

Management, Participation and Entrepreneurship in the Cultural and Creative Sector: An Introduction



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Abstract The purpose of this book is to support academics and practitioners involved in cultural organisations and cultural initiatives in their aim to create valuable societal impact by addressing these fundamental questions: What are the major challenges and transitions for cultural organisations? What role can cultural heritage play in contemporary societies? And what societal changes impact the relevance of culture and the arts in general? Organisational and societal change require a solid base of knowledge and experience, as well as their continuous reinterpretation and reflection. Arts and cultural artefacts highlight fundamental questions of economic and social developments and provide reflective platforms for societal discourses. The contributions of this book will address the relevance of culture, cultural entities and heritage as collective memories and reservoirs of experience for other social systems, change and societal innovators like entrepreneurs. Insofar, cultural activities can be understood as a bridge between past experience and future challenges. A special focus is dedicated to managerial practices, participation and entrepreneurship, as well as their inter-relations.

1 Management, Participation and Entrepreneurship

Cultural management (also known as Arts management, especially in North America) has emerged as a distinct field of study in the second half of the twentieth century (Ebewo and Sirayi 2009). Various stakeholders in the field of culture and the arts increasingly emphasise the need for managers of cultural institutions (Dewey

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M. Piber (ed.), *Management, Participation and Entrepreneurship in the Cultural and Creative Sector*, https://doi.org/10.1007/978-3-030-46796-8_1

2004) to possess new skills. This publication aims to contribute to this specific field of knowledge by providing empirical evidence and theoretical reflections.

Management and participation have an ambivalent relationship. On the one hand, established management practices often don't facilitate participation, but on the other hand, the full potential of participatory processes for several stakeholders needs as well managerial and organisational efforts. This fine line has not been sufficiently enlightened so far. To close this gap, we need the expertise of different scientific disciplines. The authors are aware of the complex and special situation of governing and organising in the arts and relevant cultural sectors. Therefore, it is not surprising, that this edition encompasses various theoretical perspectives and methodological approaches.

Cultural heritage includes both, tangible and intangible aspects of culture (Bouchenaki 2003). More precisely, cultural heritage encompasses tangible cultural goods, such as buildings, archaeological sites and artefacts, cemeteries and artworks, as well as intangible cultural goods, for example, languages, music or customs and traditions. Cultural heritage is preserved, exhibited, elaborated and communicated to and for the public via cultural organisations and initiatives. Most of them don't have a profit orientation. Nevertheless, cultural heritage, and various organisations in charge of it, also need managerial and organisational know-how in order to support their key activities. On the one hand, this concerns traditional management activities such as organising, planning, leadership and monitoring/evaluation. On the other hand, there are more contextual activities concerned—such as representing and maintaining local identities, promoting audience development, assessing community needs, improving community well-being, etc. (Ebewo and Sirayi 2009; Dewey 2004).

The arts and cultural sector, and in particular the creative industries, are growing in Europe and in other western societies, as well as in Asia. Cultural entrepreneurship has become a topic of high interest in debates around innovation and growth in the context of the creative industries. Studies on these issues have been undertaken by management and sociology scholars, as well as scholars in business but with interest in arts and culture. However, to face the new challenges, a new entrepreneurial spirit can open new windows of opportunity and connect contemporary societal problems with past experience and allegedly forgotten expertise in archives, museums and other cultural heritage sites. Hence, we will emphasise the seminal relevance of this expertise for the creation of new ideas in various societal and economic fields of interest.

Cultural heritage is conceived as the contemporary use of the past, and its meanings are defined in the present. The needs and demands of our present societies define the purposes of cultural heritage management. Therefore, culture can be conceived as a “social construction, imagined, defined and articulated within cultural and economic practice” (Graham 2002, p. 1003). From this perspective, the strength of relations within a given community allows for the sharing of values and common goals, increasing the opportunity to interact and exchange experiences over time and the likelihood to enhance consolidated current knowledge and skills (Liu 2018). In cultural and creative organisations, learning processes help to “develop the

capability to obtain, identify, integrate, and utilize acquired knowledge to improve internal skills and adapt to external environmental changes” (Liu 2018, p. 258). Knowledge can thus be analysed at different levels: (a) in participatory cultural initiatives, knowledge sharing and new knowledge creation lead to community building and collective wisdom; (b) the individual contribution in terms of knowledge sharing in culture emphasises a sense of belonging and collective identity; (c) vibrant cultural activities contribute to urban development via the actors’ participation and knowledge sharing processes, as described in the literature on Smart and Knowledge Cities and Knowledge-Based Urban Development (Carrillo 2004). Nevertheless, effectively capturing and conveying this knowledge to the deployment of the cultural initiative may be complex and difficult.

The involvement of citizens and stakeholder communities in cultural activities is considered a crucial driver for urban regeneration processes and the social and economic development of local communities (Stolarick and Florida 2006; Sacco et al. 2014). Participatory Cultural Initiatives (Biondi et al. 2020) enable an intensive collaboration between various actors and combine elements of grassroots initiatives as well as planned activities. Institutions and policy and cultural organisations have recognised the value of participatory approaches in order to involve different actors and stakeholders, who might contribute commitment, passion, expertise and/or their knowledge in various processes. Nagy (2018) underlines that the impact of citizen and community participation in public decision-making processes can have different faces, going from very light forms of participation such as “consultation” (when citizens contribute with their opinions) to large-scale partnerships in which citizens and policy-makers cooperate on an equal level of involvement in terms of planning and/or policy-making activities. Therefore, it is important to understand how participatory processes develop and which conditions favour or hinder their dynamics.

Finally, since we became aware of living in an audit society (Power 1999), we see a continuously rising momentum of performance measurement and evaluation—also in the area of arts and culture. Considering the fact that, in this specific context, resources are particularly limited and results are intangible, we understand that we need a fundamental shift of performance measurement and evaluation approaches (Chiaravalloti and Piber 2011). There is a huge space for improvement.

The project of the book is linked to a research team of scholars working in the areas of management, organisational design, accounting and strategy, combined with a strong focus on the field of organising and managing cultural organisations. Insofar, the book spans up an open space to cross-fertilise the humanities and social as well as management sciences. The initial research team was formed in 2016 by a group of thinkers belonging to the University of Innsbruck and the Roma Tre University, who started working on the guidelines of an ambitious, long-term project on cultural initiatives. The basic idea started on the belief that cultural heritage and contemporary culture had become a challenging research topic and a relevant field of experimentation—also for practitioners, policymakers, managers and entrepreneurs.

Culture as an important background for the economic and social development of communities and territories is more and more the subject of attention of governments and supranational organisations. Among these, it is worth to remember that in 2010

the United Cities and Local Governments (UCLG) network advocated for culture to be considered as the fourth pillar of sustainable development. This is even truer for Europe, whose cultural heritage is not only a tangible asset that should be preserved for new generations but also the common factor of our identity as European citizens. Culture therefore also contains knowledge, expertise and other hidden artefacts to be transferred both in time, from one generation to another and in space, allowing the fruition of culture to an increasing number of people.

For these underlying reasons, the research team was interested in understanding and mapping out the societal impact of arts and culture with two focus points. On the one hand, we focus on the participation of people in various contexts, initiatives and projects. This participation unleashes creativity and connects different societal layers: culture, economy and innovation. On the other hand, we put the focus on knowledge and ideas originating in the area of arts and culture and being shared and translated into practice in other sectors and contexts.

In this vein, the research team has continuously interacted during several meetings to shape the design of the project, and has carried out different initiatives, by also involving colleagues from other universities over time. To name but a few, it is worth to mention the IFKAD Conferences 2018 (St. Petersburg) and 2019 (Matera) with the special tracks on “Good for (He) art and Good for Society: Mapping the Corporate Impact of Knowledge, Participation, and Entrepreneurship in the Cultural and Creative Sector” and “Managing, Organizing and Evaluating European Capitals of Culture: Praxis, Theory Development and Knowledge Ecosystems”. These tracks not only represented an opportunity to discuss the design and the progress of this publication, but they were also opportunities to present some of the contributions of the book.

2 Outlining the Book

With the book, we highlight four streams of thought: cultural heritage, participatory cultural initiatives, cultural entrepreneurship and learning from evaluation. These four streams also represent the main parts of the book. In all areas, critical studies are and have been encouraged. Notably, the encroachment of managerial paradigms and technologies in cultural heritage as well as in our (European) identities is subject to critical reflection. With the four major streams of thought, a platform is provided, in order to better understand, reflect and discuss the sometimes clashing, sometimes mutually fertilizing arenas of arts, culture, business, management and innovation.

The first part of the book covers the management of cultural heritage and museums in general. The contribution by Alberto Romolini, Elena Gori, Silvia Fissi and Marco Contri addresses the issue of fundraising strategies for cultural organisations. The chapter is entitled “Financing Museums: Towards Alternative Solutions? Evidence from Italy”. Based on a cross-case analysis focused on a group of 40 Italian State museums, the findings of the study confirm that the financing of museums is still based on the prevalence of public contributions. However, in order

to address the progressive decline in public and government funding as a consequence of the recent crisis, the authors show, that a growing role appears to be played by self-generated revenues.

The second contribution of Laura Corazza, Maurizio Cisi and Simone Domenico Scagnelli, entitled “Valuing Universities’ Heritage Assets in Light of the Third Mission of Universities”, focuses on the current debate on universities’ heritage assets (UHA) value measurement, concerning the transition to accrual accounting in Italian public universities. The dichotomy between the economic value (in museology) vs financial value is presented and discussed in the light of Shapiro’s theory of social constructivism in financial reporting.

The following chapter by Deborah Agostino and Michela Arnaboldi “Big Data for Decision Making: Are Museums Ready?” provides a critical perspective on big data for decision making in museums by acknowledging the centrality of human resources, the importance of the external environment and the need to combine big data with traditional data. While the majority of academic contributions claim the benefits of big data, this study offers empirical insights into the difficulties and required challenges raised by big data usage. The study also provides practical insights for the use of big data in the cultural sector.

The fourth chapter by Francesca Manes Rossi and Marco Bisogno “The Effects of Managerial Autonomy on Organizational Culture: The Case of the Archaeological Park of Paestum” analyses the influence that managerial autonomy may play in enhancing human resources’ skills and competences. Based on the case study of the Archaeological Park of Paestum, one of the new autonomous museums created by the 2015 Reform of the Italian Ministry of Cultural Heritage and Tourism, the chapter unveils the implications of managerial autonomy on the organisational rules and routines and the resulting effects on the overall performance of the organisation.

The second part of the book includes contributions in the area of cultural entrepreneurship, which has become a broadly discussed topic around innovation and growth in the context of the creative industries. The chapter, entitled “Evaluating Participation and Entrepreneurship in the Cultural and Creative Sector: Experiences from Italy”, by Nathalie Colasanti, Rocco Frondizi, Marco Meneguzzo and Lavinia Pastore analyses how Public Administration can start to map cultural participative and entrepreneurial activities, promoting the region’s cultural heritage, by adopting a benchmarking approach. The authors present the case of a call launched by the Lazio Region to include the best initiatives in the collection of “BuonePratiche-Best Practices”, a publication by the Regional Directorate for Culture. Notably, the four objectives identified by the Lazio Region, i.e., “enhancing, promoting and communicating cultural assets”, “innovation and inclusion”, “entrepreneurship” and “working in networks” indicate that the Lazio Region strongly values cross-sector cooperation and social innovation as relevant features for the development of the territory and the enhancement of its cultural heritage.

The second chapter in this part is entitled “The Role of Crowdfunding in Cultural Entrepreneurship: A Business Network Perspective” and written by Roberta Bocconcelli, Fulvio Fortezza, Francesco Petrucci and Alessandro Pagano. The

authors highlight the network perspective, which characterises many cultural organisations. Two crowdfunding projects are analysed: the RATATÀ Festival and the BRUTI card game. They are conducted on the ULULE platform. In line with the mainstream literature, the cases show how digital platforms work if a passion-based community is involved and mobilized—as it is often the case in cultural ventures.

Participation and the participatory approach in culture have become increasingly important. Both at the European and national levels, participation is encouraged to foster socio-economic development, urban regeneration and capabilities development through art and culture. How participation unfolds in cultural events and what impacts it can bring in the medium term is discussed in the third part of the book. The chapter by Pierluigi Catalfo and Martina Giustra discusses the social, cultural and economic value originated by cultural projects, with a particular focus on the Hungarian Organic Architecture of the architect Imre Makovecz. Through the rich analysis of multiple sources of data and with a mixed-method approach, the authors give us a valuable example of a multidisciplinary and participatory approach to encourage cohesion and social engagement.

In the following, Paola Demartini, Lucia Marchegiani and Michela Marchiori propose a chapter that explores the conditions for developing an effective participatory process in cultural projects, focusing on the case of Matera as European Capital of Culture 2019. By analysing the whole process that led to the nomination of Matera as ECoC, the study shows that participation declined over time. The authors discuss these declining dynamics of participation, which causes the society to be discontent and risks losing the social capital that had been created in the previous phases. At odds, territorial development models driven by investments in the cultural sector, such as the ECoC-project, may be successful only if public administration strives to guarantee the sustainability (i.e., cultural, social and economic) of these initiatives on a long-term basis.

In the final part of the book, we explore innovative paths to account for and to evaluate cultural initiatives in their multifaceted dimensions—also providing some starting points to develop further research in the area. In the first contribution, Marge Sassi, Kristiina Urb and Ülle Pihlak analyse the evaluation of Estonian cultural organisations. Based on 460 questionnaires, they describe, what “missing skills” and other challenges have the biggest impact on the evaluation of performance in cultural organisations. The results give much food for thought—not only for the Baltic context.

Last but not least, Leticia Labaronne and Martin Piber problematise the current status of performance measurement and evaluation in the arts and cultural sector. Based on case studies in two world-renowned opera houses (Vienna and Berlin) and in a European Capital of Culture (Matera 2019), they state that the current evaluative practices are still strongly influenced by positivist thinking. Reflecting the current practices, the authors draw critical conclusions and offer new perspectives going beyond the current paradigm.

This book is the result of a collective effort by many supporting hands. Apart from the authors, we would like to thank the 34 anonymous reviewers, who have carried out a double if not a third review of the contributions. Many other people have been involved in the preparation of the book and have contributed with ideas,

comments, and suggestions. A big thank you to all of you! Last but not least, we are very grateful to our great publisher, Springer, and we personally would like to thank Maria Cristina Acocella, Prashanth Mahagaonkar and Srinivasan Manavalan who, in their respective roles, were very supportive in helping us to achieve this goal.

Currently, we see various promising fields of further research at the dawn: the cross fertilization between humanities and social science will certainly nurture several nascent streams of research. First of all, it would be interesting to deepen the understanding of how knowledge is leveraged and collective knowledge is formed and treasured for urban socio-economic development. Additionally, further investigation is required on the current challenges in organizing and managing innovative practices in cultural organizations, also in light of the digital transformation. Furthermore, the debate around new possibilities for financing cultural initiatives is worthy as well as the theoretical underpinning of the evaluating practices. Finally, we still don't know enough about the transformative power of managerial and organizational action in art and cultural contexts. Therefore, we definitely encourage empirical studies highlighting such change processes and their multifaceted impact. This book contributes to set up the stage for these ongoing changes and debates. We would be glad to engage in further conversations and reflections with artists, cultural practitioners and (lateral) thinkers in all related fields. Finally, we wish all readers excellent inspirations and food for thought to face our contemporary challenges.

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