitable opportunities. Furthermore, it emphasizes the implications of these practices for aspiring music entrepreneurs in real-world professional practice and the responsibility they hold to elevate industry standards. By prioritizing fair compensation, transparency, and supportive environments, aspiring music entrepreneurs can contribute to the overall well-being of artists, musicians, and the industry as a whole. This paper encourages the integration of ethical considerations into higher education curricula and emphasizes the need for collaborative efforts to drive positive change and shape a responsible future for the music industry.

Keywords: music industry, ethical considerations, aspiring music entrepreneurs, responsible future, navigating, empowerment.

Abstract (Español)

Este artículo explora las dimensiones éticas de la industria musical y el papel de los aspirantes a empresarios musicales en la promoción de un ecosistema responsable y sostenible. Destaca los desafíos que enfrentan los artistas y músicos contratados en términos de compensación financiera y conducta profesional, poniendo en relieve ejemplos de prácticas incorrectas. El artículo presenta soluciones y estrategias para contrarrestar estas prácticas incorrectas que incluyen: consultas integrales, contratos bien definidos, sistemas de gestión saludables y el poder de decir "no" a oportunidades inadecuadas. Además, enfatiza las implicaciones de estas prácticas para los aspirantes a empresarios musicales en la práctica profesional del mundo real y la responsabilidad que tienen de elevar los estándares de la industria. Al priorizar la compensación justa, la transparencia y los entornos de apoyo, los aspirantes a empresarios de música pueden contribuir al bienestar general de los artistas, músicos y la industria en su conjunto. Este artículo fomenta la integración de consideraciones éticas en los planes de estudio de la educación superior y enfatiza la necesidad de esfuerzos colaborativos para impulsar un cambio positivo y dar forma a un futuro responsable para la industria musical.

Palabras clave: industria musical, consideraciones éticas, aspirantes a empresarios de música, futuro responsable, navegación, empoderamiento

Ethical Challenges in Financial Compensation for Hired Artists and Musicians in the Music Industry: Addressing Disparities and Power Imbalances

Financial compensation has long been a subject of concern in the music industry, particularly for hired artists and musicians, presenting challenges in negotiating fair and equitable remuneration (Easley, 2005; Rutter, 2016). The subjective nature of artistic value, combined with market dynamics, often leads to disparities in compensation, raising ethical dilemmas (Golden, 2001). Moreover, power imbalances between artists and industry stakeholders, such as record labels, managers, and promoters, further complicate the issue, potentially resulting in the exploitation of artists and musicians (Burke & Logsdon, 1996).

Transparency in contractual agreements is crucial to prevent artists from unwittingly surrendering their rights to revenue streams, ensuring fair compensation (Easley, 2005). Establishing standardized guidelines for compensation, fostering open dialogue, and promoting equitable negotiation processes are essential steps toward addressing these ethical concerns (Rutter, 2016). Empowering artists with legal counsel and educational resources on contract negotiations can help mitigate power imbalances and protect their interests (Goodstein & Wicks, 2007). By promoting transparency, fairness, and equitable practices, the music industry can create an environment that respects the contributions of artists and musicians, leading to a more sustainable and ethical ecosystem for all involved parties.

Fostering Psychosocial Well-being in the Music Industry: Prioritizing Artists' Mental and Emotional Health

Beyond financial compensation, the psychosocial well-being of hired artists and musicians in the music industry is an essential aspect that warrants attention (Pavitra et al., 2007; Musgrave, 2022). The demanding nature of the industry, including long working hours, extensive travel, and the pressures of fame, can significantly impact their mental and emotional health (Wills, 2003). It is the ethical responsibility of industry stakeholders to prioritize the overall welfare of these individuals and create a work environment that supports their psychosocial needs (Visser et al., 2022).

Establishing a conducive work environment that prioritizes the physical and mental health of hired artists and musicians is an ethical dimension that requires attention (Aalberg et al., 2019). This includes providing access to comprehensive healthcare services, promoting a healthy work-life balance, and fostering a culture that encourages open communication and collaboration. Industry stakeholders can enhance the psychological and social well-being of artists and musicians by offering avenues for professional growth, mentorship, and creative independence (Pavitra et al., 2007). For instance, in a hypothetical scenario where a hired artist is constantly on tour and feels exhausted, ethical industry stakeholders would proactively ensure their work-life balance by providing periodic breaks and access to mental health professionals (Musgrave, 2022).

Another hypothetical scenario involves an artist feeling creatively stifled due to pressure from their record label to produce commercially successful music. Ethical industry stakeholders would foster a supportive environment that values creative autonomy, allowing the artist to experiment with different musical styles, collaborate with diverse artists, and express their artistic vision freely

(Wills, 2003). Prioritizing the psychosocial well-being of hired artists and musicians is crucial, and industry stakeholders have an ethical responsibility to create a work environment that supports their physical and mental health (Visser et al., 2022). By promoting avenues for professional growth, encouraging work-life balance, and fostering transparent communication and collaboration, the industry contributes to the long-term well-being and artistic growth of artists within a sustainable and ethical music ecosystem.

Balancing Entrepreneurial Pursuits and Ethical Considerations in the Music Industry: Fostering Fairness and Supporting Artists' Well-being

Navigating the complex intersection of entrepreneurial pursuits and ethical considerations in the music industry can be a challenging endeavor (Kautsar et al., n.d.). The industry operates within a commercial framework where financial success often takes precedence. However, it is crucial to recognize the ethical obligations towards hired artists and musicians, which include ensuring fair compensation and fostering a supportive work environment (Ellefson, 1997). To achieve a harmonious balance, industry stakeholders, such as record labels, managers, and promoters, must embrace a comprehensive ethical framework (Hesmondhalgh, 2021). This framework should encompass key elements such as financial transparency (Street & Phillips, 2017), fair contractual practices, and proactive measures to support the psychosocial well-being of artists and musicians (Daniel, 2010). Adhering to these principles allows industry stakeholders to establish an environment that upholds ethical values while promoting entrepreneurial success.

Financial transparency is a vital aspect of ethical entrepreneurial practices in the music industry (Hesmondhalgh, 2021). This entails clear and open communication regarding revenue distribution, royalty calculations, and financial transactions. By providing artists and musicians with comprehensive and easily understandable financial information, industry stakeholders demonstrate a commitment to fairness and accountability. Transparent financial practices help prevent disputes and build trust between artists and the industry, fostering a more ethical and sustainable business ecosystem. Fair contractual practices are another critical component of ethical considerations in the music industry (Ellefson, 1997). Contracts should be clear, fair, and mutually beneficial to all parties involved. Industry stakeholders should ensure that artists and musicians understand the terms and conditions of their agreements, including compensation structures, ownership rights, and the duration of contractual obligations. Fair negotiations and the inclusion of legal representation for artists can help prevent exploitative practices and establish a more equitable environment for all.

Supporting the psychosocial well-being of artists and musicians is an ethical imperative that goes beyond financial compensation (Daniel, 2010). The music industry can be demanding, placing significant pressures on individuals' mental and emotional health. Industry stakeholders should take proactive measures to create a supportive work environment that prioritizes the overall well-being of artists and musicians (Ellefson, 1997). This may include providing access to mental health resources, offering opportunities for personal and creative growth, and promoting work-life balance. Nurturing the psychosocial well-being of artists not only enhances their individual experiences but also contributes to the longevity and sustainability of their careers. Through ongoing dialogue, collaboration, and self-regulation, the music industry can establish ethical standards that benefit all stakeholders (Street & Phillips, 2017). This involves engaging artists and

musicians to understand their needs, concerns, and aspirations, actively involving them in decision-making processes, and promoting inclusivity and support. Balancing entrepreneurial pursuits and ethical considerations requires a comprehensive framework, encompassing financial transparency, fair contracts, and support for psychosocial well-being (Kautsar et al., n.d.). Thus, prioritizing ethical values alongside commercial success within the music industry can create a favorable environment for all stakeholders and fulfill its responsibilities towards artists and musicians.

Instances of Music Business Malpractices: The Author's Anecdotal Accounts

Anecdotal instances of malpractice within the music industry provide valuable insights into the challenges faced by hired artists and musicians. One common issue is the prevalence of low rates offered to these individuals for their creative contributions. It is not uncommon for artists and musicians to receive compensation as low as \$50-80 for their services, which significantly undervalues their talent and expertise. This practice raises ethical concerns as it undermines the fair and equitable remuneration that artists deserve for their creative work.

Inconsistencies in payment further compound the challenges faced by artists and musicians. There have been instances where the agreed-upon payment does not align with the actual funds paid. This lack of transparency and adherence to contractual obligations creates a sense of mistrust and dissatisfaction among hired artists. Additionally, delayed payment periods exacerbate the financial strain on artists, as they may have to wait weeks or even months to receive the compensation they are owed. Such delays can have adverse effects on artists' financial stability and overall well-being, highlighting the need for prompt and fair payment practices within the industry.

Another significant issue revolves around the lack of clarity regarding payment methods. Artists and musicians often encounter situations where they are not provided clear information on how they will be paid. This ambiguity can lead to complications and confusion during the payment process, raising concerns about the professionalism and transparency of industry stakeholders. It is essential for artists to have a clear understanding of the payment methods available to them, whether it be through checks, digital transactions via platforms like CashApp, PayPal, Zelle, Venmo, or other means, to ensure a smooth and secure payment process.

Anecdotal accounts also highlight undisclosed changes to compensation, which can be particularly distressing for hired artists and musicians. Some artists have reported situations where new roles or responsibilities were introduced during gig preparation or even on the gig day itself without prior consultation, resulting in compensation that does not account for these additional duties. This lack of transparency and proper communication regarding changes in compensation undermines the fair and ethical treatment of artists, who should be adequately compensated for the services they provide.

Furthermore, artists and musicians have experienced instances where their payment was sourced from tip jars or relied solely on the generosity of the audience. This practice not only diminishes the professionalism and dignity of artists but also perpetuates the perception that their work is not valued or deserving of fair compensation. Derogatory remarks about musicians' pay made in the

presence of the audience further contribute to this issue, creating an atmosphere that undermines the ethical treatment of artists and musicians.

In addition to the financial aspects, anecdotal instances reveal the psychosocial challenges faced by artists and musicians in the music industry. When artists assert their rates or negotiate for fair compensation, they have encountered animosity and pushback from industry stakeholders. This hostility and resistance undermine the artists' autonomy and professional standing, creating a discouraging and disempowering environment. Furthermore, artists have reported instances of micromanagement during performances, where their creative freedom and artistic expression are stifled, hindering their psychosocial well-being and artistic growth. Additionally, the unfortunate occurrence of character defamation within professional environments further highlights the need for ethical conduct and mutual respect among industry professionals.

These anecdotal instances shed light on the ethical shortcomings within the music industry and emphasize the urgent need for ethical considerations and reforms. To protect the rights and well-being of hired artists and musicians, industry stakeholders must prioritize fair and equitable compensation practices, transparent payment procedures, and respectful treatment. It is crucial to establish and uphold ethical standards that promote the professional dignity, financial security, and psychosocial well-being of artists and musicians. In response to the prevalent malpractices discussed the music industry can implement various solutions and strategies to counteract these issues and ensure a more ethical and supportive environment for hired artists and musicians.

Strategies to Counteract Music Business Malpractice and Foster Ethical Practices in the Music Industry

Comprehensive Consultations

Comprehensive consultations serve as an effective solution to combat music business malpractice. These consultations provide a platform for artists and industry stakeholders to discuss collaboration details, including roles, responsibilities, and rates. Establishing transparent and open dialogue on financial compensation will help conflicts and misunderstandings can be prevented. Such consultations also facilitate the mutual exchange of ideas and perspectives, strengthening the working relationship and fostering trust. Furthermore, well-defined contracts, including payment timelines and indemnification clauses, protect artists' interests and ensure fair compensation for their efforts. Overall, comprehensive consultations and clear contracts promote transparency, fairness, and ethical practices in the music industry.

Well-Defined Contracts

In addition to comprehensive consultations, the use of well-defined contracts is a vital strategy for addressing music business malpractice and protecting the rights of artists. Contracts provide a legal framework that outlines the terms and conditions of the collaboration, ensuring clarity and minimizing the potential for disputes. One crucial element to include in contracts is specific timelines for payment. By clearly defining when artists should expect to receive their compensation, contracts establish a sense of accountability and ensure that artists are paid within

a reasonable timeframe. This helps prevent delayed or inconsistent payment practices that can significantly impact artists' financial stability and well-being. Furthermore, incorporating an indemnification clause, commonly known as a "Hand of God clause," offers an additional layer of protection for artists. This clause safeguards artists' interests by guaranteeing compensation for their preparation efforts, even if unforeseen circumstances arise that prevent the scheduled gig or performance from taking place. For example, if a concert is canceled due to extreme weather conditions or unexpected circumstances beyond the artist's control, the indemnification clause ensures that they still receive compensation for the time and resources invested in preparing for the event.

The inclusion of these contractual provisions not only protects the financial interests of artists but also promotes a fair and ethical working relationship between artists and industry stakeholders. Contracts with specific payment timelines demonstrate a commitment to prompt and consistent compensation, fostering trust and professional integrity. Moreover, the indemnification clause acts as a safety net, ensuring that artists are not left uncompensated for their efforts in cases of unforeseen circumstances. Implementing well-defined contracts that include specific timelines for payment and an indemnification clause will enable artists and industry stakeholders to establish a transparent and accountable working relationship. These contractual measures mitigate the risk of malpractices and provide artists with the necessary safeguards to protect their interests and ensure fair compensation for their creative contributions.

Healthy Management System

A healthy management system plays a crucial role in addressing music business malpractices and supporting the success of artists. The music industry often involves complex business aspects, including contract negotiations, client interactions, and financial matters. Artists may find it challenging to handle these responsibilities on their own while also focusing on their creative work. Having a designated manager who can effectively represent and advocate for the artist's interests can alleviate some of the administrative burdens associated with their careers. A skilled manager serves as a liaison between the artist and industry stakeholders, such as record labels, promoters, and clients. They possess the knowledge and expertise to navigate the intricacies of the music industry, ensuring that the artist's rights and interests are protected throughout their professional engagements.

One of the key roles of a manager is to interact with clients on behalf of the artist. This includes negotiating fair compensation and contractual terms that align with the artist's values and goals. With their understanding of industry standards and market trends, managers can effectively advocate for the artist, ensuring that they receive appropriate compensation for their work. They also have the experience to identify any potential red flags in contracts, such as unfavorable terms or ambiguous clauses, and address them in the best interest of the artist. Moreover, a skilled manager provides professional guidance and advice to artists, helping them make informed decisions regarding their careers. They can offer insights into strategic planning, branding, and career development, assisting artists in making choices that align with their long-term goals. This guidance extends to financial matters, including budgeting, investment opportunities, and royalty management, ensuring that artists have a sustainable and profitable career trajectory.

The benefits of utilizing a dedicated manager who understands the intricacies of the music industry can enable artists to focus on their creative work while entrusting the business aspects to a capable professional. This arrangement allows artists to operate in a more efficient and effective manner, reducing the risk of exploitation or malpractice. A supportive and competent manager can act as a valuable partner, providing the necessary resources, connections, and guidance to navigate the music industry successfully. In conclusion, a healthy management system is essential for artists to address music business malpractices and navigate the complexities of their careers. A designated manager can alleviate administrative burdens, interact with clients on behalf of the artist, negotiate fair compensation, and provide professional guidance. Thus, a skilled manager can help artists focus on their creative endeavors while ensuring that their rights and interests are protected in a competitive and sometimes challenging industry.

The Importance of Saying "No" in the Music Industry

Recognizing that not every project or collaboration will align with an artist's business plan or vision, it is important to empower artists to gracefully decline opportunities that are not beneficial or negotiable. Artists can exercise their power in saying "no" by referring other talented artists or musicians who may be a better fit for the project. This approach maintains professional relationships and fosters a supportive network within the industry. Recognizing the importance of aligning projects and collaborations with an artist's business plan or vision is a fundamental aspect of navigating the music industry. Not every opportunity that comes their way may be suitable or advantageous for an artist's career trajectory or creative goals. In such cases, it is crucial to empower artists to exercise their agency and gracefully decline opportunities that do not align with their interests. Giving artists the freedom to say "no" to projects or collaborations that are not beneficial or negotiable can help artists maintain their artistic integrity and focus on endeavors that contribute to their growth and artistic vision. This approach allows artists to prioritize their long-term goals and make choices that are in alignment with their unique artistic identity.

When artists decline an opportunity, it is essential to handle the situation professionally and respectfully. One effective strategy is for artists to refer other talented artists or musicians who may be a better fit for the project. By recommending alternative options, artists demonstrate their commitment to fostering a supportive network within the industry. This not only maintains positive relationships with industry stakeholders but also helps to build a reputation as a trusted professional who values collaboration and supports the success of fellow artists. Additionally, referring other artists or musicians for projects that are not the right fit showcases a sense of solidarity and community within the industry. It emphasizes the importance of collective growth and the understanding that success is not a zero-sum game. By promoting the work of others and facilitating opportunities for fellow artists, artists contribute to a supportive and collaborative ecosystem that benefits everyone involved.

Furthermore, the act of gracefully declining opportunities can also be an opportunity for open and transparent communication. Artists can provide clear and honest feedback to industry stakeholders, explaining their reasons for declining the opportunity. This feedback can serve as valuable insights for the stakeholders, helping them understand the needs and preferences of artists better. Such open communication can foster mutual respect and improve future collaborations. In conclusion, empowering artists to gracefully decline opportunities that do not align with their business plan or vision is crucial for maintaining artistic integrity and focusing on career growth. Artists could consider referring other talented artists or musicians for projects that are not suitable to contribute to a supportive network within the industry. This approach promotes professionalism, maintains positive relationships, and fosters a collaborative environment where artists can thrive.

Addressing music business malpractice and promoting ethical practices within the music industry is essential to protect the rights and well-being of hired artists and musicians. Through comprehensive consultations, well-defined contracts, healthy management systems, and the empowerment to decline unsuitable opportunities, industry stakeholders can create a more transparent, fair, and supportive environment. These solutions and strategies promote mutual understanding, fair compensation, and professional growth while fostering a collaborative network within the industry. Prioritizing ethical considerations and implementing reforms allows the music

industry to ensure the long-term success and well-being of artists and musicians, contributing to a more sustainable and thriving music ecosystem.

Ethical Responsibilities and Implications for Teaching Aspiring Music Entrepreneurs in Higher Education

Teaching aspiring music entrepreneurs in higher education about ethical responsibilities in the music industry carries significant implications. Integrating ethical considerations into the curriculum can help educators empower students to navigate the industry while promoting fair compensation and professional conduct. This includes discussing real-life examples and case studies to cultivate an ethical foundation and awareness of fair compensation. Practical skills in contract negotiation and financial management are also crucial, along with fostering collaboration and networking opportunities. Emphasizing adaptability and entrepreneurship prepares students to embrace innovation and navigate industry changes. Educators can equip aspiring music entrepreneurs to succeed while contributing to a sustainable and ethical music ecosystem by applying these principles.

Ethical Responsibilities and Implications for Aspiring Music Entrepreneurs in Real-World Professional Practice

Aspiring music entrepreneurs hold a crucial role and responsibility in shaping the professional practice of the music industry. Recognizing the negative impact of accepting unfair compensation and engaging in unethical treatment, they can contribute to a more sustainable and equitable music ecosystem. It is essential for them to understand the implications of their choices and actions. One implication is that accepting low rates or participating in unethical practices perpetuates a culture of undervaluing artists and musicians, leading to exploitation and undermining the integrity of the profession. To address this, aspiring music entrepreneurs should actively seek opportunities aligned with ethical practices and fair compensation. They can educate themselves on industry standards, consult mentors or industry professionals, and connect with networks or organizations promoting ethical entrepreneurship.

Additionally, they can influence the industry by establishing transparent financial transactions, clear contractual agreements, and positive working relationships. Exemplifying ethical behavior can foster a cultural shift where fair compensation and respectful treatment become the norm. Taking responsibility for their professional development, aspiring music entrepreneurs should seek educational resources and acquire the necessary knowledge and skills to navigate the complex music industry landscape. Ultimately, by advocating for fair compensation, upholding ethical practices, and pursuing opportunities in line with their values, aspiring music entrepreneurs contribute to a more sustainable and equitable professional practice that benefits themselves and the entire music ecosystem.

Conclusion

In conclusion, aspiring music entrepreneurs have a vital role in shaping the ethical landscape of the music industry. Recognizing their responsibilities and embracing ethical principles, they contribute to the well-being of artists, musicians, and the industry as a whole. Prioritizing fair compensation, transparency, and supportive work environments can position aspiring music entrepreneurs to make a difference. Through active participation in thorough consultations, the implementation of clear contracts, the cultivation of effective management systems, and the empowerment of artists to make informed decisions, aspiring music entrepreneurs contribute to the promotion of an ethical and sustainable music ecosystem. Encouraging open communication, collaboration, and self-regulation within the industry helps establish and uphold ethical standards that benefit all stakeholders. As aspiring music entrepreneurs navigate the intersection of entrepreneurship and ethics, they have the power to drive positive change and contribute to a thriving and responsible music industry.

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