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CULTURAL MANAGEMENT - handbook

I part
Art management and administration

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Ralf Dahrendorf¹

I have long regarded **foundations as one of the keys to the reality of civil societies**. They are, to be sure, not equally strong in the different parts of the free world. Originally probably an English idea, foundations have become one of the wonders of American society. In the United States, the central state is still relatively weak. Many social issues can only be dealt with by private initiative. Foundations have become the vehicle of such philanthropy, with the great names of American economic history reappearing in different guises: Ford, Rockefeller, more recently MacArthur, and in our area of activity, Soros.

In Europe, foundations have found the environment less friendly. Britain has a great philanthropic tradition, but today per capita support for charities amounts to no more than one-tenth of that in United States. Continental Europe takes us to a different dimension again; its philanthropic sector amounts to no more than one-tenth of that in the United States. Continental Europe takes us to a different dimension again; its philanthropic sector amounts to one-tenth of that of Britain. In other words, for every dollar given to charity on the European continent, ten are given in Britain, and a hundred in the United States. This reflects the varying role of the state in different parts, and with it the varying strength of civil society. Must we assume that by the same token it also reflects variations in the stability of the open society?

Foundations are delicate and complicated institutions. Even in the United States it has taken a long time for them to become as confident and solid as they are today. The main point is that while their sponsors are obviously crucial for their existence, the idiosyncrasies of sponsors must not determine the work of foundations themselves. Put more crudely, the talent which it takes to make money is very different from the talent which it takes to spend money sensibly for philanthropic purposes.

(One particular observation about Europe needs to be made; it is relevant both for the foundations and for publishing.) It needs certain amount to keep the office going. This should be modest amount. In my view no more than 15 % of total expenditure should go on administration).

Civil society describes that part of our lives which is not determined by governments. In an illiberal world, civil society is built in opposition to the state; the memory lingers in the post-communist countries as it did, and still does, in post-fascist countries. In an open world, civil society is simply the ordinary medium of life, the untidy universe of organisations and institutions, of small businesses and universities and local communities and associations of many kinds in which we spend our days. It is neither for or against the state, but independent of it. Civil society is truly autonomous. It does not borrow its birthright from governments or other authorities.

¹Text from the book: Freedom for publishing, publishing for freedom, edited by Timothy Garton Ash, CEU Press, Budapest, 1995.

Art administrator profession

- art administrator within private sector

To understand who are we, and what is our profession, we have to understand first differences and specificities among human professions. Sociology has developed certain number of criteria of evaluation, most of all, to give right to certain human occupation to be called profession, but we will use them to situate and to explore our, quite new, profession:

1. existence of theoretical or scientific background which are supporting existence of profession
2. *system of knowledge and skills which form complex professional tasks*
3. existence of higher education system in that field
4. *possibilities for development of professional career*
5. organization of professional associations (trade unions, etc.)
6. existence of "license" system (accreditation, exclusive legal right for doing...)
7. *existence of ethical codex (social responsibility of profession...)*
8. specific professional culture (system of values, professional ideology, professional language, terminology, customs, rites, life style...)
9. social respect and autonomy of profession (image of profession in public opinion)

Starting from this framework, we will on this course specifically investigate second point - what are system of knowledge and skills which form complex professional tasks of art administrators, with special emphasis on that which are base for operating within foundations.

Theoretical background for courses in art management and administration has been developed together with development of theory of culture and cultural policy from one side, and development of sciences of organization (scientific organization of work, cybernetics, theory of systems), from the other side. In that way, during the sixties within the dominant ideology in the cultural field: democratization of culture (slogan: culture for everybody) reinforced position of **cultural worker** as **policy maker**, **cultural mediator** and **organizer**, and in the same time Malraux concept of democratization (slogan: culture for everyone), making emphasis on individual approach and needs for artistic sensibilization, contributed to the development of the profession of **cultural animator** on one side and **cultural administrator** (within state and city government) on the other.

Further development of theory of culture and implementation of concept of cultural democracy, as well as all reflections and thoughts issued from 68' movements, had contributed to the constitution of new profession - **socio-cultural animator**. From the other side, development of organizational sciences, especially business management and definition of cultural activities as a part of "free entrepreneurship", demanded introduction of new approach in organization of cultural activities: business approach, especially in the field of cultural industries: film, TV, publishing, so the new professions have been created: **cultural manager** and **producer**. In the same time, big corporations and private foundations developed their sponsoring what demanded establishment of new profession: **cultural administrator for the private sector**.

This diversity of nominating the profession of cultural mediator:
 cultural animator or socio-cultural animator - art animator
 cultural manager, producer, entrepreneur - art manager...
 cultural administrator, officer, coordinator... - art officer...
 signifies that this profession is not uniform and yet stabilized as such, but that within cultural field exist "family of professions" in the same way like jurist (graduated at Law faculty) can work as lawyer, judge or attorney (it means: as independent profession, as public profession and state representative). This family of professions is developed within the same system (legal) and subsystem (of culture), with similar characteristics and aims, but within different organizational framework.

I Model of cultural policy and cultural life under transition

STATE	PUBLIC	<i>understanding</i>	PRIVATE
CITY		<i>CIVIC ?</i>	
Public non-profit sector		Foundations	Corporations
		Associations of citizens	Private enetrpreneurship: publishing, phonogram industry...
Cultural institutions		Private non-profit sector - galleries, bookshops,	Private commercial sector - galleries, bookshops

a u d i e n c e s

So, the profession of cultural administrator & manager is based on different theoretical knowledge and practical facts in the very wide range from cultural anthropology, theory and sociology of culture (cultural studies) to the legal and copyright norms, economic, marketing rules (economics and macroeconomics), and especially methods of social research, management methods and socio-cultural animation methods, etc. This means that qualifications and competencies, so called professional skills and knowledge of cultural administrator & manager should be interdisciplinary, so this course will try, at least to show what are some of this competencies, trying to stimulate educational needs and self-education processes through reading, study trips, placements, exchanges, and most important: program - making and its evaluation.

Art management - Introduction

Cultural management is part of both culturology and modern management. It conceives culture as a system within which a deliberate human activity could shape, form, settle, manage, orientate development, i.e. within which the conditions of cultural, and especially art creativity could be organized, as well as the forms of its public promotion and reception. Therefore, management in culture implies deliberate human effort to reconcile, or establish a certain order of human needs, work and creativity in the sphere of culture and art so that cultural life of a community could be as complete and dynamic as possible.

The subject of cultural management (or science on organization of cultural activities, as it once was called) is the study of all forms and models that organization of cultural activity as a whole and in its particular segments (theater, film industry, broadcasting, etc.) takes in different societies and different times. Since the goal of management in culture and art is to find the most appropriate organizational solutions (models), mostly stimulating to development, social and market efficiency of cultural activities, this science has two main dimensions:

- a) analytical - descriptive (description and study of the existing forms and methods of organization); and
- b) project - modeling (development and research of new, more adequate and more efficient means and models of organization).

The above two dimensions of cultural management are interweaving and complementary. Obviously, the description and analysis of existing situation is a precondition of projecting and development of new organizational models. On the other hand, the descriptions are hardly possible without certain model generalizations.

The goals and tasks of cultural and art management are the following:

- * Development of a system (model) of cultural life, with a starting point in a certain cultural policy; organizational shaping of a system within a given state and social community;
- * Planning of cultural development, i.e. definition of goals, priorities and methods of realization of a suggested cultural policy, as well as the study of a given cultural situation as the basis for development of plan models;
- * Development of branch systems of cultural activities (establishment of connections between particular institutions in order to achieve optimal results): for example, establishment of a system most appropriate to the development of theater activity, with well defined net of different institutions - national, non-profit, commercial and amateur theaters, agencies, theater journals, etc.;

- * Development of models of particular cultural institutions organization - management of institutions (film producing houses, theaters, cultural centers);
- * Production process organization (project management) of a particular work of art either within a given cultural institution or outside it;
- * Organization of culture process distribution (diffusion);
- * Product management;
- * On a more general plan: establishment of forms and models of international cultural cooperation.

These seven tasks of management in culture and art require different degree of training and competence of managers. They greatly differ in scope: from those to be fulfilled by

- 1) the highest state bodies (ministries of culture and their expert teams),
- 2) scientific institutes and research centers supposed to design the basic model of development and activity; to
- 3) practical management, which enables realization of ideas of artists as well as the public presentation of already existing works of art.

So, the activity of cultural managers implies creation of conditions for cultural creativity and production of cultural goods (ideas and values), providing these works of art with a form assessable to public, and preparing their public reception. Therefore, there are many types of managers:

- 1) Manager-businessman stimulates creativity (emergence of an idea, writing a text, screenplay, composition...)
- 2) Manager-producer organizes production of works of art (publishing, film industry, theater...)
- 3) Sales manager organizes diffusion of a work and acts as a middleman (organization of performances, tours, concerts, exhibitions, sales of books and records...)
- 4) Marketing manager manages and promotes animation (information, propaganda, animation in a strict sense), as well as the reception of a work of art (communication with the public, direct contact of public with the work)
- 5) Manager working on revitalizing cultural goods, their protection and public presentation.

Variety of manager's professions in theater signifies both the richness of organization models in theater, as well as the abundance of methods and operating modes. Among managers in theater, we here mention: manager-volunteer, acting as a theater institution council presidents; marketing manager, mainly acting as a head of a department with many other managers with particular marketing functions: marketing analysts, information system

manager, manager of a given theater fans, PR manager, promotion manager, advertisement sales manager, box office manager, group ticket sales manager, phone ticket sales manager, merchandise sales manager. This list actually describes the jobs that have to be done if a theater production is to achieve its goal - success in a full house. In the most developed market economies, these jobs are within a theater, as a cultural institution par excellence, defined as different professions.

As a scientific discipline, management is hardly independent of the civilizational and cultural context in which it emerged and developed. Thus, for example, philosophy of the American management is future oriented, while the European one is turned to past and present. The former characterize vigor, mobility, informality, abundance, quantity and organization; the latter is grounded on the values such as wisdom, stability, respect of conventions, obedience of necessity, promotion of quality and variety. Though the values underlying theories of management developed in Europe are closer to our culture, it has to be stressed that American theory of management was the one to create cultural industry. It was also successfully applied in Japan, in a quite a different culture. It is just one of the reasons why the American management deserves due attention, but with full awareness of possible scope of its implementation in a society, which neither in its economy and still less in its culture, highly praises success in work and business, and its view of future often ends with the next week. (A longer term planning, realization of a first-night performance on a planned date is almost a miracle in this country, though it involves only two months ahead planning.)

In so far, this handbook will also be a plea for new relations in culture, relations based on a business policy implemented through a certain program, appropriate ways of operating, planning, management, motivation, and finally a marketing approach to creation and finding markets for programs.

CULTURAL POLICY

The word "policy" signifies deliberate action aimed at achievement of socially acceptable goals. Different spheres of social life have goals of their own, so we could speak of economic, health, educational... policy. When it comes to socially acceptable goals in culture, we are dealing with the notion of cultural policy.

The fact that there is no human society without culture, may misled us to conclusion that there is no society without a cultural policy. However, the conclusion is wrong, since the bare existence of culture does not imply that the direction of its development is necessarily defined in a form of series of goals and tasks to be achieved by adequate means, instruments and activities - and that is the very definition of CULTURAL POLICY.

Most countries have developed their concepts of cultural policy with social prosperity and development of means of mass communication (press, radio, television...). The basic orientation of a given national cultural policy depend on the country's socio-economic, political and cultural situation.

Though it might seem that there are as many cultural policies as countries, there are some basic common features providing for articulation of a number of models of cultural policy. And model is an abstract construction which in its pure form is not to be met in reality, but which still adequately describes essential characteristics and modes of functioning of particular phenomena, in this case of actual cultural policies of particular countries.

There are several basic models of cultural policy derived from common features of cultural policies of a number of countries, which differ in degree of economic development, political system and cultural tradition.

Liberal Model of Cultural Policy

The essential characteristic of this model of cultural policy is private ownership of the means of production and diffusion of cultural goods. The market of cultural goods plays here a decisive role. Beside the elite culture for the upper social strata (elite), the central place on the market belongs to the cultural industry and its standardized cultural products made for the majority of society members - audience of the mass culture. Here, the role of private foundations are decisive for the development of elite arts, such as opera, museums, etc. (USA model)

State (bureaucratic or enlightenment) models of Cultural Policy

The essential feature of this model is domination of the state which, via its apparatus (legal, political and ideological) finance & controls the sphere of culture. Like all other domains of social life, culture is also centralistically oriented and planned. It was characteristic for socialist countries, but state model of cultural policy is also French, Swedish. But in the socialist countries, not only material and financial preconditions of cultural development are planned, but through an institute of the so called social order, cultural creativity is oriented also in terms of content and style. When developed to its utmost end, this policy makes writers "engineers of human souls", and sends painters to great building cities to praise in their paintings success of development. The institutional culture and traditional cultural institutions have the prevailing influence, which results in jeopardizing the creative-innovative dimension of culture.

Nation-Emancipating Model of Cultural Policy

This model is mostly followed in a number of countries - former colonies, but also today is present among many Eastern European countries. Its basic feature is development and affirmation of the genuine cultural tradition suppressed in the period of colonial or soviet domination. This leads very often towards "closing" and nationalism in culture, even "chauvinism", rejecting work of arts of previous era, neglecting minority cultures, even alternative, experimental arts already developed or in process of developing within the country.

In the third world countries the task of this policy is to raise general cultural level, with massive actions against illiteracy as the first step. In most of these cultures, an Europeanized minority (national elite) is confronted to the majority of population still living in the framework of traditional tribal culture. It makes new conflict between elite cultural model oriented toward universal cultural values, and populist model oriented toward national, often mixed with religious values.

Combined Arms Length model - state influence through para state bodies

The essentially elitist orientation of this model of cultural policy alleviates a tendency towards democratization of culture, i.e. efforts to make the first-class cultural goods assessable to general public, as it happens in Britain and Ireland today. Art councils of these countries, as a para state bodies, try to diminish the influence of the market on the art field, supporting both elite cultural institutions

and community arts projects aiming to provoke participation in cultural life of the wide audiences.

In majority of the countries Ministry of Culture designs and implements cultural policy. It:

- * Submits draft laws relevant for culture to the parliament
- * In accordance with accepted priorities distributes financial means to cultural institutions and funds other cultural activities of national significance.

So far we dealt with national cultural policies related to the culture of a given country as a whole. But cultural policy is designed and implemented also on a local level (regions, counties, cities), and specific cultural policies for particular segments of culture (theater, librarianship) usually exist.

EUROPE OF REGIONS - cultural identity, cultural policies

Denis de Rougemont - *Lettre ouverte aux Europeens*

In the Europe of tomorrow... the regions will very quickly form, organise and assert themselves. And, since they will be young and flexible, full of vitality and open to the world, they will enter into exchange relationships as frequently and extensively as possible. They will tend to group together according to their affinities and complementarities, and according to the new realities which have formed them... It is on these regions that we shall build Europe... The policy of European union must now be to efface our divisions and give free play to our diversities..." (p. 161)

E. Morin

The European genius is not only in plurality and change, it is in the dialogue of the pluralities which produces the change. It is not in the production of something novel as such, it is in the antagonism between the old and the new... In other words, what is important in the life and development of European culture is the fruitful meeting of diversities, antagonisms, competition and complementarities, in sum the product/ producer of the "vortical" loop in which each element or moment is both cause and effect of the whole loop, which develops into a spiral nebula. It is dialogic discussion which is at the heart of the European cultural identity, and not any one of its elements or moments. (p. 129)

In this movement, Morin raises the regional question: notwithstanding the damage contingent upon industrialization, urbanisation and standardisation, regional aspects are emerging not only in Corsica, Scotland, Euzkadi, Wallonia, etc., but also, of course to varying degrees, in very many other regions of Europe. "There are therefore now, within the nation states of Western Europe, infra-national aspirations which tend to safeguard, within the nations themselves, and sometimes against the state, the polyculture of these nations... In actual fact the dominant current, which tends to damage cultural originality, has triggered the counter-current which tends to safeguard them" (pp.151-152)

Key questions:

1. Is the region a relevant body for the conduct of cultural policy?
2. What are the relations between cultural identity and regional development?
3. What is the place of cultural "animation"?
4. Is the foundation policy compatible with regional cultural policy?

Culture and regions of Europe

Conclusions: (based of the Culture and Region project of Council of Europe)

Social change

Ever since the 1960s, Europe has been experiencing great changes, and these are still spreading. The rapidity and universal nature of these changes generate crisis in all fields of human activity: the economy, social relationships, ethics, politics and culture. Amongst the directly observable consequences are apathy, resignation, interculturalism, individualism and corporatism, and new plans for society. By definition, change challenges the meaning and existence of the cultural heritage. Because of this, we are in a period of structural uncertainty which is leading, by way of reaction, to the threat of the programming of life in society. In many regions of Europe, several types of actors are resisting programming, its causes and its consequences. They are experimenting with solutions in which autonomy, discussion, equity, solidarity and respect for diversity take priority. These experiments show that inhabitants, users and ordinary citizens are less and less thought of as obedient and docile receptacles. They are demanding to be active: the patient takes part in his cure, the student takes over his training and the inhabitant and the citizen affirm their cultural creativity.

Metropolisation and local development

One of these changes is the metropolisation of Europe. This is leading to the formation of a new centrality consisting of a network of metropolises which become economic, social and political poles; they also dominate the European scene culturally with a great wealth of all kinds of cultural facilities (museums, universities, libraries, theatres, etc.) and they are the shrines of cosmopolitanism. However, the peripheral regions are far from resigned; there are many which resist underdevelopment, inter alia by promoting developments with cultural proposes. However, the cultural policies of the peripheral regions are often defensive, based on asset - management, and do not look to the future. With metropolisation, a new development strategy is emerging in both the centers and the peripheries, and that is local development.

The regions are privileged partners in the conduct of the cultural developmnet policies

Regional cultural power is emerging, and the regions are staking their claim to be relevant partners in the conduct of the cultural policies. There are several reasons for this including regional decentralisation and the fact that the regions are generating specific culture based on their history, language, landscape and their social and political relationship, etc. This regional character does not, of course, prevent each region from participating in cosmopolitan cultural movements and the management of the transnational system. In a way, in short, the regions link the singular and the universal, although this conclusion does not mean that cultural policy should be the exclusive prerogative of the regions. They represent the ideal channel to require of the states a more equitable distribution of the ressources they have in favour of culture. By the same token, the regions are particularly well placed to encourage the communes (urban and other) to conduct and co-ordinate cultural activities. Thus, the regions are privileged actors in the process of cultural democracy and more generally, in view of the cultural specificity of the regions of Europe, they represent the most suitable institutional level for the development of cultural policies in their upward and downward dimensions.

Cultural democracy

This consist of giving priority to men and his creativity, and to knowledge. Cultural democracy is making progress, but there is still a great deal to do, both in encouraging initiatives from the bottom and in facilitating the meeting of upward and downward cultural dynamics. Reasoning in terms of cultural democracy also requires culture to be considered in as wide a perspective as possible, cultural actors must be helped to avoid confining themselves to a small sector and, finally, all forms of participation must be recognized. Since, technology, leisure and the media are amongst the dominant sectors of contemporary cultural dynamics, they are also within the province of cultural democracy.

The animator

He is a type of cultural actor who works at all levels of the social hierarchy and in all the sectors. He helps to improve communications in the systems and between the systems, to assist his partners to shape identities and the projects and generally to impart a sense of direction to action. The cultural policies of regions and the communs are producing a whole range of animators who act as trainers, managers, mediators, communicators, etc. Their vitality is one of the keys of the success of the cultural policies and cultural democracy. It is in part thanks to them that cultural policy is no longer only an item of expediture, but also an investment.

Instruments of Cultural Policy

Cultural policy has already been defined as deliberate action aimed at achievement of socially acceptable goals in culture. Of course, each action entails appropriate instruments (means) if it is to result in changes adequate to designed goals.

Instruments of Cultural Policy

Direction of action	Stimulating	Repressive
Content of action		
Economic	Purchase, subsidy, grants, credits	Taxation Levies
Legal-political	Positive legal-normative regulation (protection)	Negative legal-normative regulation (prosecution)
Moral-ideological	Positive evaluation (prizes)	Negative evaluation (moral condemnation)

According to the nature of their effects, instruments of cultural policy could be: economic, political-legal and moral-ideological; while according to the direction of their effects they could be stimulative or repressive.

The presence of stimulative and repressive instruments in a given cultural policy quite precisely points to the level of democracy and freedom of creativity in a given society. The more instruments stimulating cultural creativity, and less repression and control, the overall cultural atmosphere is more democratic, and better creative results in different social spheres. The stimulating as well as repressive instruments could appear within economic, legal-political or moral segment of cultural policy.

Evaluation of Cultural Policies

The evaluation method is applied in order to:

- 1) Prevent interference of politics in the decision-making,
- 2) Use most efficiently the restricted resources,
- 3) Restrict bureaucracy which is, in principle, irresponsible for outcomes of its actions,
- 4) Provide for targeted and rational concept-making and action,
- 5) Correct negative results of the administration action, unprepared to intervene in particular new forms and sectors of culture.

As a method, evaluation has two basic functions: first, it is an instrument which should improve quality of decision-making (in choice of goals and respective means), and second, it is an instrument contributing to better communication between the decision-makers and those to whom the decisions apply. Quite naturally, these two functions are necessarily connected to the degree to which a consensus in a democratic society contributes to more efficient realization of decisions. Besides, with a restricted budget, the very fact that proofs of the most efficiently implemented decisions exist (and evaluation procedures aim at it), attracts greater public support to such decisions, and therefore motivates it to give more substantial contribution to their realization in the second step. Of course, there have already appeared some critics of the evaluation method, which point to its shortcomings, or rather inner weaknesses. The basic critical arguments stress its possible shallowness, apologetic orientation (justifying action a posteriori), slowness, reduction to a democratic ritual or a screen for actual decision-makers. However justified, these critics do not challenge the rational core of the evaluation method, which could be defined in the following way:

- 1) Evaluation is a mean to improve quality of decision-making and prevent compromises inevitable in the absence of strict selection parameters of decision-making.
- 2) It is a democratic instrument. If democracy means participation of citizens in dialogue, than cultural democracy is even more that, because it entails participation not simply in articulation of cultural demand and consumption, but also in all phases of decision-making in the domain of culture. The evaluation method provides for that.
- 3) Evaluation has an explicatory role, as it enables insights into the deeper processes of cultural policy, otherwise inaccessible to systematic analysis.

It is important to underline that in their cultural policies most European countries no more consider evaluation as an isolated and post festum activity; on the contrary, it has become an integral part of a cultural program in all its phases: from the elaboration of an idea, through development of particular elements, to the final realization. So, evaluation in the domain of cultural policy provides for:

- 1) Elimination of programs failing to accomplish the desired goals, or doing so with unacceptable costs;
- 2) Improvement of programs in the process of their realization;
- 3) Improvement of future decisions regarding a certain program, but also other, future ones;
- 4) Improvement of general decision-making ability in management of cultural institutions.

Recently, the traditional research mostly devoted to influence evaluation and cost/benefit analyses have been replaced by the so called preliminary evaluations (assessment). Their aim is to predict results of an action, and thus reduce the risks. A tentative typology of evaluation approaches first points to political evaluation based on the value system of a dominant social group, that is the one having monopoly of political power. Quite to the contrary, scientific evaluation starts from impartial, scientific assumptions, and often experts from abroad are called to make it, in order to eliminate any (either positive or negative) biases. So, for example, study of the French cultural policy (ordered by its Ministry of Culture) was done by two expert teams - a foreign and a French one. In terms of time perspective, there are evaluations *ex post* (devoted to the analysis of a given past period of cultural policy), and evaluations *ex ante* (which are projective, and tend to predict the future development of a given cultural policy). In terms of scope, there are extensive evaluations (dealing with a given cultural policy as a whole), on the one hand, and selective evaluations (focused on a single field of cultural policy - theater or mass media, for example).

This further means that these are no more occasional and random scientific studies of cultural policy, often ordered from outside by scientific (as a rule university) institutions; on the contrary: independent research centers, themselves belonging to the field of culture, perform them. In this context, efforts are made to secure these centers a position within a system of cultural institutions which should not jeopardize their impartiality.

Among such centers we mention French *Departement des Etudes et de la Prospective*, German *Centrum fur Kulturforshung* (Bonn), Austrian *Mediacult* and Dutch Center for Social and Cultural Planning. Their positions are different,

depending on respective organization of cultural institutions system, but also on the political system of each country.²

The evaluation implemented in the field of European national cultural policies basically relies on the model the OECD once developed for the follow-up of the effects of its educational programs. Originally, that model had the below listed assumptions:

- 1) A basic report prepares a country which is the subject of evaluation, and it contains official stand on the issue in question;
- 2) An international expert group of three to five members is formed. The experts are taking part as individuals, and not as representatives of their governments or institutions. They should come from countries with different experiences in the field which is subject of the study. They visit the country which is subject of evaluation, make interviews, visit institutions and get acquainted with the relevant literature;
- 3) The experts prepare report based both on the national one and their own experiences. One member of the group is rapporteur, and he/she writes the final version of the report;
- 4) A meeting is organized at which representatives of authorities answer questions of the expert team. As a rule, it is held on a neutral terrain (OECD Paris headquarters), and in the same time when its Committee for Education is in session. This enables presence of as many as possible competent participants at the meeting, and not only members of the OECD expert group and representatives of the country in question;
- 5) Both national and expert reports are published in a publication, along with the report on their joint meeting.

At the Swedish proposal, the Council for Cultural Cooperation of the European Council accepted to introduce the evaluation method as one of approaches in the assessment of cultural policies, but also as a form of mutual European cultural cooperation.

²All of them belong to the network: CIRCLE, which publish "Circular" (research and documentation on cultural policies), information letter.

Working sheets:

Evaluation of program policy and its realisation

I Relevance of the program and its effectiveness in meeting its objectives:

1. objective:

2. objective

3. objective

a) quality of programs assessment (artistic quality, creativity, innovation...)

b) quantity and balance of activities within project (planned - realized)

c) program correlation and responsiveness (accessibility) to the community, with particular reference to the social, cultural, political and economic context - local and regional dimension

d) European (international) dimension

e) extent of realization of subsidiary objectives (like: forming databases, networks, educational materials, etc...)

II Management and administration evaluation

- planning - time-effectiveness

- budgeting - cost-effectiveness

- staffing - team effectiveness

III Program impact on the future potentials

Cultural Economics

Economic laws act independently of human will - in culture as well as in economy. It means that neither in culture anything is free - all cultural products and services have their price. Therefore, the crucial problem of each economy is in the same time the basic issue of economic relations in culture: how to spend limited (compared to needs always insufficient) funds in the most efficient way, that is, so to accomplish to the highest possible degree the goals of a given cultural policy. Therefore, development of a new scientific discipline - cultural economics - was necessary.

Cultural economics is an applied science which explains the necessity, principles and instruments of economic relations in the field of cultural activity.

Culture is the basis for development of a whole industrial, that is economic branch - the one manufacturing permanent cultural goods. Beside the traditional industry of musical instruments, that branch includes a substantial part of electronic industry, the one which manufactures audio and video devices, and which became the basis of economic boom of Japan or Singapore, for example.

Culture is, beside that, an important factor of tourism, or rather its part known as cultural tourism. In the developed tourist economies (such as the Italian or French), one third of the total income from tourism comes from the tourists mostly attracted by cultural phenomena. This share is considerably lower in Eastern Europe, not due to poorer quality of its cultural heritage, but to insufficient tourist (economic) engagement.

"Organizations in the three major cultural industries - television, film and popular music - produce cultural products for distribution to the largest national and international audiences. Organizations in several other industries, such as publishing, cable, magazines, and radio, that disseminate culture on a national basis to smaller audiences operate on the periphery of the arena. In both cases, the characteristics of the content and of the audiences, in USA especially, are affected by corporate policies that in turn depend on levels of profit within and competition among these organizations that are constantly changing, as market conditions change. The majority of the studies of these organizations have been conducted using the production of culture approach, which focuses on the structure of national cultural industries and the management of organizations with national markets to determine their effects on cultural products".³

The price of cultural goods and services has certain characteristics of its own, because the price as economic category could hardly express esthetic and creative qualities of cultural products. Thereof the need for social RE-EVALUATION of the economic price of cultural goods and services, which results in their selling either under their market price (various privileges for manufacturers and consumers of culture), or above it (extra taxes for trash and kitsch, which is supposed, but in vain, to reduce both supply and demand of these mass culture products).

In determining the price of cultural goods and services, Engel's laws (Ernest Engel, German statistician and economist, 1821-1896) should be taken into account, because they explain

³Diana Crane - The Production of Culture (Media and the Urban Arts), Sage publ., London, 1992.,p.49

how demand for certain goods depends on income. The first Engel's law explains that the percentage of a household's expenses for food are in inverse proportion to its total income: the less money a household has, the more of it spends on food. The second Engel's law claims that with the raise in income, a household spends more on hygiene, education, culture, entertainment and tourist travels. In other words, another feature of the price of cultural goods and services is high changeability of demand, and therefore any substantial raise of their prices results in reduced demand and consumption. (On the other hand, some products, such as bread, have a very low changeability of demand, and despite their price, their consumption never goes below a certain limit, determined by the human biological needs.)

It is not in the interest of a society to reduce cultural consumption of its population, which would inevitably occur if cultural goods and services were sold at the prices covering their costs of production. Engel's laws suggest that it would result in the fact that a part of population would be deprived of the opportunity to develop their total human capacities, which for its part would lead (in terms of economy) to decline in their contribution to production, i.e. their contribution would be below the one actually expectable on a given level of total social development. In order to prevent such a situation with negative consequences to social development as a whole, cultural economics resorts to various instruments. The latter could be direct or indirect. The former instruments of cultural economics are more frequently implemented in societies with cultures based on budget system, while the latter are more typical for societies in which cultures have predominately market character.

The direct economic instruments of cultural policies are subsidies and subventions. In the case of subsidies, the funds go directly to producer (cultural institution), thus partially or totally covering its working expenses; with subventions, the funds should result in cutting the price of a given product or service. Thus, for example, development of theater could be stimulated by subsidies, which are supposed to cover material expenses and salaries, or by subventions, which should cover the difference between the full, economic price of a ticket and the one majority of public could afford. That way the interest of public will be considerably raised. The mentioned two forms of stimulating cultural activity by no means exclude each other; on the contrary, they are complementary and often used in the same time. Thus, for example, national theaters are substantially subsidized, while the public (or certain groups such as workers and youth) is, in the same time, stimulated to attend performances by a ticket discount.

The interest and tax policy are indirect economic instruments of cultural policies. It is, in fact, a social intervention by which culture as a whole or some of its segments are subject to either lower taxes, or even completely free of them. Cultural institutions could be also granted very favorable credits (lower interest rates, longer terms of payment, etc.).

Financing Culture

In modern economy in which MONEY is universal mean of exchange the concept "financing culture" is quite justifiably used for it refers to acquiring funds for covering the material expenses and salaries. Depending on social structure, three main types of financing culture could be defined:

- 1) Market
- 2) Budget
- 3) Mixed.

The market and budget type of financing of culture are mutually opposed, and each is typical for Liberal or State model of cultural policy, respectively. Each has its advantages and disadvantages, and therefore could be neither accepted nor rejected. So, for example, the market system of financing, focuses on satisfaction of individual cultural needs, while the budget one

is more appropriate for satisfaction of social cultural needs and values. Hence, cultural market is more appropriate for better-off individuals, who could afford to pay for satisfaction of their cultural needs, while budget financing enables even poorer strata to develop their cultural needs, because the price of theater tickets, for example, is below real price. Budget financing is tied to the state, it is basically centralist and enforces the same solutions despite local differences. Market system is, for its part, distinguishably decentralistic, and adaptable to local conditions, for adjustments are condition sine qua non of survival on the market. On the other hand, the budget system is not adjustable, because funds are coming despite success with the audiences.

And finally, the budget system of financing enables more direct control over the freedom of creativity (the state directly controls cultural institutions and means of mass communication) than the market one (where control is indirect - through success with the public and economic profit of a work of art). Since none of the two traditional systems of financing culture is appropriate to the goals cultural policy in contemporary societies have, the necessity arose to implement original solutions, which would overcome shortcomings, but also preserve advantages of both.

First, the budget system is more appropriate for a number of cultural institutions of national interest (National Library, National Museum, Institute for Protection of Monuments, Serbian Archives). The reason lies in the nature of their function: namely, they preserve and present national cultural heritage, in relative independence of a number of cultural interests, which permanently have to be reconciled and defined. Second, some cultural activities, such as film industry or publishing, whose users are individuals (book buyers, movie audiences) are, by their very nature, actually market oriented. On the other hand, the market has variety of responds to variety of individual cultural interests, and is far more sensible in this respect than not only the budget system of financing, but also compared to program funding by foundations and private sponsors. The adequate instruments of cultural economics (favorable interest and tax policy), could enable the market oriented cultural activities to meet cultural needs of population with variety and richness of cultural supply.

**TASKS: What is a role of private Foundations?
Profitable (market sufficient) and Non-profit Activities**

In terms of their relations towards the market, cultural activities could be classified in the following way:

- 1) Profitable activities: publishing, film industry, music production. These activities are predominantly market oriented, and most of their income results from sales on the market.
- 2) Non-profit activities: archives, museums, institutes for protection of heritage. These activities are predominantly non-market oriented, and their product either not meant for the market (institutes for protection of monuments and archives), or are sold at only symbolic prices (library membership cards, museum entrance tickets), i.e. far below the cost price.

Some of cultural activities belong to both types, for example theater. In our situation, theater permanently sells its products (performances, or rather tickets) below the real price, but still on the very edge of what its public could afford.

Special question: "Economy of superstars in culture"⁴, or, why the foundations should not support superstars?

In films, sport, book-publishing and on television, the most of the rewards go to the few who are regarded as the best. The distribution of income in "superstar" activity is much more skewed than in economy at large: a few people get most of the money.

What accounts for the growth of this phenomenon? The development of communications technologies has had two, mutually reinforcing effects. One is that they can satisfy a huge increase in demand, for say, the voice of Michael Jackson without any corresponding increase in supply. The other is that they have a "network" effect: the value to viewers of watching an instalment of, say, "Baywatch" is enhanced by the thought that all their friends and workmates are also goggling at Pamela Anderson. That helps to explain why only a limited number of programmes or singers or films do so extravagantly well: **people value shared cultural experience more than diversity.**

⁴Robert Frank and Philip Cook, *The Winner-Take-All Society*, The Free Press, New York, 1995.

STRATEGIC PLANNING

Business Policy of Cultural Institutions

Modern values such as market success and business efficiency necessitated introduction of management and marketing methods into the cultural institutions. Still, cultural marketing is not simply "making money" in the field of culture. It is also an important activity contributing to the development of art (cultural) production and creation of cultural habits (cultural needs & activities). Moreover, it is a profession which develops all forms of management & marketing, but also intermediates, animates and educates in the field of culture.

Two types of research are necessary for creation of a new business policy:

- * Research in cultural management (how to organize cultural and art production and diffusion on a national, regional or local level).
- * Research of the audience and/or non-audience: the analysis of participation of different groups - cultural models - in cultural life of a given community (marketing audience research).

A creation of a new business policy should answer various questions regarding:

- * new program orientation (program profile, identity..)
- * quality of the program
- * production process organization (in producing cultural institutions: theater, film industry, publishing house)
- * relation towards cultural market (competitors, audience interests...)



Working sheets:

Define Program policy of your Cultural organization or Foundation:

Business policy of a cultural institution entails making choices between various possible options and tasks to be realized over a longer period of time. The concept of **strategic development** should be always taken into account, especially in the decision-making process, because each method and content have to be compatible with the basic business and cultural policy of a given institution. Business policy implies that management of the institutions has a clearly defined philosophy of management and a cultural policy of its own.

Their coherence should be apparent in the following:

- * Attitude to culture and art creativity
- * Institution's attitude to audience (importance of "loyalty" and regularity of audience)
- * Relation to the local community (greater or smaller participation of an institution in programs of local or broader community; cooperation with educational institutions, developed system of sponsorships and donations...)
- * Relation to the state, local or regional administration (authority)
- * Inter-human relations within the institution
- * Relation to casual or permanent associates: other institutions, art associations, mass media...

Anecdote: three workers are cutting the stone. The traveller approach them and ask a first one: What are you doing?
I am cutting the stone, don-t you see?
He approaches the second one and ask the same question. He answers, I am working to feed my wife and children.
Approaching the tird one, and asking the same question, he gets the proud answer: I am building the Cathedral

A cultural mission - Stephen Langley

1. State the company's central philosophy, thrust or goal in one concise sentence or brief paragraph;
2. be unique and recognizable, not suitable for any other company;
3. be exciting and inspiring, especially to company participants and to the targeted audience;
4. state the company's primary objectives so that its progress and success may be measured according to its own terms.

Giep Hagoort: The formulation of a mission forces the manager to ask himself

why his company exists. In the cultural sector the existence of a cultural organization is not taken for granted. (...)

The second importance is in attaining internal coherence. A mission which has been formulated and is known contributes to a situation where the employees of a cultural organization know what the organization itself stands for. The mission tells the employees what the essence is and encourage them to behave in agreement with that mission.

A third importance is the attention paid to the form or the structure of the organization. Due to the dynamics of the environment and the constant need to react quickly to that environment, the organization may grow towards a model which is far-removed from the original mission. It is important to use the mission as a basis for critical reflection as new organizational forms grow and develop.

Mission examples:

University of Minnesota - Provide broad basic academic programs to serve the needs of citizens of the state.

The visual Art Centre (Canada) - Is a private non-profit organization deeply involved in the community and accessible to all which is devoted to the teaching, promotion, and exhibition of fine and applied arts to adults and children for their personal and professional development.

Museum (Scotland) - The museum will collect, conserve and display material objects which reflect the life of the local community and, aiming to develop best practice in its work, seek to maximise local use of the museum, particularly in partnership with educational organisations active in the area. It will seek to secure the necessary resources to do so and to ensure that these are effectively and efficiently used, holding itself publicly accountable for doing so.

Art gallery - Policy is directed at discovering and enabling the discovery of visual art in all its modes of expression, with quality and integrity as the common denominator.

Rotterdam Dance Group - Presenting significant national and international developments in adnce and contributing to those developments, thereby crossing geographical and disciplinary borthers.

The Black Caravan Theatre - is dedicated to support of a professional theatre company, the presentation of works that dramatize and enrich the Black experience, and the development of a broad based audience.

TASKS - Working sheets:

MISSION

Mission give a sense of direction - philosophy - basic statement
(preferable to define in 15 words or maximum three logical phrases)

Try to answer following questions:

1. Who are we
2. What are the basic cultural needs (problems) we exist to fulfill?
3. What is our core values (philosophy)?
4. What makes us distinctive (unique)?

Strategic analysis of the environment

In defining business policy and corporate identity implementation of some methods of strategic analysis is necessary in order to determine the place of the institution on the market, as well as to develop its competition strategies. The SWOT, GAP and PORTFOLIO are the best known methods of strategic analysis, each with its advantages and shortcomings. However, because of its generality and flexibility, SWOT has been usually used in cultural institutions. GAP is more appropriate for industrial manufacturers focused on raise in quantity (growth of production, greater scope of market), and PORTFOLIO for huge corporate systems rare in the field of culture.

The word SWOT as an abbreviation for: **strength, weaknesses, opportunities, and threats.**

To locate an institution on the market and define its strength and weaknesses, as well as opportunities and threats from its environment, an evaluation of its cultural policy and business philosophy - not just in terms of their coherence but of their concrete meaning in a given moment in a given environment - is not sufficient; what is needed is the definition of all other factor of analysis, objective and subjective alike.

A number of external and internal factor influence designing of business policy.

External factors:

- * Traditional cultural environment (public opinion, cultural level of the population majority, their cultural models and life styles...)
- * Cultural market (art market..)
- * Usual production and business relations within cultural institutions
- * Natural and other environmental resources (important for eventual summer festival programs, or environmental direction programs, etc.)

Internal factors:

- * Technical capacities
- * Financial resources
- * Spatial capacities (building, its size, location within a city, etc.)

Internal subjective factors:

- * Staff - its professional competence, knowledge and abilities
- * Attitudes, values and opinions of employees.

However, basically, the business policy should be created in close relation to the market, as its decisive objective factor. The cultural market is not only public of a given cultural program an institution offers, its is a global field embracing from education system as a basic mean of establishment of cultural needs and habits, to mass media as the most powerful mean of influence and sending messages.

In developing its marketing approach, a cultural institution has to make a market inquiry, that is, to find out its potential users and competitors (or rather, to make an inquiry not only into demand but also into supply). After that, an institution could define its identity - that is, a competition strategy based business policy. Comparing itself with other institutions in a given field (by SWOT analysis, for example), the institution attempts to answer the following questions:

- * Which part of cultural market it covers, and which the others do
- * What is its rating regarding
 - quality of production
 - quantity of its offer
 - scope of audiences (i.e. its programs' users)
 - cultural success (prizes, honors...)
 - financial efficiency of its programs (operating costs and income)
 - stability of its functioning and programs.

SWOT ANALYSIS - external factors in the different areas

World
Europe

MacroRegional level
State level

Local - Regional



Working sheet:

SWOT analysis

1. External factors

Opportunities

- a)
- b)
- C)

Threats

- a)
- b)
- c)

2. Internal factors:

Strength

- a)
- b)
- c)

Weaknesses

- a)
- b)
- c)

Strategic issue identification worksheet*

1. What is the issue? (phrase the issue as a question about which your foundation can take certain action)

ISSUE:

2. Why is this an issue? (What about links between mission and mandates, external opportunities and threats, or internal strengths and weaknesses, that makes this an issue)

3. What are the consequences of not addressing this issue?

4. What are the practical alternatives, dreams, or visions we might pursue to address this strategic issue?

a)

b)

c)

5. What are barriers to the realization of these alternatives, dreams or visions?

a)

b)

c)

* John Bryson - Strategic planning for public and nonprofit organizations, Jossey-Bass Publisher

6. What are strategies to achieve these practical alternatives, dreams or visions?

a)

b)

c)

7. What major actions with existing staff and within existing job descriptions must be taken within the next year to implement the strategies?

Action n.1

Action n.2

Action n. 3

8. Action n.1 - what steps must be taken in the next six months to implement the proposals and who is responsible for the action step?

Action step_____ Person responsible

Action step_____ Person responsible

Action step_____ Person responsible...

Strategy of competitiveness

As a general model, we quote here the famous Peter Drucker's questions, which each cultural manager has never to stop asking himself:

- * Which business we are in? (A concert agency and a museum differ greatly in their business operations, for example).
- * Who are our users, our audience? (To which cultural model and social class they belong, to which age group?)
- * Which needs our program attempts to satisfy (need for entertainment, art experience, knowledge, political or historical consciousness or national cultural identity development)?
- * Which market segments are targets of our program activity?
- * Who are our main rivals? Identification of competitors is crucial in fulfillment of the basic business task of a cultural institution - to be beyond average, to be the best in the field.

The competition strategy could be of great importance in devising business policy. The market analysis, and especially supply analysis - that is, analysis of activities of other similar institutions - substantially help creators of business policy to define their own offer, cut down the price, or introduce new marketing actions in order to win their place on the market.

So, the following methods result in better competitiveness:

- * creation of new programs/products
- * better quality of programs/products
- * new marketing methods
- * lower production costs which enable cheaper tickets or lower prices (thus printing abroad results both in better quality of a book and its lower price).

Therefore, a development strategy of an institution within a particular cultural sub-system should take into account activities in a given socio-cultural field as a whole.

So, for example, a theater institution manager in his/her reconstruction of the business policy and marketing strategy of a given institution should take into consideration all other "theater" institutions: from educational theater elementary and high school programs to theater programs in mass media. In doing so, he/she has to rely on all available data: statistical, sociological, culturological, as well as on particular marketing inquiries of his/her own.

TASKS: Working sheet:

Theater system in my country - competitiveness analysis

STRATEGIC PLANNING

MISSION

AIMS
(long term - functionally specific objectives)

STRATEGIES

ACTION PLAN

BUDGET

EVALUATION
result oriented⁵

⁵We always want results immediately and completely. But in our field, not only it is not necessary, but often have countereffects. We have to persuade ourselves to take risk of having strategies and actions who can not have immediate results, but we have to know how to evaluate these kind of "Sizif's actions".

MISSION⁶

Museum (Scotland) - The museum will collect, conserve and display material objects which reflect the life of the local community and, aiming to develop best practice in its work, seek to maximise local use of the museum, particularly in partnership with educational organisations active in the area. It will seek to secure the necessary resources to do so and to ensure that these are effectively and efficiently used, holding itself publicly accountable for doing so.

AIMS

functionally specific objectives

Documentation - Collections Management (other aspects)
Conservation - Display - Exhibitions - Events - Marketing - Education
Trading - Customer Care - Publications - Security
Finance

STRATEGIES

ACTION PLAN & BUDGET

⁶Brian Martin (AMTIS) - working papers for European Diploma in Cultural Project Management

STRATEGIC PLANNING:

MISSION

cultural policy, business policy

PLANNING:

SWOT ANALYSIS

AIMS - LONG TERM

OBJECTIVES - strategies (annual)

ACTION PLAN & BUDGET

IMPLEMENTATION

organising, monitoring, controlling, motivating, co-ordinating

EVALUATION

indicators measurement

qualitative analysis

indications for next strategic planning cyclus

1 Introduction of new elements in the program profile of a cultural institution

The popularity of the new folk music has led some theater managers and directors to introduce it in their theater projects (live or recorded), in order to attract that part of the public which belongs to this most widespread cultural model.

2 Introduction of new working methods

The available data indicate decline in association and amateur organization in culture - i.e. a great "vacuum" in the field. This could be a signal for a marketing manager to initiate a new club of theater, opera, etc. friends.

3 Introduction of a new program timing

New working hours (Sunday morning, other days till 10 in the evening resulted in better efficiency of the Belgrade City Library).

If a new program and business policy is to make a cultural institution more competitive at the market, all available results of broad marketing studies have to be used. Moreover, the public polls and fund-raising studies (possible donators, foundations' grants) are also inevitable part of the marketing department research program.

Quite understandably, huge state cultural institutions have to develop a completely different strategy from the small, alternative ones. There is no competition between them, because each has a different part of the market and a target group of its own.

Therefore, a business policy could also include cooperation between different institution: TV stations and theaters, for example, which are no rivals in the market, and thus could help each other to make better programs and reach new and preserve old public.

PHILOSOPHY OF ART NETWORKS IN EUROPE, ITS MISSIONS AND DEVELOPMENT STRATEGIES

There are some words which come into fashion with certain ideas, but around them there is lack of deep reflexion - sometimes they are really adequate, sometimes they are just covering that there is no real idea behind, no substance. **The network** is one of this words which came into fashion and it is used in all possible circumstances - when we can say circuit, association or even group. (The fact that today there are more than 150 networks only within cultural field in Europe is in itself provocative). Is it the effect of the real demand, need, necessity, or just a new gadget for the media practitioners or artist and art managers?

So, I think it is of extreme importance to really define when network is a network, and not a group, association, circle, international organization or something else. Necessity of clear definitions of terms is obvious.

What's network?

At the beginning - it is just a circle of colleagues, individuals motivated to do something together. But afterwards, what could be expected from networking?

Is it:

System for getting and exchanging opinions, attitudes, ideas?

Network as a clearing house of and for informations (providing and distributing informations)?

Sectorial alliance? (Which enables cooperation with other structures, other

networks and associations - EFAH, IETM, FERL, AMARC, network of media management education centers for exemple)

System which protect or promote common interest of members? (towards politics, public, audiences, users... professional institutions, educational...)

Lobby? But toward whom? (Politicians, commercial media, agencies...)

Coalition? No, coalition might englobe organizations with different basic goals, with only one same, usually subsidiary goal, and they are in coalition till this goal is achieved.

Umbrella which is covering all what we recognize as media institutions sharing equal or similar goals?

Platform for reflexions and exchanges?

Usually, there is few objectives for creating a network:

- it must be response to a cretain necessity:

necessity of mutual help

necessity of having contacts, to break isolation

necessity of action...

In network we are sharing similarity of interests, objectives, goals - but...

Should we share in network the similarity of vision, sensibility, style, common commitment?

All of this is necessary and important for partnership, but less for network. Still, certain **sense of mission** characterized by **culture of cooperation, certain climate, sharing attitudes toward basic questions** should be achieved.

So, the basic question is:

HAVE OR WILL OUR NETWORK HAVE ITS OWN PHILOSOPHY, ITS SPIRIT, ITS PROFESSIONAL, CULTURAL AND POLITICAL VISION?

Example: EastEuropean Network of Independent Radio Stations

Mission:

search for truth - objectivity in approach

offering "politically correct" informations

openness

professional ethic -

cooperation, solidarity

as a basic values, characteristics of the spirit of this network,

or are we just network of people believing in media impact and in networking...

Network we can consider also as an effort, individual effort, effort to listen, which enables us to evaluate the differences.

So, should contrast in approach within network be emphasized, or polarization between different members of the network should be annihilated?

What should be perspectives within the network?

Promoting:

- humanism
- interculturalism (intercultural sensitivity)
- human rights and cultural rights
- ethics of cultural administrators and managers.
- professionalism, including professional development
- civil society space
- and some specific for the earlier given example, like:
 - right to the objective, independent information
 - ethics of journalists and media managers.

This perspectives should be further identified through **functioning** of network:

through research:

research of information needs (or more general cultural needs of population, educational needs...)

research of methods of work: information, dissemination, program composition, content, forms of emissions...

research of program impact: information effects, etc.

Also, possibilities of manipulation...

Should we discuss program approaches considered as:

classical, or standard approach

experimental, innovative ones

or we shall discuss more large, basic questions of cultural life & cultural policy, or, in the case of EastEuropean Network of Independent Radio stations:

media laws, politics and its impact on cultural life and civil society existence?

Indian perspective

Should help us to see specific Indian needs and position: inner and toward Asia, powerful world culture & media systems, agencies etc.

Also, Indian cultural diversity, as well as political and social context which differ a lot.

Then, should Indian perspective be reconsidered as more global perspective?

overpassing the borders of traditional Asian culture, reconsidering the roots of its own civilization...)

What about cooperation outside of Indian continent?

What does it mean for us the fact that in the world we can today speak about

:

- internationalization of the professional fields in the domain of culture;

- profession - cultural manager which in same time is:

- a) creator
- b) mediator
- c) manager (fundraiser, marketing manager, staff manager...)
- d) creator and implementator of the networks
- e) (audience developer)

NETWORK AS A PROCESS - horizontal mobile structure

decentralization

Since I have mention at the beginning the word association as close to the word network, I think it is now time to define both:

Difference:

Association - vertical structure

Network - horizontal structure, flexible, sustainable structure/ adhocracy (A.Tofler)
Although, all the networks legally have to be an association, to register, etc.

Can network as a whole carry a project?

Usually not, it is to large and heavy mechanism, so there are two possible forms to realize a project within the network:

- structural alliances
- partnership within network.

So, network is starting point to identify a future partner - partner who mostly responds to our needs.

The second point is, how can we be aware within the network of the processes, of the projects which are realized on different network edges?

Bulletin - magazine, is one possible mean - representation of work in process.

E-mail perspective

NETWORK

SHARING INFORMATIONS AND PROGRAMS

DEVELOPING AWARENESS AND MUTUAL RESPECT FOR DIVERSITY

ENCOURAGING PARTNERSHIP

SUPPORTING PROJECTS
(by lobbying)

COMMISSIONING & FACILITATING RESEARCH

ORGANIZING MEETINGS, SEMINARS, PUBLICATIONS

SHARING INFORMATIONS AND PROGRAMS

STRATEGIES FOR DEVELOPMENT

I assure confidence (renew main objectives, reinforce relationship between secretariat and membership)

II assure large or qualified membership (more members, more structure is needed) - no need for exponential growth

III rethink formal & informal inner structuring:

- project structuring

- bulletin correspondents

- ...

IV helping creation of new potential members (in the countries or regions without them)

V facilitating the further development of members.

We have to think about ACTION-PLAN which will move things forward.
What is reasonable to achieve during next year?

Goals - activities - concrete actions - budget

MARKETING IN CULTURE

Marketing of Cultural Institutions

The original meaning of the English word "marketing" is: bringing or sending goods to market, but in the modern economic theory and practice it has a more complex meaning. A marketing orientation of an enterprise means that all business decisions are made in accordance with economic laws of supply and demand, or more precisely with customers' attitudes. The market, or marketing orientation now prevails over the former production orientation of enterprises. The crucial difference here is in the awareness that the sale depends not only on the scope of the market, but also on the degree to which it is used. Therefore, a marketing oriented enterprise has an active attitude to market: it adjusts to it, but also stimulates and induces demand. The business policy tends to meet needs of consumers, and marketing practically makes consumer a manager of some enterprises, and even the whole (marketing oriented) economy.

Marketing is not simply an activity preoccupied with selling products - its is involved when the very idea of a new product is born. And later, in all the phases of the production process - from functional and esthetic shaping of the product to its market announcement, presentation, campaign which precedes its emergence, artificially made shortages to induce demand - the marketing approach which could be summoned in slogan "Consumer is the King!" dominates. Quite understandably, it is more and more present in culture too. The promotion campaigns of new folk music and rock stars hardly differ in their marketing approach from that in case of new detergents or jeans collections. Still, marketing in culture is not only appropriate for selling standard mass entertainment products: classic music concerts and outstanding literary works are promoted in the same way. So, for example, the copyright for Umberto Eco's *FUKOOVO KLATNO* was sold in a public auction even before the novel was written, only because its title and smashing world success of his previous novel, *Name of the Rose*. Similar case is that of Milorad Pavi} who, after international success of his *HAZARSKI RE^NIK*, had ensured interest of public (and publishers) for his future novels.

In short, the main task of a cultural manager is presentation and promotion of cultural values and products, which should attract people to art and works of art.

The French sociologist of culture, Edgar Morin suggests a public campaign when there is

- a) a distance between producer and consumer, or
- b) a producer has to stimulate consumption.

Though a modern cultural manager has to be familiar with the advertising methods and techniques, his/her marketing approach to the "selling" of his/her programs must be much broader. It means that he/she has to analyze "a distance between producer and consumer", while because of the market orientation of culture and its idea of efficiency of an institution (producer) whose product (book, recording, performance, show...) a manager is selling, he/she inevitably has to stimulate consumption.

The Eastern & Central European cultural and art institutions, as a rule, lack special marketing departments which should analyze their public and attempt to find forms to overcome the eventual "distance". A number of institutions do have PR departments, but these neither use the mentioned marketing techniques, nor ever make any qualitative and quantitative analyses of the public, its motives, cultural needs and attitudes. (Completely relying on the local, state or federal budget, some cultural institutions even consider "making money" to be an anti-cultural deed.)

For creation of a new marketing policy of a cultural institution, a research of the audience should cover different social classes, age groups, leisure activities and educational levels. Though it is important to find out practical factors of non-attendance, it is crucial to search for the reasons of actual lack of "cultural" motivation. (Finding "practical" rationale is the usual self-justification of people with no developed interest in art and culture.)

Practical excuses for non-attendance

Theater is too far from home or city center
Problems with public transportation
Problems with parking
Problems with tickets (sold only at the box office)
Problems with program timing (either too early or too late)
Problems with baby-sitting
Problems with ticket prices (too expensive), etc.

As a neglected but important activity of cultural institutions, advertising has two main aims:

- a) To expand the market of cultural products (economic aim) in a market oriented society, which becomes even more crucial after great socio-political changes in the Eastern European countries, and
- b) To stimulate the development of cultural needs and habits of the population (cultural aim which entails use of animation methods and a marketing strategy).

The aim of a cultural institution should not be simply to attract as much public as possible (selling tickets), but to nourish a real public of cultural events, the one capable to react to works of art and communicate with them.

There is a number of wrong arguments against the marketing approach to art and marketing analyses of the public... such as, for example:

- * Our product is good. There is no need for marketing.
- * We know our public. There is no need for its marketing analysis.
- * Why should we define our market? All people belong to our market.
- * There is no need for marketing methods in promoting art. We have to be modest, etc.

Therefore, many cultural institutions completely disregard the segmentation of the market, which means not only segmentation of the public, but also diversification in the context of colleagues, rivals, sponsors, media and communication sector. Marketing plans and marketing strategies should be made for each cultural model, because each model has its specific values, interests, motivations and life style. So, for example, a new opera repertoire should be presented and advertised in different ways depending on a particular medium and communication channel.

It is overlooked that communicating message to a single cultural model in a society often finds its rationale in the fact that other cultural models do not fit the model of "opera or theater public". It is the fact, but only to a certain degree; namely, the information about theater or opera usually does not reach these cultural models, because it is absent from their media of communication.

On the other hand, disregard of the needs of the prevailing cultural model in a society could be fatal for the success of an art, media or a cultural institution. So, for example, recently the needs of the POPULIST CULTURAL MODEL have been almost completely disregarded by those who work in culture. And, of course, the result was that the local radio stations and private producers made fortunes meeting the needs of the neglected cultural models. The local cultural centers are making the same mistake in their attempt to produce programs for a small section of population - the traditional art public (elite cultural model). For them, advertising is a negative side of consumer society, and therefore their activity lacks marketing methods and strategy. The result was that they even failed to attract the traditional art public to their programs.

The sociologists of culture insist on the negative effects of advertising on imagination of modern man. Their argumentation emphasizes the fact that advertising is the basis of mass culture, which shapes its values and norms, models, language, and choice of the objects of everyday use. However, such an approach disregards the other side of advertising: it could be very useful as a powerful agent of animation and information in the fields of culture and art.

Relying on usual propaganda instruments, the cultural managers could attract to their programs even those who, normally, do not belong to their public. But the real problem arises if the goal is to nourish the public, that is those who would willingly come to the box office, who demand regular monthly information bulletins, mailed information, etc. Therefore, a good cultural manager should make a draft or a schedule of his/her professional moves in order to accomplish the marketing plan of a given cultural institution.

The new market orientations of cultural institutions quite naturally result in their new approach to marketing and advertising. But to develop a real marketing strategy which should

influence different groups of population, these institutions need more complex and deeper socio-cultural research which go beyond practical public polls, and for various scientific and theoretic reasons these are conducted only by the scientific institutions. Therefore, a good cultural manager has to connect the two information sources, and develop a creative marketing approach to the production and diffusion of cultural products.

Phases in art and culture programs marketing

I Market research

- * Audience & target groups research and population research,
- * Research of the field (other forms of offer of the programs/products);

II Definition of general marketing concept (mission, goals and spirit of an advertising campaign)

- * Definition of the idea (slogan)
- * Definition of the visual concept (lettering, logo...)

III Definition of the advertising campaign strategy

- * Designing the form of advertising (poster, program, spot..)
- * Planning the advertising dynamics
- * Designing the PR program concept;

IV Realization of a total design of the institution, its programs and products, and all available advertising means

- * Realization of the PR program (non-paid advertising)
- * Press conferences, promotions, contacts...

V Implementation of advertising (public announcements of products/programs)

- * pre-announcements - direct mail...
- * Through mass media (press ads, TV ads, radio jingle)
- * Public announcements in cities (posters, announcements in public transportation, leaflets...)

VI Information-animation and advertising program during realization of program

- * Continuation of media and other advertising
- * Continuation of PR & animation program through panels, conferences, exhibitions, performances, animation methods and techniques.

Phase 1

Research of the public

i.e. search for the target groups is the first phase in the work of a cultural manager. Whether he/she conducts research himself/herself, or uses the existing inquiry into the cultural needs, and cultural statistics, the analysis must tend to define the actual and potential public, and its life styles, values and interest. Beside their cultural needs and level of their cultural development, a research-propagandist should pay due attention to the individual and group motivations and main features. When he/she discovers when and how an individual or a group could be motivated, he/she has the content of a future animation message.

An example: advertising strategy of a city theater.

The research of the public shows that the working class, and especially its female part does not attend theater. The research of the cultural needs and life styles show that the in latter as well as in the values and leisure time activities of the employed females dominate values of family life in general, and of parenthood in particular. Therefore, love for children is the bases of a future advertising campaign. A manager-propagandist should state: a child needs an educated, cultural parent; neglecting yourself and your personality you have deprived your child of a good parent; let a theater performance be your gift to your child...

A cultural manager should find out and then skillfully use the aspirations and needs of the modern man: from "snobbish" motives for attending cultural programs which lack deeper human drives and needs, all the way to "modern tendencies" stemming from the desire to keep pace with the times, living in nature, or need to reveal the "roots", i.e. tradition. While a number of marketing agencies already use the mentioned social motives in their advertising of furniture, food, cosmetics and other commodities, advertising messages in culture still remain unequivocal: the key word in advertising of cultural products and works of art is usually "culture", and such an advertising could only attract those with already developed cultural needs, who regularly participate in cultural life.

Phase 2

Definition of a general marketing concept

* Definition of the idea (slogan)

* Definition of the visual concept (lettering, logo...)

is based both on the results of the completed research and the general concept of the business and cultural policy of a given institution. Then a text which should provide a basic guideline for the engaged artists to make total design of an institution or cultural action has to be made.

One of the prejudices in culture and art is that only people with high education and developed cultural needs are interested in art and cultural products, and therefore majority of advertising messages are conceived in that manner. However, the efficient advertising tends to broaden public, meaning that it should address non-public, and search for values of those social groups it tends to motivate to participate in cultural life.

Logo of the Museum of Contemporary Art (Design M. Jiri}, 1967) is in the manner of Moderna. In its visual stylization of the Museum's architecture, it also symbolizes contemporary art as its main activity.

Postmodern logo of Subotica Theater (design Boris Bu}an) is in the tracks of the 1980s - art of quotations and heritage revalorization. Its motive is a stained glass window of the Subotica synagogue, for the time being the most exploited theater space in town.

Phase 3

Definition of strategy and form of the advertising action

The essence of the advertising action is that the advertising as such does not offer a product (a particular play, movie, etc.), but a way of life and thinking (i.e. motive for buying). Thus a consumer in buying particular products belongs or attempts to belong to a certain society, way of life, to which he aspires. The creators of advertising campaigns suggest and influence choices of certain values, attitudes and opinions, which makes them agents in the creation of modern culture. MacLuan said that "If the power moving marketing agents was oriented towards political thinking and creative action, America could fulfill many of the promises it had betrayed". If we were to rephrase this statement, we might say that if cultural managers were only slightly using methods and experiences of the marketing agencies, the cultural life would be more dynamic and diverse, offering plurality of values and life styles. The analysis of the advertisement messages of various products shows that the values offered are not in the products themselves, but in an easy, comfortable, uncreative life - namely, in the consumption as such. Therefore, contemporary society is often described as consumer society, abundance society, leisure society, and the like.

Once the concept is made, a cultural manager defines forms of advertising means to be used depending on target groups he/she wants to address (public, non-public). In most cases, he/she would resort to means of mass communication (radio, TV and press), and would accordingly engage professionals to prepare jingles, spots and ads, respectively. However, if he/she wants to address particular smaller social groups, additional forms of advertising will be desirable: promotions, press conferences, distribution of leaflets and catalogues, mailing information, posters (in public and other places), etc.

Information and animation means and forms include:

- * General sign of identity: logo, lettering, memorandum, slogan
- * External signs - visual identity of an institution (external sign on the building, building design, road signs)
- * Internal signalization and marks (signs inside halls)
- * Printed propaganda material:
 - monthly bulletin/repertoire, leaflets, catalogues, invitations
 - posters, tickets
 - advertisement in the printed press
- * propaganda material for the media:
 - a spot (or series of spots)
 - a jingle (or series of jingles).

A poster, ticket or performance leaflet show the overall level of the culture of work and program of a cultural institution. Its "image" mainly depends on the quality and type of its programs, but if it is to become clear and recognizable, it must be adjusted to the complete public presentation of the institution, which is made through its information, propaganda and animation actions.

Phase 4

Total design making

entails the elaboration of a particular propaganda messages for each program or product, but within an overall concept of the advertising campaign. It means that we have already created the profile and identity of the institution and expressed them in logo and the so called total design of the institution. The next step is finding an adequate slogan, visual design of a poster, catalogue, leaflet of a particular play or in case of a festival, for each of them.

Phase 5

Realization of the advertising campaign

entails two levels: the establishment of a PR system, and planning and implementation of the scheduled public, paid advertising.

The PR system means establishment of connections between the manager and the cultural public (other institutions of culture, means of mass information, schools, other interested artists and cultural professionals be they employed in business, cultural animation, or free-lancers). The establishment of a directory and choice of distribution places for propaganda materials are among the crucial tasks of a cultural manager. Press conferences, promotions and other forms of "free" propaganda also belong to the PR program.

DIRECT MAIL

Art works - marketing service

ArtsPost is the name of a computerized (trademark) directory which enables cultural institutions to develop their promotion activities. It contains 20,000 addresses, classified geographically and according to categories (theater, opera, jazz, folk, ballet, movie...)

Arts distribution - a hundred places relevant for distribution of cultural information (schools, book shops, colleges, theaters, galleries...)

Poster display (in public places, but also in public transportation, etc.).

The public advertising has a strategy of its own, and a manager should plan the most desirable moment for the first paid announcements (jingles and spots), as well as the most suitable form of the ad. Although mystery, insufficient or part information could be a part of a successful advertising campaign, crucial characteristics of all kinds of paid advertising still are precise, clearness and completeness of the communicated information.

Phase 6

Advertising product after its public appearance

i.e. after the first movie or theater night, after a book has appeared in the book shops, etc. Then some additional forms and methods of animation could be used: an exhibition could be accompanied by a performance, a theater performance by panels, exhibitions, lectures...

The goals of marketing activity in culture

- a) Research of cultural market in order to evaluate facts relevant for the creation of business policy, shaping of the identity of a cultural institution, and creation of its offer, that is the structure of its cultural (art) products for the market.
- b) Expansion of cultural audience (animation orientation), through information and promotion of a given institution, cultural projects or works of art; dissemination of complete information on programs (authors, performers, works of art...) through various forms of animation, with the goal to transform interested non-audience into a regular interested audience.

Patronage and Sponsorship in Culture

- what is the difference between commercial sponsoring and foundation patronage approach

Sponsorship, patronage, philanthropy, benefaction... are only few of the terms describing phenomenon of financing arts by enterprises, institutions or individuals. The phenomenon is as old as the civilization of division of labor itself, civilization of huge empires in which the emperor was the first, but rarely financially the most powerful sponsor. The state, the church, the nobility, later on the rich bourgeoisie, and recently the rich corporations have been pursuing their "cultural policy", enforcing taste and forms to art. Therefore this phenomenon requires a serious research and interpretation, and not simply from sociological and economic point of view, as it has been the case so far. What is needed here is a culturological approach, which should help the "financier" (financing body) to become aware of the degree and ways of his influence on cultural life, on one hand, and on the other give users (artists and cultural institutions) an insight into the depths and importance of possible influences of the financier on creativity (that are often overlooked or disregarded).

The book *History of Art in the Correspondence of Great Artists* (Thames & Hudson, London, 1963) enables reader to get to know not only the artists themselves, but also their "sponsors", as well as the forms and means of their influence on the creation process as such, because most of the letters to sponsors are either appeals for support or gratitude for already received one, with particular comments of a work of art (especially regarding openly expressed or assumed wishes of the sponsor). It is just one of many historical studies which, without an adequate analysis, covertly presents the documentation from the field.

Theoretically speaking, there are differences between terms such as patronage, sponsorship, donation, benefactorship...

Forms of private financing

MECENAT is a personal, individual donation, mostly to a particular artist or a non-profit institution (hedonistic reasons - approach).

Patronage is an activity of private foundations in the field of culture (culturally motivated reasons - active approach).

Donation is a benefactorship, charity, philanthropy, anonymous (socio-humanistic approach).

Purchase (corporate culture) entails transfer of ownership of a work of art to a corporation. It is close to notions of order, and other forms of "cooperation" between enterprises and artists (collection establishment - ownership reasons).

Sponsorship is a business relation of a private corporation or foundation and the artist, art project or institution, and is basically exchange (commercial, marketing approach).

But today this term is also used for all of these forms of private financing.

Private financing as a Part of Cultural Policy in Europe

Only ten years ago economic sponsorship of cultural manifestations and programs was unknown in France. The press published titles: Is the money of economic sponsors perverse? Questions of the type have never been raised in liberal economies like the British or American one: through its sponsorships economy is there the actual chief agent of the cultural policy, and without it cultural and art environment of these countries would be substantially poorer.

In France, where people are used to the idea that culture is a state affair, economic sponsorship quite naturally arouse suspicion. Donation, yes, but as a charity, benefactorship. It took a lot of time and efforts on the side of Ministry of Culture and the state to stimulate economic investments, and make it understood that sponsorship is a part of their business and marketing policy. Today, this form is one of the significant financial sources of the French culture.

Only in the last decade, the issue has become important in Germany too. Karla Fohrbeck and Andreas Wiesand underline that it has suddenly become subject of parliamentary debates, scientific research, journalist research, culturological debates, books... Only in Germany at least ten symposia and seminars devoted to the subject are held per year, while estimated total of the sponsorships is 150 million marks. (Without non-financial forms of support to

art and artists, such as "borrowing" for permanent museum exhibition the corporation collection of paintings, etc.) At the moment, in all countries of the European Union function associations of sponsors, organized in the European Association of National Sponsor Associations (ABSA - Association for Business Sponsoring of the Arts). By their expert and professional activity, these national associations tend to support sponsorship engagement of the enterprises and institutions, with the idea that sponsorship should be seen as part and parcel of the general business and marketing policy of an enterprise. (In the same time, they are rendering consulting services in evaluation of art works and projects, because less and less sponsors, and even donators make choices according to their own tastes, asking instead for expert evaluation and opinion.)

In a word, sponsorship becomes important theme both from economic (marketing) and culturological point of view.

Strategy of Sponsorship

The crucial question arouse in an enterprise or institution when the decision on sponsorship of certain cultural programs or sport manifestations is about to be made is:

Why sponsorship?

Should we become sponsors in order to become famous? Or to built up a better image of ourselves? Or in order to promote a new product on the market?

Should a sponsorship action be organized when our business image is changed?

Each answer is equally valid, but each demands a different sponsorship strategy. Each requires different investments, investments in different activities, as well as different approach to advertising and its use in PR programs.

Motives for sponsorship

(German businessmen in the poll 1987)

- Social responsibility - 74%
- Market motivations (image, etc.) - 57%
- Satisfaction of his/her consumers - 42%
- Personal interest of company owners or top managers - 30%

It is interesting that only 23% companies treat sponsorship within their marketing plans and PRs; 31% are considering possibility to connect the two

plans; while 46% has no interest in connecting promotion of art and culture to marketing. Therefore, it is obviously necessary not only in this country, but also in other European countries where sponsorship has a long tradition of MECENAT, to break up a number of prejudices due to which it is understood as a social gesture or philanthropic activity.

Prejudices - common places of sponsorship policy

- * Sponsorship is obligation of the rich
- * A new form of giving to clear conscience
- * Sponsorship is waste of money
- * We will give as much as we could afford to waste (meaning that sponsorship is not in the function of marketing, that it is not subject to the marketing mix process)
- * The money should be given only in case political pressure exists too (if the county president says the money should be given to theater... etc.)
- * No results are to be expected from sponsorship (and indeed they could not if sponsorship is not a part of business policy).

Nine Sponsor's Mistakes

- 1) To give a fake image of one's own enterprise
- 2) Absence of any sponsorship strategy - random decision-making, dilettante
- 3) MECENAT is not in accordance with the general communication policy of the enterprise
- 4) Sponsorship conceived as a personal director's decision and merit
- 5) Belief that the decisions could be made without professionals from the field of culture - managers, artists...
- 6) Consulting an unqualified person (either from incompetence, lack of information, privatization)
- 7) Establishment of a dependency relationship of fake confidence/distrust with the artist, institution, etc.
- 8) Undermine the importance of the media (not preparing alone the strategy of informing media of the sponsorship)
- 9) Not making evaluation of sponsorship policy at least once in five years, or better each year.

A modest, tentative research done in some of the Serbian enterprises showed that they are bereft of:

*Clearly defined marketing strategy, which would determine their relation to sponsorship (for example, which art would be sponsored). In some countries economy prefers to sponsor theater, elsewhere visual arts or film... So, late 1960s and early 1970s in Yugoslavia were marked by sponsorship of film. Today, even a regular publishing activity is hardly manageable without sponsors (a case unprecedented on the international scale), and still less preparation of plays on a regular repertory of national theaters, and the like, so the money of sponsors is almost equally distributed to different branches...

* In their PRs and advertising campaigns, enterprises rarely mention their sponsorships. (In some countries, enterprises even abuse the "image" of an artist, and especially sportsman they sponsor. There is no propaganda material without them. It is necessary to develop a strategy of advertising, making files for press, organize press conferences, programs in media during or before, even after the sponsored events - the sponsored institution is expected to make marketing of the sponsorship. (A good example would be organizing a party for business partners in the Sava Center during FEST).

Modern cultural institutions tend to be inventive and offer different things to their sponsors, who either accept or not... They often show no interest in complementary actions cultural institutions may suggest;

* The enterprise does not choose what to sponsor. Instead, it accepts to be chosen - led by private connections, personal inclinations... It is also very important that the decision on sponsorship is reached on a higher level of hierarchy, because otherwise a work of art acquired by sponsorship could be abandoned or destroyed, if in the enterprise is no understanding of a given branch of art, style, and the like.

And finally, any manager would ask himself a crucial question: "What is the meaning of sponsorship in a market, profit oriented economy?"

Is a cost-benefit analysis applicable to it?

Evaluation is necessary, but only evaluation of a scrupulously made sponsorship project, with marketing experts but also experts able to make a competent assessment of a given cultural project.

Sponsorship is, above all, a technique of communication, and therefore as an advertising campaign must meet a particular need of an enterprise. (There is a French saying "We do not want to sponsor the favorite director's ballet dancer", and press often pejoratively labels sponsorships as "ballet dancers".)

Sponsorship has to be based on rules, firmly controlled and followed if expected to achieve desirable effects.

"Only an action performed in a professional way and having credibility could be productive for a company, at least for its reputation with the public and its

employees." One of the French handbooks of sponsorship concludes: It is up to you to make this "event" in a family of three meaningful: the enterprise pays, the artist works, and everybody talks. The artist would prefer his work to be talked about, and the sponsor only mentioned - therefore, marketing managers of the latter should make events focused on sponsorship. In this context, PR system is the direct function of sponsorship, and vice versa. Professionally designed and performed action has to result in a joint effect of the factors of local community, economy and artists.

Recently, such a policy of sponsorship which entails intervention and influence of the state on potential sponsors to invest in the institutions of national interest. Thus, the city and province authorities are "influencing" banks and economic institutions to support mostly national, traditional institutions. Even the Ministry of Culture once had an idea to establish a "marketing department", which would be in charge of fund-raising and redistribution of thus collected funds. That way the Ministry would have been responsible for the distribution of sponsorships, which would have - with the budget for culture at its disposal - practically endowed it with an unrestricted decision-making power in the cultural life. That way the very idea of "free market", entrepreneurship, etc. is completely perverted, and the etatist model of cultural policy remains untouched.) This episode well illustrates that the old relations in culture still persist, and that a new relationship entailing the free establishment of cultural market, with state interventions in culture only where needed (protection of cultural monuments, national cultural institutions, etc.) is far from being present. Since the state has no more enough funds to control the whole sector of culture by their distribution, it also controls funds of the free entrepreneurs, and especially of "firms in social ownership" through the so called recommended sponsorships (i.e. directed investments).

The importance of the issue becomes apparent if we know that most of the funds for a theater performance are coming from different sponsors (The costs of *Vasilisa Prekrasna* in "Bosko Buha" theater were 10,000 German marks, and the budget gave only 300.) What theaters could offer their potential sponsors in such a situation? "Bo{ko Buha" theater diversified its offer in the following way:

* For those who invest over 3,000 German marks, a small brass tile on a chair of the future theater, saying "This chair was donated to the Belgrade children by..."

* Sponsors investing over 1,000 marks could compete for the title of the "sponsor of the month", etc.

Models of Sponsorship

Despite the above mentioned, some models of sponsorship have developed:

- 1) Sponsor - creator of cultural policy within community
- 2) Sponsor - user of reputation - in preservation of its image and business contacts - conservative approach
- 3) Sponsor of manifestations and great events - prestigious
- 4) "Sponsor in goods", sponsor in kind
- 5) Sponsor - collection-maker (orders and purchases): mainly sponsors of visual art colonies...

DICTIONARY OF ART ADMINISTRATION TERMS⁷

The following is a short list of some of the terms which have peppered "Arts Policies" in recent years. It is not of course complete - the ground is shifting all the time - and does not deny that each of the following words can be used perfectly properly (but in many Arts documents they are not so used).

Access

Used in a blurred way to cover all the processes involved in education, transport, economics, marketing and design which bear upon people taking part in arts activities. One of a string of words which have meanings in computerese and hence seem to be macho and managerial ("The Access Planning Group").

Arts

As in "The Arts". Almost always misused when some grandiose and ultimately untenable claim is being made. The vague implication is usually that the economic and creative processes involved in the theatre, in break dancing, pottery, opera singing, alternative cabaret, public sculpture and piano playing are all roughly the same. In practice, the boundaries of what seems to be discussed as "The arts" vary from sentence to sentence. Example: The arts can make a substantial contribution to the longer-term revitalising of depressed urban areas. Theatre, music and the visual arts - and the facilities for their enjoyment - are essential ingredients in the mix of cultural, environmental and recreational amenities which reinforces economic growth and development. They attract tourism and the jobs it brings. More importantly, they can serve as the main catalyst for the wholesale regeneration of an area. They provide focal points for community pride and identity. Equally importantly, they make a contribution to bringing together communities that might otherwise be divided.

Assessment

Bureaucratic check on institutional conformity. The word used to mean a critical appreciation of art, but now refers to managerial procedures and takes place whether or not any art is being produced.

Community

A warm burr which denotes nothing except a furry construct in the writer's mind, but has all kinds of cosy and gentle connotations. The word is almost always used as an evasion, because the author does not want to be seriously challenged. ('The arts increase community pride and develop community identity')

Challenge

A heroic term usually used to describe some management objective which is either inherently ridiculous or plainly undesirable. The muscularity of the term frequently hides a flabby concept. ('Challenge Grant', 'The Board faced an exciting challenge when the building was condemned.')

Demand

A word which normally applies to whole range of consumer preferences but which is usually used in a highly selective way by arts bureaucrats to point up the interest segments of the public may have in the subsidised arts. This special sense of 'demand' is not 'met', but 'fulfilled' by bureaucratic action, i.e. the demand is fully acknowledged only *after* the bureaucrats have acted. ('Financially 1986/7 was not an easy year for the arts. Many arts organisations were staving off financial disaster, not because of lack of demand, but because the essential core funding was no longer enabling them to fulfill that demand' (Arts Council Annual report n.42/1986/7)).

Development

A word which has a perfectly acceptable usage in post-colonial countries, where its associations are entirely honourable. Arts bureaucrats however either use it simply to mean 'bureaucratise', or in the more shady sense of 'House Developer' or 'Development Agency' - agencies primarily interested in profit use the term as a shield.

Efficiency

Dependable mediocrity. The word slips into planners' talk when it is proposed that bureaucratic minds should set the parameters within which the creative mind should work, and should determine in advance what the public 'needs'.

⁷John Pick - The Arts in a State, pp.157-165

Enterprise

A word used to bestow the right-sounding praise upon activities which conform to the right-wing notion of individual responsibility, etc., but in practice usually applied to sordid acts of bureaucratic collectivism which involve tax payers' money. ('This Art in Public Places scheme is funded by the... and is a fine example of the new Enterprise in the Arts')

Facilitator

Slyly insinuates that the agency involved is taking a quiet back seat and behaving neutrally, but in fact usually screens a pushy desire to shape, control and boss everybody about. ('We shall act as facilitators, bringing together national developers with appropriate arts organisations')

Needs

An old lefty word which has been carried over into the new brutalism because it is still useful for all bullying bureaucrats. It implies that people have desires, unknown to them, which can be somehow discerned and registered by state-paid bureaucrats ('real needs', 'seeking solutions to perceived need and not just to articulated demand') Of course it is true that people don't know whether they want any kind of art until it has been created and offered to them, and it is therefore true that experienced arts administrators have inevitably to try to second guess these wants as they develop arts programmes. But it is also true that even after wants have been demonstrated it takes a long time, and is a considerable step, to say that the public that wanted the art also *needed* it. That is a profound assertion. And it is therefore worth emphasizing that the bureaucrat has not yet been born who can second guess what people's *needs* are, or will be.

Organisational

Vaguely businesslike term usually used to disguise the fact that a process which was previously concerned with aesthetics, morality, critical discourse or artistic excellence is now to be seen as purely managerial, concerned only with economics and business. As in 'Organisational Review' (see 'efficiency' above).

Partnership

Buddy-buddy term designed to present the fact that long-term adversaries have been bribed to do something together, for the look of the thing or sometimes, with a great vacuity, it is used to give a spurious sense of fireside communality in 'The Arts' (i.e. Community Partnership'). Almost always refers to something temporary, deeply suspect and one in which somebody or other will have their fingers in the till.

Plan

Plans for the arts are almost invariably plans for the arts bureaucracies - usually plans that involve living well, researching for 'reports', travelling overseas on fact-finding missions, offering well-paid advice to colleagues in distant locations, consulting with other bureaucrats over long lunches and drafting further plans which involve more bureaucrats writing more plans, etc.

Strategy

A military term for 'plan', much used by keen-eyed arts officers in the field. It usually refers in fact to a series of nondescript axioms bound together in a glossy little book (The strategy is to develop the arts to attract business interest and move on to positive regeneration of the area' kind of thing), all of which are so much guff and useful only in hiding the awkward fact that the arts officer in question probably can't tell poetry from prose and wouldn't recognise good music even if he or she had time to listen to it. It validates the kinds of things done by arts officers who by temperament and ability would be better working for an insurance company.

Now we are at the end of Art management training course. We have been using some other, also bureaucratic words. Try to identify them, and to be aware of possible misuse of the terms. Add some of them, and check with other colleagues.

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We have to create climate in art administration and management that reading is not unnecessary and sometimes limiting factor for our creativity. It is also "building" material for policy makers, as well as cultural and artistic practice itself. We have to question books, and, ending the year, to question ourselves, what we have done, felt or thought, being inspired by reading. Because books are not only material for our action, but also for our souls, ideas, and professional skills ("metiers").

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