TRAINING ARTS ADMINISTRATORS
TO MANAGE SYSTEMIC CHANGE

DISSERTATION

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* * * * *

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ABSTRACT

A growing perception exists in the nonprofit professional arts that training needs to be adjusted to changing demands in a more broadly defined cultural sector. The cultural sector is represented not only by the fine arts (i.e., non-profit or public sector professional organizations), but also by commercial arts, applied arts, the heritage sector, and amateur arts. Major changes are affecting the cultural sector around the world and suggest an urgent need for new skills in cultural administration. This dissertation explores the extent to which current training in arts administration is suited to meet changing demands in the cultural sector in North America and Europe. It is demonstrated that a disconnect exists between new demands in the cultural sector and the current focus of arts administration training. This gap would suggest that new skills are required to manage systemic change to assist the fine arts in coping with new challenges and opportunities.

It is argued that four major paradigm shifts are taking place which affect or produce systemic change in the cultural sector. First, the world system is shifting, due to the force of globalization. Second, a shift in the arts system is taking place as the sector’s scope broadens from a concern with the fine arts to a more inclusive interest in “culture.” Third, a shift in the cultural policy system is resulting from a growing awareness that national and international policy influences strongly affect the administration of arts organizations. Fourth, changes in economic assumptions and resources are causing a shift in arts funding systems in North America and in Europe. Despite the demands of these paradigm shifts, however, current arts
administration education still seems to focus on the domestic environment, the fine arts sector, organizational administration, and outdated arts funding models.

The dissertation explores the ways in which the paradigm shifts as identified above manifest themselves in the diverse sociopolitical and economic environments of Columbus, Ohio/USA; Vienna, Austria; and Budapest, Hungary. In all three comparative case studies, the four paradigm shifts are tracked through analyzing management challenges of major classical music organizations, the ways in which the fine arts interact with other disciplines of the cultural sector, changes in the arts funding system over the past decade, as well as local, national, and international policy influences. This study assesses the significance and practical application of five proposed global change management capacities that might be developed to provide cultural administrators with a more proactive means of response to changing demands in the sector. In each case study, three types of training options are explored: formal higher education training programs, professional development programs, and on-the-job experience. It is demonstrated that the interaction of global systemic changes and local contexts require that certain “global capacities” be matched with “local skill sets” particular to the specific environments of these three urban contexts.

Comparative analysis of the cases provides evidence of disconnects between changing systemic demands, training options, and capacities to manage change in the cultural sector. The final chapter proposes a new systemic capacity building educational model to address these problems, and discusses specific avenues for future research.
Dedicated to my parents
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CHAPTER 1

INTRODUCTION

There is a growing perception in the nonprofit professional arts that training needs to be adjusted to changing circumstances in the cultural sector. Broadly defined, the cultural sector may be viewed as “a large heterogenous set of individuals and organizations engaged in the creation, production, presentation, distribution, and preservation of aesthetic, heritage, and entertainment activities, products, and artifacts” (Wyszomirski, 2002, p. 187). The cultural sector is represented by the fine arts (e.g., non-profit or public sector professional organizations), commercial arts (e.g., entertainment industries), applied arts (e.g., architecture and industrial design), the heritage sector, and the unincorporated arts (e.g., amateur groups). Major changes are affecting the cultural sector around the world and suggest an urgent need for new skills in cultural administration. To what extent is current training in arts administration suited to meet changing demands in the cultural sector? In this dissertation, it is demonstrated that a disconnect exists between new demands in the cultural sector – focusing on the classical performing arts as a part of the cultural sector – and the current focus of arts administration training in North America and Europe. This gap would suggest that new skills may be required to manage systemic change (as defined below) to assist the fine arts in coping with new challenges and opportunities.

It may be argued that four major paradigm shifts are taking place which affect or produce systemic change in the cultural sector. First, the world system is shifting, due to the force of
globalization. Local adaptation through *glocalism* and *global interculturalism* may be the preferred response. Second, a shift in the **arts system** is taking place as boundaries blur among the fine, commercial, applied, and unincorporated arts. The sector’s scope is broadening from a concern with fine arts to a more *inclusive interest in “culture,”* consisting of all four areas of artistic activity. Third, a shift in the **cultural policy system** is resulting from a growing awareness that national and international policy constraints and opportunities strongly affect the administration of arts organizations. As such, the cultural sector’s *spheres of activity are expanding* from a focus on the organizational sphere to also include a focus on national and international policy. Fourth, changes in economic assumptions and resources are causing a shift in the **arts funding system.** New funding models reflect changes in the mix of public vs. private and earned vs. contributed income. Despite the demands of these systemic changes, however, current arts administration training – evident in curricular content of member programs of the Association of Arts Administration Educators (AAAE) and European Network of Cultural Administration Training Centres (ENCATC) – seems to still focus on (1) the *domestic environment;* (2) the *fine arts sector;* (3) *organizational administration;* and (4) *outdated arts funding models.*

That said, it is important to recognize that the shifting demands as identified above will most likely manifest themselves very differently in the diverse sociopolitical and economic environments of various nations and communities. The interaction of global trends and national or local contexts may lead to a distinct set of challenges and opportunities for the arts in each country. Dimensions that mediate the effects of universal systemic changes within any democratic nation-state of North America and Europe might include political institutions, regime type, economic strength, type of market economy, cultural traditions, historical patterns of arts policy and patronage, public preferences, connections with international organizations, and overall systemic stability. Although it would be impossible to explore these dimensions globally,
this dissertation identifies the diverse ways in which my representative case studies reflect specific demands in the cultural sector as produced by the interaction between global paradigm shifts and local contexts. Representative city case studies have been selected as exemplars of very different sociocultural, political, and economic contexts:

• **Columbus, Ohio** – In the context of functioning within a market democracy, the cultural sector in this city was viewed analytically as representative of innovative cultural policy and administration initiatives that can take place within typical American historical, institutional, and preferential constraints placed on the arts at local, state, and national levels.

• **Vienna, Austria** – Representative of European monarchical patterns of cultural patronage and a national identity closely associated with the arts, Vienna was treated analytically as a social democratic locus of West-East transfer. Austria is an established “Western” democracy in Europe; local, national, and EU constraints were taken into account.

• **Budapest, Hungary** – Representative of a functioning within a consolidating democratic nation-state, the cultural sector in Budapest served as an exemplar of fast-paced, evident sociopolitical and economic transformation. Hungary is a new post-totalitarian “Eastern” democracy in Europe; local, national, and EU constraints were taken into account.

Vienna and Budapest are the main focus of the investigation; Columbus is treated as a referential case study. In all three cases, the four paradigm shifts (world system, arts system, cultural policy system, and arts funding system) have been tracked through exploring management challenges of classical music organizations, the way in which the fine arts interact with other disciplines of the cultural sector, changes in the arts funding system over the past decade, as well as local, national, and international policy influences.

The interaction of global systemic changes and local contexts may require certain functions (capacities) and skills that are particular to the specific environments of these three case study cities. Therefore, the ways in which arts administration training is optimal may vary
significantly depending on the context. This dissertation endeavors to assess the extent to which training options meet the requirements of arts administrators in each of my representative cases. It is explored how change management capacities might be identified and cultivated in each of the cases. Specifically, research involved looking for evidence of five capacities which preliminary research suggested are important in response to new demands in the cultural sector:

1. managing international cultural interactions
2. representing cultural identity
3. promoting innovative methods of audience development
4. exercising effective strategic leadership
5. fostering a sustainable mixed funding system

Some constructive ways in which arts administrators are responding to changing systemic demands by exercising these change management capacities were found, but arts administrators are lacking knowledge and skills to fully address new challenges and opportunities. New systemic demands and the need for new change management capacities suggest a requirement for new training approaches. Three types of training options were explored: (1) formal higher education training programs; (2) professional development programs; and (3) practical on-the-job experience. Transnational knowledge transfer, policy transfer, and technology transfer are considered to be significant processes that inform the three types of training. For each training option, current curricular content, program structure, syllabi, course materials, and teaching methods were examined where applicable. The researcher collected data on training when she was a course instructor or guest speaker and when she participated in courses and workshops. For each type of training, she looked for evidence of the five change management capacities she had identified as necessary for arts administrators to be able to respond to contextual shifts in the cultural sector.
In sum, evidence of changing systemic demands, training options, and capacities to manage change have demonstrated the extent to which current training in arts administration is suited to meet new demands in the cultural sector in each of the case studies. In each of the cases, a mismatch exists between changing demands and current training options, and between current training options and capacities to manage change. Patterns across the cases explain the nature and degree of the gaps that may be more generalizable (i.e., not specific to the local context).

It is thus demonstrated in this dissertation that current training in arts administration is inadequate in response to systemic change in the cultural sector. This study was based on data from research conducted from 2000 to 2002 in five areas: (1) a literature review of pertinent multidisciplinary social science theory; (2) a review of literature pertaining to issues and research methods in comparative and international higher education; (3) findings from ongoing research conducted by my department on international issues in cultural management training; (4) interviews conducted in summer 2001 of 20 young professional arts managers from Eastern Europe; and (5) surveys conducted of international curricular content in university arts administration training programs around the world and North American-based professional development programs. In addition, the dissertation’s conceptual framework and operational methodology drew on the researcher’s personal international experience and professional networks in the fields of cultural policy, arts administration, and classical music. It has addressed the need expressed by arts administration educators and cultural policymakers around the world for advancing international cooperation, research, and instructional materials in this field.
1.1 Systemic Change in Arts Policy and Administration

Leaders in the field of arts policy and management in North America and Europe are becoming increasingly aware of major changes taking place throughout and around the cultural sector and an urgent need for new skills in cultural management. “Change management” was a buzz word at the Association of Arts Administration Educators (AAAE) Conference held in New York, April 10-12, 2002. The mission statement articulated on the website of The European Network of Cultural Administration Training Centres (ENCATC) similarly discusses managing “great changes” taking place in the cultural sector (source: website). The European League of Institutes of the Arts (ELIA) states in the opening sentence of its manifesto that “we are living in times of unprecedented change” (source: website). Multiple papers, articles, and reports published in the field – and referenced throughout this chapter — currently discuss managing change as a major factor for ongoing successful development of the fine arts, commercial arts, applied arts, and amateur arts.

A significant problem in arts policy and management, however, is that extant research does not appear to fully address what, exactly, the major changes throughout the cultural sector are and what, precisely, these new challenges and opportunities might require in terms of new management skills and training options. In this dissertation, this problem is addressed by demonstrating that a gap exists between new demands in the cultural sector and the current focus of arts administration training in North America and Europe. The dissertation explores in what ways change is taking place, what kinds of new arts management skills may be called for in a changed environment, and the extent to which current training in arts administration is suited to meet new demands in the cultural sector.

According to Wyszomirski (2002), “A decade of profound change following three decades of significant growth, has brought the nonprofit arts and cultural sector to the recognition of a need for even more change and a more positive attitude about accommodating and adapting
to the changing environment. Articulating, integrating, and routinizing the emergent financial, administrative and political paradigms are now the task at hand” (p. 215). This dissertation aspires to articulate four emergent paradigms of relevance to arts policymakers and administrators in North America and Europe: the changing world system, arts system, cultural policy system, and arts funding system. It aims to lay the groundwork for developing higher education and professional development approaches to cultivate management skills to meet the demands and opportunities of 21st century arts administration.

To begin this process, evidence of change is provided and it is explained how each of the four major paradigm shifts will be demonstrated. For each of the four paradigm shifts, the differences between the old and the emerging paradigm are illustrated, describing the general character of the paradigm shifts.

1.1.1 The Changing World System

An extensive body of literature exists on the forces, causes, and outcomes of globalization, although no generally accepted definition of the term appears to exist. For purposes of this dissertation, globalization is considered to be a force that evokes a tension between homogeneity and heterogeneity in the dialectic of the global and the local. An era of globalization may be considered as “the dominant international system that replaced the Cold War system after the fall of the Berlin Wall” (Friedman, 2000, p. 7). Globalization may also be understood as complex connectivity, which refers to “the rapidly developing and ever-densening network of interconnections and interdependencies that characterize modern social life” (Tomlinson, 1999, p. 2). Scholte (1999) argues that globalization requires a paradigm shift in social analysis toward a world system studies approach, in which “a researcher can adopt a world system methodology without necessarily endorsing a Wallersteinian analysis of the modern
capitalist world economy” (p. 19). “A world system concept suggests that, on the one hand, local relations deeply divide nation-state-country societies while, on the other hand, international regional and global relations deeply interconnect nation-state-country societies” (p. 20). Of particular interest to individuals interested in cultural policy may be publications of leading current scholars following the Weberian tradition, such as Samuel Huntington, Francis Fukuyama, and Robert Putnam. For example, Huntington (1996) argues that “culture and cultural identities, which at the broadest level are civilization identities, are shaping the patterns of cohesion, disintegration, and conflict in the post-Cold War world” (p. 20). Keohane and Nye (2000) contend that:

The world system of the twenty-first century is not merely a system of unitary states interacting with one another through diplomacy, public international law, and international organizations. In that model, states as agents interact, constituting an international system. But this model’s focus on the reified unitary state fails sufficiently to emphasize two other essential elements of the contemporary world system: networks among agents, and norms – standards of expected behavior – that are widely accepted among agents (p. 19).

As Finnemore (1996) argues, nation-states should be seen as “embedded in an international social fabric that extends from the local to the transnational” (p. 145). The fact that the nation-state can no longer be considered as the sole or even primary actor in the globalized world system suggests a major paradigm shift for the cultural sector. Wyszomirski (2000a, p. 80-81) identifies six possible outcomes of the trajectory of the forces of globalization on the arts and culture sector: Americanization, homogenization, repluralization, commodification, globalism, and glocalism. For resistance against the negative effects of Americanization, homogenization, and commodification to take place, a society must be able to take an external cultural influence and adopt or adapt it to suit the community’s own frame of reference and purposes. Friedman (2000) refers to this critical filter as the ability to “glocalize.” He defines “healthy glocalization” as:
The ability of a culture, when it encounters other strong cultures, to absorb influences that naturally fit into and can enrich that culture, to resist those things that are truly alien and to compartmentalize those things that, while different can nevertheless be enjoyed and celebrated as different. The whole purpose of glocalizing is to be able to assimilate aspects of globalization into your country and culture in a way that adds to your growth and diversity, without overwhelming it (p. 236).

The effects of globalization in the cultural sector typically refer to the impact of *global popular culture, Americanization, or Westernization*. It may be argued that the only feasible means to attain a positive balance in the global-local cultural tension is through a *hybridization* approach, which with respect to cultural forms is defined as “the ways in which forms become separated from existing practices and recombine with new forms in new practices” (Pieterse, 2000/1995, p. 101). The process of achieving such a global/local dynamic is referred to as global localization, or *glocalization, global interculturalism*, or by the everyday saying of “Think globally, act locally.” It may be possible that a slightly different approach is called for among different art forms appearing in any nation. For example, a nation’s entertainment industries might tend to utilize a ‘blended’ – or glocalization – approach, whereas fine arts organizations might best utilize a ‘mixed salad’ – or global interculturalism – approach.

The main point is that, regardless of a nation’s chosen response to the forces of globalization, the new global world system must be taken into account. It is no longer possible to focus solely on the domestic environment, ignoring a diverse range of transnational actors and norms that may have dramatic influence on a nation’s cultural environment, organizations, competition, and public preferences.

In the field, evidence of this paradigm shift may be found in policy decisions in response to global popular culture (e.g., quotas, support of domestic cultural industries); filtering mechanisms to adapt to global cultural forces; programmatic decisions pertaining to cultural tourism, presenting, and exchanges; and cultural diplomacy activities to represent national
cultural identity abroad. Global influences, actors, and norms are playing an increasingly significant role in the cultural sector in North America and Europe.

1.1.2 The Changing Arts System

Over time, human creative expression has led to a thriving, vibrant, and dynamic cultural sector. As Cherbo and Wyszomirski (2000) explain, “certain art forms take precedence in each era; the functions art serves will vary along with the meanings and values associated with them; the arts are produced, supported and distributed in various ways; the range of artistic activities and their stratification among the population according to time and place as well as in the ways they are linked to power and government, and the ways they are taught” (p. 3-4). Culture and the arts are vital to the world’s advanced economies, which are transforming from information-based systems to creativity-based systems (Venturelli, 2000). Five distinct segments of this cultural sector can be defined as shown in figure 1.1.

The fine (or “high”) arts are described in figure 1.1 as a professional activity in which, in the United States, the dominant organizational form of production combines the professional artist and the nonprofit corporation. Fine arts organizations in other countries are often part of the public sector. Each major fine arts discipline (visual, performing, literary or media) can be divided into subdisciplines, each of which has its own generally recognized standards of professional excellence. It is this fine arts sector, in its various organizational forms in North America and Europe, which is the main focus of this study in the cultural sector. Specifically, research centers on the performing arts subdiscipline of classical music, focusing on major symphony orchestra and opera institutions.
<table>
<thead>
<tr>
<th>Art Segment</th>
<th>Operating Rationale</th>
<th>Status of Artist</th>
<th>Status of Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fine Arts</strong></td>
<td>Art for art’s sake</td>
<td>Professional</td>
<td>Non-profit or Public Sector</td>
</tr>
<tr>
<td><em>(High Arts)</em></td>
<td>Public purpose of the arts</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Commercial Arts</strong></td>
<td>Art for profit</td>
<td>Professional</td>
<td>For profit</td>
</tr>
<tr>
<td><em>(Entertainment)</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Applied Arts</strong></td>
<td>Art for potential to enhance profit</td>
<td>Professional</td>
<td>For profit or Public Sector</td>
</tr>
<tr>
<td><em>(Industrial Design)</em></td>
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<tr>
<td><em>(Architecture)</em></td>
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</tr>
<tr>
<td><strong>Amateur Arts</strong></td>
<td>Art for self-actualization</td>
<td>Amateur</td>
<td>Voluntary</td>
</tr>
<tr>
<td><em>(Unincorporated Arts)</em></td>
<td></td>
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</tr>
<tr>
<td><strong>Heritage Arts</strong></td>
<td>Public purpose of the arts</td>
<td>Professional</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td>Commodification of heritage</td>
<td></td>
<td>Non-profit or Public Sector</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Amateur</td>
<td>Voluntary</td>
</tr>
</tbody>
</table>

**Figure 1.1:**  *The Fine, the Commercial, the Applied, the Amateur, and the Heritage Arts*
(Modified from Chartrand & McCaughey, 1989, p. 47)

A paradigm shift may be witnessed in the arts system, however, in that the arts segments, disciplines, and subdisciplines are no longer considered as isolated, independent art forms. “Currently, systems thinking is developing with regard to the arts and culture because of a growing awareness of the intersections and linkages among nonprofit arts, entertainment, and the unincorporated arts” (Cherbo & Wyszomirski, 2000, p. 15). *Creative America*, a 1997 report published by the President’s Committee on the Arts and Humanities, states that “amateur, nonprofit and commercial creative enterprises all interact and influence each other constantly” (p. 3). As boundaries blur between the various arts disciplines, new forms of public/private and for-profit/non-profit partnerships and initiatives are beginning to emerge (Seaman, 2002). A recent trend reflecting this systemic shift may be seen in the increasing number of conferences and publications pertaining to broadly defined *cultural industries or creative industries* that have recently appeared in North America and Europe (Mercer, 2001). With this shift, a new sector-wide focus on creativity is being emphasized – and sometimes replacing – the prior policy emphasis on “artistic excellence.”
A report on *The Performing Arts in a New Era* published by Rand in April 2001 illustrates the blurring of boundaries among for-profit and non-profit arts by explaining that “the performing arts system will have a different structure in the future than it does today. Instead of a sharp demarcation between a nonprofit sector producing the live high arts and a for-profit sector producing mass entertainment, major divisions in the future will be along the lines of big versus small arts organizations, and firms that use high-tech versus firms that use low-tech production and distribution technologies” (p. xi).

Evidence of change in the arts system may be found in the field through examination of issue areas that affect all segments of the cultural sector, through new forms of partnerships among various arts disciplines, through programmatic decisions that reflect an emphasis on creativity, and through an increased sector-wide focus on broadly defined cultural industries.

1.1.3 The Changing Cultural Policy System

Reflecting shifts in the world system and in the arts system described above, “the policy arena is broadening to encompass the high, popular, and unincorporated arts, whether nonprofit or commercial, and deepening to include a number of issues that touch upon the activities of many arts disciplines and are invested in many federal departments and agencies and levels of government” (Cherbo & Wyszomirski, 2000, p. 13). It may be argued that arts administrators are becoming increasingly aware of the national and international policy frameworks in which they are operating. Throughout the cultural sector, the levels of activity are expanding from the organizational level to also include a focus on national and international policy. This paradigm shift may be most readily witnessed in areas such as cultural heritage and preservation, cultural diplomacy, international touring and presenting, and intellectual property rights issues. However, the elements and constellation of this nascent cultural policy paradigm are not yet readily apparent.
Certainly the nonprofit arts and culture enter the twenty-first century with a heightened awareness of their public role and responsibilities. However, this awareness has not yet crystallized into an advocacy strategy, a set of stable public expectations or attitudes, or a policy agenda. Similarly, the public discourse is becoming more of a dialogue, concerning both the public interest in fostering the arts and culture as well as the variety of public purposes that the arts and culture can help advance and address (Wyszomirski, 2002, p. 213).

In 1995, Wyszomirski discussed the onset of a cultural policy paradigm shift as follows:

Since 1965, arts policy has, in large part, retained the original language and policy logic of the Great Society era that gave rise to the NEA and to the public art movement. That logic focused on public patronage and subsidy, on addressing the needs and deficits of the arts community, on winning parity with other intellectual activities (for example, science and the humanities), operating in terms of specific arts disciplines and focusing on the NEA.

Yet in the intervening years, society and the polity moved on – out of the Cold War and into global economic competition, away from deficit spending to growing concern for fiscal responsibility, away from entitlement needs to concerns with societal capabilities and mutual responsibility, and away from spending on special interest subsidies to a budding priority for productive public investment. … Programmatic linkage and policy coordination is sought rather than specialized and segmented policy formulation and implementation (p. 80).

A key element of the new cultural policy paradigm seems to be the important community role of culture and the arts, in terms of education, community building, urban development, audience accessibility, and generation of social capital (American Symphony Orchestra League Report, 1993; Weil, 2002; Mercer, 2001; Bradford et al, 2001; Strom, 2001; Harrison & Huntington, 2000; Adams & Goldbard, 2001). As Cliche (2001) explains, a concept of culture is now emerging which goes beyond artistic creation to be viewed as

…the foundation of our creativity and progress including economic, political, intellectual and social development. This more open concept of culture implies the participation, at least in principle, of a wide range of decision-makers, promoters and managers in the formation, production, distribution, preservation, management and consumption of culture at all levels of society. It also implies a host of institutions and regulatory frameworks to support such a broadened system of governance.

The idea that cultural policy is mainly the responsibility of national decision-makers and public administration is being replaced by a concept of ‘creativity governance and management’. The premise of this emerging paradigm is that culture and creativity are ‘not only supported by efforts of dispersed groups of committed and generous individuals and organizations, but by an environment which breeds partnerships among representative groups of the main financiers and organizations, leaders from public, private and the private non-profit sector which together set the direction for development
and can, together, carry out larger, long term policy decisions or projects. In management terms, this means that governance is carried out through networks, forums, institutions and administrative systems which does not necessarily mean a ‘bureaucratic’ style of policy implementation but one which is flexible and open to new innovations (Cliche, 2001, p. 1).

The nature of the emergent cultural policy paradigm in the United States and abroad is uncertain at present, but it is to be expected that spheres of activity in this new paradigm will have to include organizational administration, national policy, and international diplomacy. In the three case studies in this dissertation, the ways in which individual and organizational involvement is expanding to include all three spheres were assessed in both North America and Europe. Specifically, evidence is given of the nature and extent of arts organizations’ involvement in policy entrepreneurship, policy influence, heritage, national identity, cultural identity, social enterprise, and diplomacy.

1.1.4 The Changing Arts Funding System

A growing recognition that the arts and culture sector is a legitimate and worthwhile element of society, and is as deserving of governmental support as other sectors, developed throughout the world’s industrialized countries in the second half of the twentieth century. Government financial support for the arts expanded almost everywhere in the 1960s and the 1970s, as part of a dramatic growth of government spending for social programs generally. In the 1980s, massive deficit financing of social programs came to an end, and the arts sector had to adjust to an era of retrenchment (Cummings & Katz, 1987, p. 364-365). Mulcahy (2000) points out that European government subsidies for the arts have declined in recent years and many European nations are considering expansion of privatization and searching for alternative sources of arts support. When compared with Europe, the American system of cultural patronage is, in effect, much broader and stronger than may be evident at first. Also, although federal support for
the arts in the United States has decreased over the past decade, “state and local arts councils have increased their composite support and demonstrated their institutional and political resilience in sustaining the nation’s cultural infrastructure” (Mulcahy, 2000, p. 139). Budget cuts and governmental restructuring in countries with a heritage of lavish cultural patronage are forcing these nations to search for new models of pluralistic arts support.

Cummings & Katz (1987, p. 367) assert that, due to common political pressures and economic forces, cultural policies of the Western industrialized nations have tended to converge over time. They note, in particular, that the definition of culture and art has expanded, resulting in an expanded range of activities supported. Also, virtually all governments are now developing packages of support programs containing many diverse systems of patronage. Such tendencies emphasize the middle road that governments have come to take in arts policy decisionmaking. Government policies are now being used to try to decentralize arts activities and broaden public access to the arts. Organizational efficiency and accountability are being encouraged through programmatic decisions, underscoring the insistence that arts programs be cost effective (Cummings & Katz, 1989, p. 7).

As Wysomirski (2002, p. 189-191) notes, the 1990s brought significant changes in patterns of American non-profit arts organizations’ revenues and in practices of financial supporters of the arts, leading to new challenges and opportunities for fundraisers. “Overall, the amount of money contributed to the arts and culture increased from just under $10 billion in 1995 to $11.7 billion in 1999. However, even though the dollar amount increased, the sector’s share of giving decreased from 7.6% in 1989 to 5.8% in 1999” (Wyszomirski, 2002, p. 190). In Europe, the 1990s brought major new challenges through broad systemic efforts to privatize arts organizations and decentralize cultural policy (van Hemel & van der Wielen, 1997; Wesner & Palka, 1997), leading to an (intended) expansion of non-governmental support for the arts – such as corporate sponsorship and foundation grants – in many European nations.
The key issues and assumptions regarding arts funding are identified by Seaman (2002) as “(1) private vs. public funding; (2) ‘earned’ vs. ‘unearned’ income; (3) public national vs. state vs. local funding that is endemic to the complex ‘division of labor’ that characterizes a federal system; (4) for-profit vs. non-profit arts organizations; and (5) successful and financially wealthy producers of ‘popular’ culture and mass entertainment vs. financially vulnerable producers of live, high quality, ‘real’ art” (p. 7). Such distinctions also exist in Europe, with the European Union, nation states, provinces, and local communities serving as the relevant units of analysis. Additional issues affecting arts organizations may include ongoing revisions in accounting and reporting standards, an increased concern of funders for evaluation and program outcomes, the establishment of new trust funds and organizational endowments, an emerging concern with protecting and exploiting intellectual property assets, as well as possibilities for e-commerce and e-philanthropy. New arts funding models must reflect these changes in economic assumptions resources, and issues. They must take new patronage systems and changed means and tools of arts funding into account.

It is against this backdrop of changing and converging arts funding assumptions and mechanisms that a paradigm shift in funding systems is taking place in Europe and North America. Arts funding systems and structures vary dramatically from nation to nation, however, influenced strongly by factors such as history, institutional structure, and public preferences. In the discussion of case study selection (see chapter three), the changing funding system for the culture and arts sector in the United States, Austria, and Hungary is provided. For each case study, models of arts funding are assessed as they pertain to systemic change that arts administrators must be able to manage.
With the four paradigm shifts (world system, arts system, cultural policy system, and funding system) demonstrated through this literature review, this chapter now turns to an overview of the five change management capacities that may correspond with systemic change taking place in this field.

1.2 Proposed Change Management Capacities

The interaction of systemic changes and local contexts may require certain functions (capacities) and skills that are particular to the specific national and local environment. Therefore, the ways in which arts administration training is optimal may vary significantly depending on the context. This dissertation endeavors to assess the extent to which training options meet the requirements of arts administrators in each of my three cases. It explores how change management capacities might be identified and cultivated in each of the cases. Specifically, evidence was sought of five capacities which preliminary research suggested are important in response to new demands in the cultural sector:

- **managing international cultural interactions** – competencies to negotiate international touring and presenting, trade, and cultural tourism;

- **representing cultural identity** – the way in which the arts are treated as an element of foreign policy, diplomacy, and intercultural exchange; also, maintaining local identity, pluralism, and diversity in the face of global cultural forces;

- **promoting innovative methods of audience development** – for example, cultivating entrepreneurial partnerships between the fine arts and other arts disciplines; treating the fine arts as a member of the creative industries; encouraging innovative marketing, education, and outreach programs; dealing constructively with changing audience demographics; and using technology to develop audiences of the future.
• *exercising effective strategic leadership* – a constant strategic awareness and entrepreneurial focus on environmental demands in all three levels (international, national, organizational) of the cultural policy system, both proactive and reactive policy advocacy involvement, and negotiating coalitions and alliances; and

• *fostering a sustainable mixed funding system* – capacity for increasing earned and contributed revenues within each representative context.

It was found in this study that practicing arts administrators, researchers, policymakers, and instructors consider the five change management capacities identified above to be important to the cultural sector in each of the cases – albeit to varying levels and understood differently depending on local context. These individuals’ informed judgments were further substantiated by evidence of changes in cultural policy and revenue patterns, as well as data acquired through artistic programs, cultural statistics, government documents, conference proceedings, job descriptions and advertisements, newspaper articles, and other secondary research. In each case, data was acquired from research participants representing professional managers of major classical music organizations, university arts administration training programs, professional development programs, cultural policy research institutes, and national/local cultural ministries and councils.

The ways in which systemic change affects the functions of international diplomacy, national policy, and organizational administration in the cultural sector were assessed. Some constructive ways were found in which arts administrators are responding to changing systemic demands, but arts administrators are lacking knowledge and skills to fully address new challenges and opportunities. New systemic demands and the need for new change management capacities suggest a requirement for new training approaches. Such training approaches would need to find
a way to educate arts managers in both “global” capacities or functions (e.g., the change management capacities listed above) and “local” skill sets particular to the specific environmental context in which they are working.

Throughout the dissertation, it is explored whether there is a mismatch between new demands in the cultural sector and characteristics of current arts administration training as indicated in figure 1.2. The five change management capacities are placed in this figure as they might most closely correspond with changing demands in the cultural sector, but these competencies would often imply more than one issue focus. As such, multiple interlinkages and interdependencies should be considered.

As illustrated in figure 1.2, a shift in the world system due to the forces of globalization may call for capacities in managing international cultural interactions and in representing cultural identity – capacities that are neglected in the current domestic focus of arts administration education. Similarly, with multiple changing cultural administration opportunities due to a broadening and more inclusive concept of culture, a focus solely on management in the fine arts sector would be insufficient. Funding systems for the arts and culture vary dramatically according to factors such as cultural policies of the nation or community, historical patterns, institutions, and overarching public preferences, but new patronage systems and tools of arts funding must be taken into account throughout the world. Cultivating a sustainable mix of public vs. private and earned vs. contributed revenues is a major challenge for cultural administrators everywhere. Finally, the most nascent and unarticulated of the paradigm shifts – that of the shifting cultural policy system – might invoke the most critical changes in arts administration education, as cultural administration leaders in the future might be increasingly required to function effectively in organization, national, and international spheres of activity.
1.3 Overview of the Dissertation

This introductory chapter articulates the character of the research problem to be addressed in this study and presents evidence as to the existence and dimensions of the problem. Following this introduction to systemic change taking place in the cultural sector, and brief discussion of the change management capacities identified as vital to the field, chapter two presents an overview the current state of arts administration training in North America and Europe. Chapter two introduces arts management as a professional field, describes the development of formal higher education in arts administration, and presents comparative curricular considerations in formal arts administration training programs. It is proposed that the current state of arts administration training is inadequate, narrow, and premised on outdated funding models. The paradigm shifts discussed in chapter one are clarified in terms of implications for the training of arts administrators with attention to the situation in both the U.S. and abroad. Finally, a schematic of training options in the field is presented.

Chapter three begins to discuss research methodology and the selection of three comparative case studies: Columbus, Ohio/USA; Vienna, Austria; Budapest, Hungary. It is explained why these three comparative cases were selected, in terms of the problem statement and in terms of analytical expectations. These cases were selected because it was expected that they would each highlight different aspects of the problem and because it was expected that they would display interesting problem similarities but different political, economic, and educational contexts which affect the ways in which each nation is trying to address the problem. There are other kinds of similarities and differences to be developed the course of my analysis – such as different cases exhibiting being in different stages of response to the problem, or using different strategies/approaches to address the problem, or different cases exhibiting a varying emphasis on each of the four paradigm shifts.
<table>
<thead>
<tr>
<th>Focus of Current Formal Arts Administration Education</th>
<th>Paradigm Shifts (Systemic Change) in the Cultural Sector</th>
<th>New Demands in the Cultural Sector</th>
<th>Proposed Capacities for Managing Systemic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic focus</td>
<td>Shift in the world system due to globalization.</td>
<td>The impact of globalization, with glocalization and global interculturalism as preferred local adaptation or filter to global forces.</td>
<td>Managing international cultural interactions (ICIs)</td>
</tr>
<tr>
<td>Fine arts sector</td>
<td>Shift in the arts system: a growing awareness that boundaries are blurring among the fine, commercial, applied, heritage, and amateur arts segments.</td>
<td>The sector’s scope is broadening from “arts” to “culture.” The former emphasis on quality and access is broadening to include creativity.</td>
<td>Promoting innovative methods of audience development</td>
</tr>
<tr>
<td>Organizational administration</td>
<td>Shift in the cultural policy system: a growing awareness that national and international policy constraints affect arts organizations.</td>
<td>The sector’s spheres of activity are expanding from the organizational sphere to also include a focus on national and international policy.</td>
<td>Exercising effective strategic leadership</td>
</tr>
<tr>
<td>Outdated arts funding model</td>
<td>Shift in the funding system: changes in economic assumptions and resources.</td>
<td>New funding models reflect changes in mix of public vs. private and earned vs. contributed income. There are new patronage systems, as well as changed means and tools of arts funding.</td>
<td>Fostering a sustainable mixed funding system</td>
</tr>
</tbody>
</table>

**Figure 1.2:** Managing Systemic Change in the Cultural Sector
Chapter four provides specific details regarding my research strategy, research design, data collection methods, data collection process, validity techniques, and research instruments. Given the information developed in the prior three chapters, the research strategy and tools are discussed in detail, explaining the instruments used in research efforts. The kinds of information that were to be gathered are explained, as are the selection and implementation of information-gathering methods. The methodological problems that were anticipated are described, as well as planned methods to handle them. Cross-national comparative elements to be accommodated are also addressed.

Chapter five presents the first of the three case studies – Columbus, the “referential” case study – to be followed in the subsequent two chapters by Vienna and Budapest – the main focus of the investigation. The case studies are presented in parallel content and structure; the factors and process of inquiry in all three cases were identical. Each case provides deep description of systemic change in that city’s cultural sector, change management capacities that are called for in that environment, and training options to address the need for new skills and capacities. The individual cases focus in examining the relationships and dynamics of change in the cultural sector in that city; little is provided in this deep description in terms of direct comparison to the other two cases.

Chapter eight, the final chapter of the dissertation, provides a summary of key findings from each case study, comparing and contrasting this evidence in a discussion of the ways in which each case study was particularly instructive. After this comparative analysis of key findings, the chapter turns to an analysis of the nature of the disconnect between changing demands in the cultural sector and current educational approaches, culminating in a needs assessment for future education in the field. A new Systemic Capacity Building educational model is proposed. Then, the chapter returns to the main proposition of the dissertation, outlining
answers to the research questions and reassessing the preliminary expectations. The dissertation concludes with generating several new propositions and a discussion of avenues for future research.
2.1 Introduction

In North America and Europe, arts management has evolved as a specialized academic field over the past 35 years. Three types of training options currently exist in the field: (1) formal higher education training programs (university degree-granting programs); (2) professional development programs (non degree-granting programs, workshops, seminars); and (3) practical on-the-job training (internships, technical assistance, in-house organizational training programs, practical experience). In this chapter, it is demonstrated that formal training programs in North America and Europe are, in general, becoming aware of major changes in the contextual environment within which arts organizations operate. New systemic demands and the need for new change management capacities suggest a need for new training approaches.

To begin, it is important to take a look at current training in arts administration as described in specialized literature in this field, information available through the Association of Arts Administration Educators (AAAE) and the European Network of Cultural Administration Training Centres (ENCATC), and extensive Internet research. Additional data was acquired through a survey conducted on international content in arts administration training programs in
spring 2001. While considerable extant research is available regarding formal higher education programs, data pertaining to professional development programs and practical on-the-job training is virtually non-existent.

An assessment of current training in arts administration can be presented from varying perspectives. It is possible to look at the number, structure and scope of training programs currently existing or being developed in North America and Europe. One could conduct a comparative assessment of curricular structure and thematic areas of instruction. Or, one could explore in depth teaching methods and instructional materials to determine the match of current training to demands in the cultural sector. I have addressed the first two approaches through a literature review and exploratory research conducted for the dissertation. However, the third approach – in-depth analysis of instructional methods and materials – will likely provide the only accurate and reliable means to assess the current state of arts administration training. This approach was used in this dissertation research (see chapter four).

This chapter briefly describes the evolution of arts administration as a distinct field of study over the past 35 years and presents an overview of formal higher education in arts administration in North America and Europe. Goals and training outcomes articulated by both AAAE and ENCATC are discussed. Key curricular components currently offered by university-level training programs are identified through a comparative analysis of program descriptions, extant research on the subject, and data acquired through the spring 2001 survey. Then, discuss potential problems with the current focus of arts administration training are discussed with reference to its mismatch to the five key change management capacities identified in chapter one. Finally, this chapter turns to a discussion of other types of training options and constructs a preliminary framework for identifying and assessing professional development programs and on-the-job training.
2.2 Arts Management as a Field

2.2.1 What is an Arts Manager?

“Modern arts management is based … on the mediation of internal artistic expression with the external public” (Bendixen, 2000, p. 12). While the function of mediating between artists and the public has existed for over 2,000 years, the rise of arts management as a specialized field of study and a profession began in the second half of the twentieth century, primarily in North America and Europe. The proliferation and growth of professional arts organizations and public art agencies over the past 35 years created a significant demand for effective management. Arts management came to be generally understood as the management of professional nonprofit or public arts and culture organizations. In more recent years, however, arts managers have come to be employed by a wide range of non-profit and for-profit organizations in music, theater, opera, dance, museums, literature, arts/humanities councils, presenting organizations, service organizations, theme parks, broadcast media, the film industry and the recording industry (Byrnes, 1999, p. 1-25)

In North America, the terms arts management, arts administration, and cultural management are currently used interchangeably. The European equivalent term typically translates to “cultural management” in English. North American arts administrators may be becoming more aware of the difference between traditional fine arts management and more broadly construed cultural management, as the focus on fine arts (“high”, non-profit, heritage, public sector arts) widens to be more inclusive of the entertainment industries, applied arts, media, and amateur arts. As Sikes (2000) states, “arts administrators have a better chance of future employment if they understand they are in the culture industry” (p. 92). The distinction between arts management and cultural management remains fuzzy, but might best be understood in North America and Europe as described by Bendixen (2000):
Arts management … refers to conventional art such as theatre, opera, music, dance, fine art and literature, but should be understood as also embracing innovative forms of art. Much wider in range is the term cultural management, which includes cultural tourism, events such as folk festivals, cultural heritage and neighbourhood centres. Cultural management can also be focused on the material culture of the industrial sector, and may include commercial projects shaping markets for industrial commodities (p. 12).

It follows from this concept that management of the fine arts takes place within a broader context of the management of culture. Culture, in its current and most widespread use, “describes the works and practices of intellectual and especially artistic activity” (Raymond Williams, as cited in Chong, 2000, p. 291). This dissertation focuses on the changing demands of managing the fine arts, as traditionally defined, within this more inclusive understanding of cultural management. In this dissertation, arts management or arts administration refer to management practices in the fine arts sector, whereas cultural management refers to management practices pertaining to more broadly defined demands in the cultural sector.

2.2.2 Indicators of an Arts Management Field

According to Evard and Colbert (2000), evidence suggests that arts management is becoming a distinct field best understood as a major subfield of management. Several indicators may point to its increasing institutionalization. These indicators include research published in specialized refereed journals as well as in other major discipline-based and interdisciplinary journals, regular academic/scholarly conferences in the field, development of arts administration textbooks and reference materials, expansion of domestic and international professional networks in the field, and the growth of specialized training programs. In spite of a long legitimacy crisis brought about by the inherently antithetical concepts of ‘art’ and ‘management’ (Chong, 2000; Bendixen, 2000), arts management today appears to be gaining recognition in both professional and academic spheres. Evard and Colbert (2000) contend that “arts management is situated at the
intersection of a theoretical structure (management) and a sector (the arts) thus making it possible to talk about a subdiscipline that is distinct from management” (p. 9). While arts policy and cultural economics are generally understood as areas of scholarship closely related to arts management, Evard and Colbert (2000) suggest that close neighboring fields also include tourism, sports, and communication.

2.2.3 The Evolution of Formal Training Programs in Arts Administration

Along with evidence of specialized journals and conferences, the development of formal training in arts administration may be viewed as an important indicator of the establishment of arts management as an academic field. In the United States, the late 1960s and early 1970s – during the same time period as the formation of the National Endowment for the Arts – marked the beginning of arts management as a field. According to Chong (2000), “the Harvard Business School (HBS) and the best-selling and influential Harvard Business Review (HBR) served as tandem vehicles for two early and prominent proponents of the value of management expertise in the arts” (p. 295). The Arts Administration Research Institute was founded at the Harvard Business School in 1966. The Harvard Summer School Institute in Arts Administration started in 1970 and was to continue until the early 1980s.

Yale University, however, is generally credited with having created the first university program in arts administration, a concentration in art administration launched in 1966 as part of its master’s degree in fine arts. Several similar programs in other countries were initiated in the late 1960s, most notably City University in England in 1967, St. Petersburg Theatre Arts Academy in Russia in 1968, and York University in Canada in 1969. A period of slow growth in arts management training programs from 1966 to 1980 was followed by rapid growth in the field from 1980 to the present. By 1980, approximately thirty university-level arts management
training programs existed (the vast majority in North America and Europe). This number of programs stood at about 100 in 1990, and a count conducted in 1999 placed the total number of programs at close to 400 (Evard & Colbert, 2000, p. 11). This total number includes short-term professional development programs for managers, undergraduate degree-granting programs, and graduate level degree-granting programs. The dramatic growth of arts management as an academic field around the world has led to recent publication of several important references which may be used as textbooks in university-level training programs.

A glance at the “full member” category of membership of ENCATC and AAAE provides a good estimate of the total number of university-level (mostly graduate-level) formal training programs in Europe and North America. In Europe, the current number of such programs is 70; in North America, 50 (Source: both organizations’ Websites). These programs include both broadly-oriented arts management programs and discipline-specific programs such as museum management or theatre management. Of the AAAE’s 50 full member programs, for example, 5 focus on specific art forms, and 12 are undergraduate programs. While arts administration training programs were founded on a regular basis throughout the 1970s and 1980s in North America, the creation of many higher education training programs in Europe started considerably later. In 1987, the Bonn-based Zentrum für Kulturforschung and the Cultural Information and Research Centres Liaison in Europe (CIRCLE) jointly organized the first European conference in Hamburg on arts management training programs. This conference, titled “Culture: administration & qualification” led to a 1992 CIRCLE report which addressed the history, trends, and projections for arts administration training in Europe. The majority of European arts management training programs were established during the 1990s, benefiting from lessons learned from the evolution of American programs. Research data on new arts administration training programs in other regions of the world as well as discussions with arts administration educators from diverse regions of the world reveal that new programs commonly look to the more established programs
in Europe and North America for models of training programs to adapt to their home environments (Watanabe, 2001; Chen, 2001; Beck & Epskamp, 2000).

While it is not clear at first glance whether training programs being established in other regions of the world are equivalent in structure and content to the more established higher education programs in North America and Europe, it is noteworthy to consider that most of the programs in other parts of the world were established within the past decade. International organizations are also beginning to play a significant role in encouraging training and international cooperation in the development of cultural management skills around the world. For example, UNESCO’s Cultural Policies for Development unit specifically addresses capacity building in cultural policy and management as an agenda item and has established several programs and initiatives to meet this need (Source: various UNESCO reports, 1998-2001).

2.2.4 AAAE and ENCATC

Two international organizations have played a crucial role in the development of arts administration education as an academic field: the USA-based Association of Arts Administration Educators (founded in 1975) and the Western Europe-based European Network of Cultural Administration Training Centres (founded in 1992). “The AAAE was created to provide a forum for communication among its members and advocate formal training and high standards of education for arts administrators. The Association, moreover, encourages its members to pursue, publish, present and disseminate research in arts management and administration to strengthen the understanding of arts management issues in the academic and professional fields” (Martin, 2000, p. 123). Its sister organization, ENCATC, presents its mission and organizational goals as follows (ENCATC Website):

The mission of ENCATC is to lead the way in the development of cultural management within the context of great changes in the fields of culture, arts, and media.
Our aims are:

• To create an environment favourable to all institutions and professionals in the field willing to share experiences, exchange practices and to set up partnerships at a transnational level;
• To combine the diversity of its members, promoting examples of good practice, supporting the improvement of quality amongst its members, encouraging the establishment of forms of permanent co-operation and partnership between members;
• To bridge the perceived divide between education, training, research and professional practice in cultural management;
• To establish close co-operative links with cultural managers to further develop a theoretical base and cultural management learning which is firmly rooted in practice and to create an arena in which they can reflect on and develop their work;
• To forge creative partnerships with arts and media organizations across the cultural industries;
• To be an independent and effective umbrella organisation which supports its members and lobbies on their behalf on a national and an international level, addressing their needs to opinion leaders and decision makers who can exert influence on research and development activities in the field of cultural management.

ENCATC explicitly states the need to respond to “great changes in the fields of culture, arts and media” in their mission statement (although nowhere is it explained what the organization means by “great changes”). The “aims” listed above appear to be the steps the organization feels are necessary for the organization to take in to address change in the sector. ENCATC currently has 104 member institutions from 32 European countries, with some U.S. membership as well. The AAAE currently has 50 full member institutions, mostly from the United States and Canada.

Evidence of research, specialized publications, conferences, higher education training programs, and supporting organizations in the field of arts management all point to this new field taking shape throughout the world. While the number of programs and students in this field has grown dramatically over the past two decades, it is important to note that most programs appear to be under-resourced. That is, these university programs are typically run by one faculty member, relying heavily upon interdepartmental collaboration and adjunct instructors (Source: Internet research on AAAE and ENCATC member programs). This paper now turns to an analysis of current curricular considerations in arts management.
2.3 Curricular Considerations in Formal Higher Arts Management Education

2.3.1 Assessing the Importance of Formal Education

Over the past two decades, several significant publications have appeared in North America and Europe regarding higher education curriculum in arts management (Jeffri, 1983; Hutchens & Zoe, 1985; DiMaggio, 1987; Wiesand, 1991; Dorn, 1992; Rauhe, 1994; Mitchell & Wiesand, 1994; Fischer et al, 1996; Martin & Rich, 1998; Sikes, 2000). Studies pertaining to the formal training of arts administrators began in the early 1980s, with an article summarizing key issues expressed by representative program directors of the then 23 existing graduate-level degree-granting programs in the United States during a roundtable discussion (Jeffri, 1983). At that time, when arts management was in its infancy as a field, key issues revolved around defining the field and determining appropriate curricula or programs of study. These issues still remain highly contested topics. Where Jeffri (1983) suggests that, with the hybrid character of the discipline, training programs include coursework in aesthetics and the philosophy of art, Hutchens and Zöe’s (1985) study of arts administration curriculum is focused on assessing management skill requirements as indicated important by directors of graduate arts administration training programs, arts administrators employed in the field, and board officers responsible for hiring arts managers. DiMaggio’s (1987) study of arts administrators is based on data compiled during the late 1970s and early 1980s and is considered to be the first national study of the learning experiences of working arts managers. This study revealed that arts managers at the time learned arts management functions on the job and viewed formal training with much skepticism. Although the arts managers who entered the field during the 1970s considered formal training unhelpful, DiMaggio (1987) reported that the number of aspiring managers undertaking formal training was rising and that individuals entering the field appeared to be better trained. A review of the Survey of Arts Administration Training 1991-1992 published by the American Council for...
the Arts shows that higher education curriculum developed in the United States during the 1970s and 1980s came to focus almost exclusively on business skills, with only little – if any – education in the arts and aesthetics. As Dorn (1992) points out, the field of arts administration had become “ruled by the necessity of viewing art more as a business rather than as a cultural force influencing the quality of American life” (p. 247).

In 1992, Dorn wrote that “what the concerns of professionals and the figures reported suggest is that there is no coherence in the concepts held by practitioners, scholars, or educators in arts administration that can offer a model for the conduct of arts administration research, or provide a concept for the formation of a community of shared beliefs that can be transmitted through programs of study that prepare members to participate in the field” (p. 246). In the late 1980s and early 1990s, similar sentiments were expressed by the growing community of arts administration educators in Europe. The first international conference on cultural management was held in Hamburg in 1987, at which time scholarship on defining arts management in a European context began to appear. The list of recommendations formulated during the 1987 conference articulated five goals: (1) to hold meetings of experts, (2) to invest in research and documentation in the field, (3) to promote exchanges among individuals and institutions involved in training, (4) to develop new activities in international organizations involved in the field, and (5) to establish an international association in arts management (Leroy, 1996). The 1992 CIRCLE report published on the training of professional managers for the arts in Europe and the founding of ENCATC in the same year were significant steps forward in achieving these goals and marked the beginning of major growth in the number of arts management training programs throughout Europe. A banner year for the arts, 1992 also brought official European Union recognition of the importance of the cultural sector through Article 128 of the Maastricht Treaty.

A pressing concern to arts administration educators throughout the 1990s was how to define “European” styles, dimensions, and qualifications of cultural management. The papers
compiled in Training for Tomorrow: Arts Administration in Europe (Fischer et al, 1996) – from the second Hamburg conference on the topic held in November 1994 – reveal the status and concerns of arts management education in Europe by the mid-1990s. Deru (1996) outlines several trends in the field. First, he suggests that the debate on whether or not training arts managers is important had ended. Second, managerial skills such as marketing and fundraising which had originated in Anglo-Saxon nations had become increasingly important throughout Europe. Third, the European dimension of cultural management had become increasingly important, and was encouraged by programs run by the Council of Europe, the Commission of the European Union, and UNESCO. Fourth, the number of countries with arts management training programs had increased from 15 in 1992 to 25 in 1994, with the greatest number of newcomers from Central and Eastern Europe. Finally, he points to the encouraging trend of ongoing cooperation between higher education training programs in Western and Eastern Europe.

Scholars began to argue that “training should take into account the social and cultural environment and context – national, European and global” (Mitchell, 1996, p. 33). An astute awareness of the European environment in which arts managers operated by the mid-1990s was expressed as follows:

We are living in a multicultural Europe, and arts managers have to be very sensitive to different types of cultural expressions/needs and not only to the mainstream European culture. … The whole society is changing, not only in a democratic way; and even the politics and financing are getting increasingly complex. Because of the interdependence of European countries professionals are no longer working only at the national level. Arts managers and cultural administrators will have to know what is going on in other European countries and at the pan-European level; they have to know that everything what is decided in Brussels affects their own work in one way or another – EC laws and legislation etc.; and even that what happens for example in Germany may, and actually does affect the future position of the cultural workers in Finland, too. The profession of an arts manager is an extremely complex one in present day Europe when we are losing our old values and most of us are no more having only one identity, but multiple identities – and many realities as well. Cultural administrators and arts managers will have to accept that they too must have many identities and many roles in order to respond to all of these realities and service well their customers and society as a whole (Mitchell, 1996, p. 32).
Some training programs in Europe began to actively integrate “European” components of coursework and research into their nationally-focused institutes (Heinrichs, 1996; Hofecker, 1996; Raue, 1996; Leroy, 1996; Rémer, 1996) and began to consider ways in which university degrees and other training qualifications in the field might be recognized throughout Europe (Wiesand, 1996). At the Hamburg conference of 1994, Deru (1996, p. 147) suggested that three major policies be pursued to foster the development of arts management as an academic discipline in Europe: (1) enhanced mobility of students, trainee professionals and trainers; (2) expanded cooperation between training centers; and (3) increased financial support for arts management training programs through recognition of the multiplier effects of these programs.

By the mid-1990s, it was evident that arts management had gained significant recognition and respect as an academic field in both North America and Europe. Other regions of the world had begun to create similar programs, often inspired or emulated from their American or European counterparts. International interest in the field was demonstrated through the EU’s Maastricht Treaty, activities of international organizations, participation in international networks and conferences in arts administration education, and an increasing number of publications based on research on formal arts management training. The field on both sides of the Atlantic had quickly progressed from infancy to adolescence.

2.3.2 Harmonization of Training Outcomes

Throughout the 1990s, European and North American scholars alike eschewed standardization of arts management training, arguing that differences in cultural environments would make such standardization of skills impossible. The discourse in both regions began to turn to acceptable forms of potential harmonization in the field. In the early 1990s, several leading European scholars in arts administration education began to study the responsibilities,
personal qualities, professional skills, knowledge requirements, and formal education opportunities of arts managers (Wiesand, 1991; Mitchell & Wiesand, 1994; Rauhe, 1994). In the mid-1990s, Martin and Rich (1998) conducted an extensive study on the role of formal education in arts administration training in the United States. This skill-based survey revealed that a combination of formal training and on-the-job experience was considered by respondents to be best suited to professional arts management. Skills considered to be “best learned” in the classroom included statistical analysis, accounting, computer programming, contract law, communications skills, financial management, information management, strategic management, budgeting, and collective bargaining. This survey also showed that, with growing professionalism of the field, formal arts administration training was becoming preferred by a significant majority of arts institutions.

In assessing the curriculum and goals of arts administration training programs in North America in the mid-1990s, Martin and Rich (1998) stated:

Today, there are approximately thirty-four programs across the United States and Canada offering graduate degrees in this field. Some offer comprehensive training in arts and entertainment management. Others have a specific focus such as theater, visual arts, or state and community arts agencies. Regardless of the focus, graduate programs in arts management seek to teach the methods and skills needed to function effectively in the increasingly complex environment of today’s cultural institutions and businesses. They also attempt to educate students to appreciate the value of the arts; to understand the economic, technological, social, and political climates in which arts organizations operate; and to anticipate the challenges and opportunities of the future (p. 5).

The study conducted by Martin and Rich (1998) was significant in its attempt to assess the match between specialized formal higher education and the skills required by professional nonprofit arts managers, as well as potential training needs in the future. Building on similar studies conducted in the 1980s (Hutchens & Zöe, 1985; DiMaggio, 1987), this demand-side analysis has led to a field-wide interest in outputs and outcomes of formal arts management training.

Since arts management scholars and practitioners in North America and Europe tend to reject approaches to standardization of training in the field (i.e., the input side), it follows that an
interest in harmonization might best be achieved through a focus on the outcomes of training (i.e., the output side). This approach points to a growing functionalist approach to the field, that is, a focus on the functions of professional arts administrators. In North America, consensus cannot be reached on specific knowledge and skills to be instructed in degree-granting training programs, seemingly because the orientation, disciplinary emphasis (e.g., economics, policy, management, education) and faculty interests of each program vary considerably. It appears that a common core curriculum for this field would be virtually impossible to define. However, a focus on the necessary functions, or capacities, in arts management may be a more acceptable approach toward harmonization of arts management education.

A step forward in this functionalist approach is the AAAE’s current ongoing discussion of *Outcome Standards for Programs in Arts Administration* (see Appendix A). While not official standards *per se*, general agreement on these recommendations for educational outputs seems to be in progress among directors of formal training programs in North America. As a handout for a panel discussion on shared competencies at the 2002 AAAE conference stated:

> An increasingly mature arts industry, functioning in a world of high finance and rigorous accountability has led to a critical need for a well-trained and sophisticated workforce, a workforce prepared to serve organizations with a combination of aesthetic sensitivity and business savvy. It is in response to this need that academic arts administration programs have developed. … It is also clear that arts administration educators are still challenged to continue to develop core curricula which meet emerging needs, to provide meaningful practical experience so valued by potential employers, and to develop a method for determining and communicating exactly what it is those employers can expect from our students. It is essential that we not find ourselves reacting to pressure, taking instead a strategic leadership position in establishing professional standards in the field (AAAE Panel on Shared Competencies handout, April 11, 2002).

The document in Appendix A describes suggestions for priorities of foundational knowledge in undergraduate programs, an understanding of the context in which managers of arts organizations work, and core competencies to be achieved through graduate study in the field. However, looking through a recent AAAE *Guide to Arts Administration Training & Research* (2000) does not show an obvious match between these “outcome standards” and current
curricular structure and content of training programs. It may be assumed that the general arts administration training outputs recommended by the AAAE vary considerably in the nature, extent, intensity, and methods through which they are integrated in the curriculum of highly diverse training programs.

An additional disconnect appears to exist in the AAAE’s current discussion of outcome standards because of a generational shift in the leadership of the association and its member programs. At precisely the time that “change management” is a buzz word in the arts and culture sector, faculty with decades of experience in the field are attempting to codify in some form the training approaches that they have developed over the years. No significant attempt, however, is being made to systematically assess the match between current training approaches and changing environmental factors in the field, despite the realization and acknowledgement that dramatic and turbulent change is indeed occurring in the cultural sector.

A glance at Appendix A reveals that the AAAE member organizations – primarily graduate-level programs – recognize that arts administration training with a research focus on policy, education, or economics is not fully captured by the management model that has been developed over the past 35 years. Emerging and developing programs that differ significantly from the management model of arts administration training are currently marginalized, although such gaps in the focus of training may indeed need to be more fully addressed if change management capacities are to be cultivated in arts management leaders of the future. It may be argued that developing outcome standards based primarily on the management model – at precisely the time that major transformations are becoming recognizable throughout the cultural sector – may not be best suited to managing systemic change. Indeed, the management model of arts administration training is insufficient, yet is becoming institutionalized.

A useful functionalist approach to training in arts administration was brought forward by Sikes (2000), who asserts that the metaphorical roles of professional arts managers may best be
described as warrior, explorer, and architect. He concludes that university programs in arts administration should respond to the demands of these roles by providing training in three key areas:

1. The warrior metaphor suggests that leadership and strategic planning skills, as well as skills in politics and government, advocacy, and law are required. He emphasizes that cross-disciplinary, visionary and entrepreneurial skills are particularly important to the cultural sector.

2. As an explorer, arts managers are able to respond to the explosion of global cultural activity, multiculturalism, and increasing demands of fields such as cultural tourism.

3. Arts managers as architects must have a deep understanding of institutions, political science, history, and the policymaking process. He stresses that issues of cultural pluralism, diversity, access and equity are of particular importance to cultural managers.

Sikes’ (2000) metaphorical approach is largely based on the arts policy and management environment in the United States and does not suggest specific curricular approaches to operationalize formal training. Nonetheless, such a metaphorical approach may be very useful for arts management education around the world through its inherent strength in adapting to policy constraints and skills required in any given environment.

Drawing on the functionalist “outcome standards” under discussion in the AAAE and the metaphorical approach suggested by Sikes (2000), the next section of the paper will turn to a comparative study of curricular content in North America and Europe.

2.3.3 Comparative Curricular Content

As previously stated, the way in which the “output” or functions of arts management are translated into course offerings varies considerably among university-level degree-granting arts
administration training programs in North America and Europe. However, it is possible to group current curricular content into 11 major areas with possible corresponding course topics as listed in figure 2.1. This list is not exhaustive, but reflects curricular content that is commonly found in member institutions of the AAAE and ENCATC.

The list provided in figure 2.1 is further substantiated by exploratory research of curricular content in an international survey conducted in spring 2001. This survey, which focused on international content in university arts administration training programs, utilized purposive sampling to assess the importance of, need for and obstacles to development of international coursework in cultural management training programs. Half of the responses came from North American training programs; half came from training programs in other geographic regions (mostly Europe). Please see Appendix B for further details regarding the survey process and respondents.

The exploratory survey revealed that the 23 responding programs represent a wide range of university schools or departments in which they are housed. Key curricular findings from the survey are presented below:

- Arts disciplines covered by most programs include dance, theatre, music, opera, literature, and visual arts. Additional arts disciplines listed by survey respondents are:

<table>
<thead>
<tr>
<th>Arts Centers</th>
<th>Cultural Work</th>
<th>Heritage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts Councils</td>
<td>Crafts</td>
<td>Historic Preservation</td>
</tr>
<tr>
<td>Chinese Opera</td>
<td>Film</td>
<td>Libraries</td>
</tr>
</tbody>
</table>

- All programs discuss “High Art” and “Popular Culture” within their coursework.

18 of the 23 programs discuss “Media Arts.”
____ Principles of Arts Management

____ Specialized Arts Management
    Visual Arts, Performing Arts, Media, Heritage, Preservation, Folk Art,
    International Arts Management

____ Development
    Fundraising, Grant-writing

____ Marketing and Communications
    Marketing, Sponsorship, Public Relations, Writing, Audience Development

____ Leadership and Human Resources
    Governance, Trusteehip, Volunteer Management, Strategic Planning, Decisionmaking,
    Team Building, Project Management, Human Resources, Labor Relations

____ Arts/Cultural Policy
    Advocacy, Political Science, Public Policy, Cultural Economics

____ Financial Management
    Finance, Accounting, Budgeting

____ Law and the Arts
    Contract Law, Copyright Law

____ Technology and Information Management
    Computer Systems, Programming, Statistical Analysis

____ Aesthetics and Cultural Theory
    Aesthetics, Sociology/Philosophy/Theory of Culture

____ Research Methods and Applications

**Figure 2.1:** List of Curricular Content in North American and West European University Arts Administration Training Programs
• Core arts administration courses are most commonly taught in the following areas

(16-23 “yes” responses):

Principles of Arts Management   Financial/Accounting Management
Fundraising and/or Grant-writing   Governance and Trusteeship
Sponsorship   Leadership/Planning/Decisionmaking
Marketing the Arts   Human Resources/Labor Relations
Arts Entrepreneurship   Arts/Cultural Policy
Law and the Arts   Technology and Computer Systems

• Specialized arts administration courses are less commonly taught in the following areas

(9-15 “yes” responses)

Performing Arts Management   Media Management
Visual Arts Management   Research Methods

• Additional specialized arts administration courses specified by respondents are:

Art History   Strategic Planning
Communications Policy   Aesthetics
Community Arts   Sociology of Culture
Cultural Economics   Management in Arts & Media
Heritage Management   Cultural Theory
Historic Preservation Planning   Development
Latin American Cultural Cooperation   Preservation of Art Collections
Music Business   Folk Art Studies
Philosophy of Culture   Specialized Non-profit Courses
Project Work   Philanthropy

The lists of curricular content provided through the survey findings indicate that North American and European arts administration training is very similar in coursework offerings. Responses also suggest that non-North American programs tend to include coursework in heritage, preservation, art history, aesthetics, cultural theory, and sociology/philosophy of culture more often than programs in North America do. The main focus of the survey, internationally-oriented coursework, appears to cluster in emphasis on either international policy issues or
administrative/management demands. Most commonly, programs which offer specific courses pertaining to international arts administration also offer courses which include segments with an international focus.

With regard to international coursework, North American responses tend to emphasize the need for better materials; international programs indicate a strong need for international cooperation. Lack of funds, lack of international cooperation, and lack of materials may be identified as the primary barriers to implementation of international content in arts administration training programs. Additional obstacles may include the extent, number, and breadth of content currently included in specialized arts administration courses currently taught in the program. These barriers to integration of international content in coursework may be assumed to pose similar obstacles to introduction of other new knowledge and skills in the key competency areas outlined by the AAAE and Sikes (2000).

So is there a match or a mismatch between Sikes’ (2000) metaphorical capacities or the AAAE’s “outcome standards” and current curricular design of formal arts management training programs in North America and Europe? This may be the wrong question to ask. A focus on curricular structure and thematic areas of instruction might not reveal whether or not key functions of arts management are being adequately addressed. Rather, it may be much more useful to systematically assess course syllabi, materials, teaching methods, and assignments to determine whether current training is suited to meet the demands of any given context. In other words, while the general curricular structure may be appropriate to the practice of arts management, the actual content of current formal arts administration training might not meet changing demands in the field. The match between new arts management functions, curricular design, specific coursework, and training outcomes would best be evaluated on a case-by-case basis, within the overarching framework of common educational practices in the field in both
North America and Europe. Such an approach would offer a tremendous opportunity for cojoint learning among AAAE and ENCATC member institutions.

2.4 Problems with the Focus of Current Formal Arts Management Education

2.4.1 The Need to Meet Changing Needs

As the ENCATC mission statement demonstrates, leading scholars in arts management are aware of “great change” taking place in the cultural sector. Is current training suited to meet these changing demands? In chapter one, it is proposed that four major paradigm shifts are taking place which affect or produce systemic change in the cultural sector: (1) the world system; (2) the arts system; (3) the cultural policy system; and (4) the arts funding system. As was demonstrated, considerable evidence of these paradigm shifts in the cultural sector exists.

Despite the demands of these systemic changes, however, current university-level arts administration training – evident in curricular content of member programs of AAAE and ENCATC – seems to still generally focus on (1) the domestic environment; (2) the fine arts sector; (3) organizational administration; and (4) outdated arts funding models. The AAAE’s “outcome standards” (Appendix A) and the ENCATC mission statement and “aims” both indicate awareness of the changing context in which arts organizations exist. However, the researcher’s personal experience with methods of training in both the United States and Central Europe, a review of popular instructional materials and references in the field (Byrnes, 1999; Kotler & Scheff, 1997; Pick & Anderton, 1996; Fitzgibbon & Kelly, 1997; Hopkins & Friedman, 1997; Chong, 2002; Hagoort, 2001; Radbourne & Fraser, 1996; Colbert, 2000), and the researcher’s professional experience as an arts manager on both sides of the Atlantic all suggest that a disconnect exists between the capacities required for managing change and current instruction in
arts management. Formal arts management education programs may be slowly becoming aware of systemic change in the cultural sector, but determination of the scope of changes required in the coursework materials and instructional methods as well as the application of these changes in the training programs has not yet been attained. It follows that the four-step process illustrated in figure 2.2 may be required to implement changes in course content in university arts administration training programs.

It is evident in the field that individuals are becoming increasingly aware of the need to respond to systemic change in the cultural sector (or at least that contextual demands are shifting), but analysis of the paradigm shifts taking place in the field and recommendations for how formal arts management training programs might respond are only just beginning. It would appear that four key problem areas corresponding to the paradigm shifts – as described below – exist in current formal arts administration education. In the case studies, these areas are explored in depth, focusing on instructional materials and methods rather than curricular structure, to assess the extent to which changes may be taking place in these problem areas.

Figure 2.2: Steps for Implementing Change in Curricular Design and Instructional Methods
Based on the earlier discussion of evidence of systemic change in the cultural sector, exploratory research on the AAAE and ENCATC member programs, the field’s current instructional materials, and personal experience, it may be argued that the following potential deficiencies in formal arts administration exist: a focus on the domestic environment; a focus on the fine arts; a focus on organizational administration; and a focus on outdated funding models.

2.4.2 Potential Problem Areas in Current Arts Administration Instruction

2.4.2.1 Focus on the Domestic Environment

First and foremost, the effects of globalization have made a curricular focus on managing arts organizations within a local or domestic environment inadequate. The spring 2001 survey conducted of international content in 23 arts administration training programs revealed the following responses to key questions regarding the importance of international content:

- How important are issues of international cultural management for your students?
  - Crucial – 2
  - Very Important – 7
  - Somewhat/Moderately – 14

- How important are issues of international curricular management for your field?
  - Crucial – 4
  - Very Important – 12
  - Somewhat/Moderately – 7

Responses to the survey showed that international curricular content is included in the curricular design of many programs through courses or course segments in comparative arts policy, courses on international topics, or special seminars or programs. However, closer examination of course topics showed, in many cases, that such content was limited to certain geographic regions (e.g., the European Union), to “transplanting” guest lecturers for specific coursework (e.g., American guest lecturers to teach marketing or fundraising in other countries), or short-term programs such
as summer study abroad. Moreover, barriers to responding to necessary curricular change in this area were listed as lack of funds, materials, room in the curriculum, and international cooperation.

Despite awareness of changing needs for international content in arts administration curriculum, implementation of changes in course design and materials only seems to be starting. Furthermore, while awareness of changes in the global context of arts management have been formally recognized by the AAAE and ENCATC, specific coursework recommendations and materials have not yet been created. As Hagoort (2001) states: “The global dimension of cultural organizations is not discussed in most cultural organizations or during training programmes on art management. In most cases, the cultural organization focuses entirely on the local or regional level” (p. 39).

In response to new demands of globalization, arts management training programs may wish to carefully consider various local methods or filters to global forces. Such “glocal” competencies may imply three specific functions, or capacities, for managing global change in the cultural sector. First, arts managers will need to acquire competencies to negotiate international touring and presenting, international trade, and cultural tourism. Second, arts managers may play an increasingly important role in cultural diplomacy, which requires the capacity to promote the arts as an element of foreign policy, diplomacy, and intercultural exchange. Third, arts managers will need to learn methods of adapting “foreign” management practices and policy system characteristics to the local context; they will need to assess what is similar and what is significantly different for adaptation to local conditions, for example, in marketing and fundraising practices.

2.4.2.2 Focus on the Fine Arts

With the overarching socioeconomic shift in Europe and North America from being driven by the industrial and service sectors to being driven by ‘knowledge’ and ‘information,’
creative competence is being increasingly recognized as a vital element of national competitive advantage. It is becoming widely recognized that the cultural sector (or “creative industries”) contribute significantly to cultivating creative competence within society (Florida, 2002; Cliche, Mitchell, & Wiesand, 2002; Hesmondhalgh, 2002; Caves, 2000). Fostering creativity is becoming a buzz word on many cultural policy agendas (Venturelli, 2000; Cherbo & Wyszomirski, 2000; Bradford et al, 2000), and this emphasis on creativity affects all members of the cultural sector: the fine arts, the entertainment industries, the applied arts, media, amateur arts, and arts education. Boundaries between disciplines are blurring as new public-private partnerships and collaborative projects between diverse groups in the cultural sector are being cultivated. Entrepreneurial and innovative marketing, education, and outreach programs are called for in such an environment. New relationships are evolving among the creator, artistic content, and the audience. Several popular arts management references and textbooks discuss the blurring boundaries of the cultural sector (Chong, 2002; Hagoort, 2001; Byrnes, 1999), but instructional content and approaches remains on the non-profit professional arts segment of the cultural sector.

Arts organizations recognize the importance of investing in cultivating audiences of the future. Current and future audience members may best be reached through new marketing tools such as targeted database management, other technological and communications tools, audience crossover from other disciplines in the cultural sector, and approaches such as experiential marketing. Opportunities for regional, national, and international cultural tourism – which range from entertainment theme parks to heritage touring to fine arts tourism – must be addressed by marketing and education personnel. In short, in order to be successful in the new creative economy, managers in the fine arts must be as familiar with the same environmental context, policies, and regulations that affect all other spheres of the cultural sector.
2.4.2.3 Focus on Organizational Administration

At present, arts management education is very inwardly focused on the management of non-profit arts organizations. Strategic leadership, however, would require ongoing awareness of changes in the context in which arts organizations exist and tools to both cope with change and contribute to an environment potentially more conducive to the sustainability and viability of the cultural sector. Such leadership would require active involvement not only in the organizational sphere, but also in affecting change and responding to change in national and international policy. This suggests the importance of knowledge and skills in political theory, economics, policy analysis, advocacy, and diplomacy. On of the most important capacities in arts administration may be the function of conducting effective strategic planning. Systemic shifts in the cultural sector may require fundamental changes in arts organizations’ strategic planning processes. The internally-driven three-m’s strategic focus on mission, money, and marketing will likely need to be reconceptualized to take constant change in environmental forces and factors into account. Furthermore, arts organizations will need to play an increasingly important role in advocating for positive conditions in the arts policy environment.

Indeed, it may become necessary to differentiate between “strategic planning” from “strategic thinking.” While contextual analysis for purposes of strategic planning processes is addressed at great length in arts management instructional materials (Byrnes, 1999; Hagoort, 2001; Radbourne & Fraser, 1996; Pick & Anderton, 1999), a process of constant strategic awareness and interaction with the policy environment seems to be lacking. While strategic planning in organizational administration will certainly continue to be a significant managerial function, new forms and approaches to strategic leadership may be necessary.
2.4.2.4 Focus on Outdated Arts Funding Models

The arts funding system in virtually all nations of Europe and North America is undergoing significant change. New funding models reflect changes in the mix of public versus private and earned versus contributed income, which may call for entirely new sets of fundraising, sponsorship, and marketing skills in some countries. Privatization and decentralization are significant trends taking place throughout Europe. Post-“Culture War” America is faced with new paradigms for federal, state, and local funding of the arts. Philanthropic patterns have changed dramatically with the recent economic downturn in the United States, as well as with shifting national priorities after September 11, 2001.

Each arts funding model must be examined as specific to the arts organization, arts discipline, local/state/local policies and institutions, funding traditions, and public preferences. However, drastic shifts in funding systems throughout the fine arts sector point to an overarching need to train arts managers in the capacity to increase earned and contributed revenues within any environmental context, as well as in ways to adjust an organization’s revenue strategy as the environment changes. Most popular instructional references in arts management discuss basic marketing and fundraising strategies (Byrnes, 1999, Pick & Anderton, 1996; Hagoort, 2001; Chong, 2002; Kotler & Scheff, 1997). These strategies are typically “borrowed” and adapted from mainstream nonprofit and for-profit scholarship, although several references attempt to develop approaches specific to the non-profit professional arts sector (Colbert, 2000; Hopkins & Friedman, 1997). European references in management practices to increase funding to the arts—through either marketing or development (sponsorship) functions—seem to be either direct translation from English-language references, or recently adopted and developed according to diverse European nation-state contexts. Developed over the past 40 years, the American model of aiming to maximize private earned and contributed revenues in support of the non-profit professional arts—and the tools and approaches in which to do so—appear to be spreading to arts
management leaders in many European nation states. But is this arts funding model really working in the United States, and is it sustainable in North America or in Europe?

### 2.5 Other Training Options

Research on other types of arts management training provided through professional development programs and on-the-job training is virtually non-existent. This appears to be a major gap in research in this field, especially since training acquired during employment is considered to be so important to professional arts administrators (Hutchens & Zoe, 1985; DiMaggio, 1987; Martin & Rich, 1998). The Martin & Rich (1998) survey suggests that a combination of formal classroom training and on-the-job training (e.g., internships, practical experience) is best. “In addition, arts managers have made a strong call for training programs to move beyond the traditional degree-granting structure and to create new packages of executive education programs for those in the field who cannot afford either the time or the money (or both) to enroll in a full- or even part-time program” (Martin & Rich, 1998, p. 23).

Non-degree training in arts management – whether acquired through executive education programs, seminars, workshops, consultants, internships, in-house organizational training programs, mentorships, or practical experience – appears to constitute significant new approaches to training in this field. In addition, these training options may be more responsive to the changing demands in the field, since needs expressed by professional arts managers might be specifically addressed through targeted training programs and workshops. Although research into such training options does not exist at present, it may be possible to begin to construct a framework for studying content and delivery of professional development and on-the-job training. Boundaries between various training options are very fuzzy; strict categorization may not be
possible. Nonetheless, a preliminary typology of training options in arts administration may be conceptualized along a continuum as illustrated in figure 2.3.

An exploratory examination of professional development and on-the-job training options in North America may be constructed as described below. Extensive online research in multiple languages would be required to formulate an equivalent European construct. Professional development training in both North America and Europe will be an important area of research to explore in further detail in the future.

![Figure 2.3: Continuum of Arts Management Training Options](image)

### 2.5.1 Professional Development Options in North America

A preliminary Internet search reveals that examples of many diverse types of professional development options exist for arts managers in North America. Executive education workshops and seminars are offered by some university arts administration training programs. Several university arts administration programs such as Carnegie-Mellon (Pittsburgh) and the University
of Waterloo (Canada) have extensive online course offerings. Harnessing the Internet for purposes of professional development is only in its infancy, but clearinghouse functions for information sharing are being encouraged through organizations such as the Center for Arts and Culture and Americans for the Arts (Washington, DC). The Banff Centre (Alberta, Canada) appears to be the only free-standing institute in North America that offers professional development programs in arts management. The new Vilar Institute at the Kennedy Center for the Performing Arts (Washington, DC) provides internships and fellowships that provide both classroom training and on-the-job experience.

In the United States, arts service organizations and arts councils provide a wide range of professional development options. Indeed, service organizations may demonstrate the first line of response to some changes in the cultural sector by organizing informational and peer comparisons and consultancies to share learning – it appears to take longer for new information to become included in curricular materials in formal training programs. Service organizations may offer fellowships, peer consultants, workshops, and information provided through conferences, publications, newsletters, and websites. Arts councils may offer workshops, information provided through newsletters and websites, and internships, among many other services to their constituency of arts organizations. Professional associations such as the International Society for the Performing Arts also offer some professional development services, although a specific program does not appear to be conceptualized. Professional development options provided by service organizations and arts councils would be interesting to explore in detail, since they reflect the interests of their membership or constituency. In general, it appears at first glance that many diverse training services may be offered by arts networks and associations, but that these services are only rarely provided in a comprehensive professional development program.

Turning to the arts organization workplace itself, an additional range of training options may be in place. Training might be ongoing through feedback from peers and supervisors, or an
in-house mentorship program may exist. Internships may often be encouraged, often in cooperation with local universities. The arts organization will likely be a member of a professional service organization, which would provide ongoing training through peers, conferences, workshops, and newsletters made available to that organization’s employees. Local or regional collaboration with other arts organizations, arts councils, or other industries for purposes of training may exist. Professional consultants, such as the partners in Target Solutions (based in Colorado) or Management Consultants for the Arts (based in Connecticut) offer a wide range of consulting, training, and recruitment services. Finally, there is self-directed learning that is the result of practical on-the-job experience acquired over time.

To conclude, a significant gap appears to exist regarding research into professional development and on-the-job arts management training options in North America, and an initial glance at European literature reveals the same gap. A systematic study into non-degree training options over the next several years would greatly enhance the body of scholarship currently available on formal university-level degree-granting arts management education.

2.6 Conclusion

In chapter one, evidence of four major paradigm shifts in the cultural sector was provided. In this chapter, detailed information was given on the evolution and current status of arts administration training system in North America and Europe. The implications of the paradigm shifts for the training of arts administrators were clarified through discussing potential problem areas in current formal arts administration education.

Why might this potential mismatch between new demands in the cultural sector and current training of arts administrators exist? First and foremost, the historical legacy of the managerial model of formal arts administration training may make adaptation to systemic change
difficult. Also, programs tend to be small and under-resourced, and reflect the interests and strengths of each program director. Programs tend to already have a high number of very diverse coursework requirements, and programs vary dramatically in their area(s) and degree of specialization in the field. Faculty in some programs appear to be dealing with environmental change through adapting instructional materials in areas of emphasis in cultural economics, sociology, policy, technology, or international issues, but a major challenge exists in moving these lessons learned to standard curricular design. Evidence of systemic change is not yet apparent in the curriculum.

It may be assumed that arts administration professionals become aware through diverse ways and to varying degrees of the paradigm shifts taking place in the cultural sector. The need for new content in training may thus first become evident in consultancy projects, peer group sessions, conference topics of arts service organizations, and guest lecture topics. The interplay between the profession and the academy could conceivably be captured in a timeline whereby training needs are articulated and communicated in the field, then translated into instructional materials, then move into the curriculum. The issue here is: through what means and channels, to what extent, and how quickly are requirements for significant change recognized and new collective knowledge moved into the curriculum?

With changing demands in the cultural sector, it appears to be important to assess responses to several explorative questions posed to professional arts administrators, researchers, instructors, and students:

1. How did current professional arts managers acquire their competencies, skills, and practices? How have they needed to adapt or augment their skills since they have been working professionally in the field?
2. What is their current knowledge base and is this knowledge suited to address paradigm shifts they are experiencing in their local context? How aware are they of the paradigm shifts taking place and what challenges do these shifts pose for arts managers?

3. What new functions (capacities) do changing systemic demands in the cultural sector call for? What blend of “global” capacities and “local” skill sets may be optimal?

4. What mix of formal education, professional development, and on-the-job training might address the perceived need for new capacities and skills? How are the changing demands in the cultural sector currently being met?

As the questions above illustrate, it is the interplay between the constellation of contextual variables and the mix of training options that would provide significant insight into the ways in which training outcomes might best be attained in any given environment. Deep description is called for to explore new requirements for skills and competencies, resources for training, training intentions and plans of arts administration professionals and educators, and program plans and preferences. Chapter three and chapter four describe the research design, research methodologies, and data collection and analysis methods.
CHAPTER 3

RESEARCH METHODOLOGY

3.1. Introduction to Comparative Case Studies

This dissertation seeks to demonstrate that a disconnect exists between new demands in the cultural sector and the current focus of arts administration training. This gap would suggest that new skills may be required to manage systemic change to assist the fine arts in coping with new challenges and opportunities. This study is focused on conditions in North America and Europe, with comparative case studies of Columbus, Ohio, USA; Vienna, Austria; and Budapest, Hungary. Columbus is treated as a referential case study; Vienna and Budapest are the main focus of the investigation. In this chapter, this comparative case study selection is explained in terms of analytical expectations, contextual factors of comparability, and differing aspects of the research problem.

The global paradigm shifts described in chapter one will manifest themselves very differently in the diverse sociopolitical and economic environments of various nations and communities. The interaction of global trends and national or local contexts may lead to a distinct set of challenges and opportunities for the arts and culture sector. Dimensions that mediate the effects of universal systemic changes within any democratic nation-state of North America and Europe might include political institutions, regime type, economic strength, type of market economy, cultural traditions, historical patterns of arts policy and patronage, public preferences, connections with international organizations, and overall systemic stability.
Although it would be impossible to explore these dimensions globally, it is possible to employ representative case studies to identify specific demands in the cultural sector as produced by the interaction between global paradigm shifts and local contexts. These representative case studies have been selected as exemplars of very different sociocultural, political, and economic contexts:

- **Columbus, Ohio, USA** – In the context of functioning within a market democracy, the cultural sector in this city is be viewed analytically as representative of innovative initiatives in arts policy and administration that can take place under typical American historical, institutional, and preferential constraints placed on the arts at local, state, and national levels.

- **Vienna, Austria** – Representative of European monarchical patterns of cultural patronage and a national identity closely associated with the arts, the cultural sector in Vienna is treated analytically functioning in a social democracy and as a locus of West-East transfer. Austria is an established “Western” democracy in Europe; local, national, and EU constraints are taken into account.

- **Budapest, Hungary** – Representative of functioning within a consolidating democratic nation-state, the cultural sector in Budapest serves as an exemplar of fast-paced, evident sociopolitical and economic transformation. Hungary is a new post-totalitarian “Eastern” democracy in Europe; local, national, and EU constraints will be taken into account.

In Columbus, Vienna, and Budapest, the four paradigm shifts (*world system, arts system, cultural policy system, and arts funding system*) were tracked through exploring management challenges of classical music organizations (major opera and orchestra organizations), the way in which the fine arts interact with other disciplines of the cultural sector, changes in the arts funding system over the past decade, as well as local, national, and international policy influences. The interaction of systemic changes and local contexts may require certain functions
(capacities) and skills that are particular to the specific environments of these three case study cities. Therefore, the ways in which arts administration training is optimal may vary significantly depending on the context. In short, evidence of changing systemic demands, training options, and capacities to manage change have demonstrated the extent to which current training in arts administration is suited to meet new demands in the cultural sector in each of the case studies. In chapter four, the research strategy and tools are discussed in detail.

To explain and justify the selection of Columbus, Vienna, and Budapest as case studies, the rationale for choosing comparative case study as the research method for this dissertation is now addressed. The next section draws from literature on design of comparative qualitative social science inquiry to explain the utilization of comparative case study method for this dissertation research.

### 3.2 Justification of Comparative Case Study Methodology

The dissertation research design is based on qualitative methodology and methods drawn primarily from the fields of comparative education and comparative politics. Qualitative research calls for a statement of the researcher’s poison and biases, which I state in the following sentences. I consider my qualitative methodological position to lie between the interpretive and critical paradigms, since I would like the application (praxis) from my research to affect positive social outcomes. From the phenomenological approach, I recognize that I inevitably bring and therefore must identify my own biases to comparative research (Epstein, 1988; Barber, 1972). Approaches and techniques borrowed from critical ethnography will play a crucial role in the research design (Masemann, 1982; Lather, 1994; Lather, 1986; Tedlock, 2000; Wolcott, 1997). I recognize that I must be cautious in considering the comparability of factors in my research, and I aim for potential externalization of findings (Schriewer, 1988).
Comparison relies on complex, multi-level techniques that are concerned with relationships between different phenomena, variables, and system levels. Comparison enables systematic exploration and analysis of sociocultural differences with respect to scrutinizing the credibility of theories, models, or constructs. Indeed, in comparative research, it is often impossible to fully separate theory from method (Schriewer, 1988). In addition to being used to construct explanatory theory, comparison may create a frame of reference to which varying observations can be related (Raivola, 1985, p. 261-262). Antal, Direkes, and Weiler (1978) offer two major goals for comparative research: (1) to develop concepts and generalizations at a level between what is true of all societies and what is true of one society at one point in time and space; and (2) to contribute to the development of a relevant knowledge base for both domestic and foreign policy (p. 9-10). They argue that “comparison – be it intertemporal, interregional, or intersectoral – permits the stepwise and controlled falsification of hypotheses generated within a specific sectoral, regional, or national context. It defines the limits of generalization by specifying the conditions under which hypotheses are valid” (p. 9). In conducting comparative research, the researcher must carefully examine whether the factors under comparison actually do correspond, how the correspondence of measurements may be assessed, and whether the problem of how concepts are linguistically expressed can be resolved (Raivola, 1985).

Comparative research may lead to a goal of hypothesis postulation and generalization. Schriewer (1988), however, argues for a more applicable orientation or process of externalization, which he explains as “self-referential communication processes that have crystallized into reflection theories” (p. 64-65). He asserts that “systemic self-reflection” is at the heart of the praxis of comparative education and serves as the key to externalization and transfer of research findings:

The innumerable descriptions of ‘examples abroad,’ the analyses of the ‘experiences of others,’ and the surveys of ‘world situations,’ participant observers note, are expected to suggest ‘pointers or options,’ ‘stimulative ideas’ or ‘inspirations,’ ‘relevant insights’ or ‘instructive lessons,’ and thus to serve as ‘frames of reference’ within which to specify
appropriate reform policies. Such studies are not actually concerned with ‘borrowing,’ but with suggestion ‘orientation’; they do not simply assert the ‘transferability’ of educational institutions or strategies, but try to assess possible ‘implications’ or their findings for one’s own policy and practice. Their function, accordingly, is not to present ‘models for emulation,’ rather this function is to establish on ‘firmer grounds,’ to give ‘greater depth’ to, to increase the ‘problem awareness’ needed in, and in sum, to ‘enrich,’ by means of ‘supplementary meaning’ as derivable from external points of reference, the system-internal debates on policies adapted to the needs of the time (p. 66).

The dissertation study has used the comparative method as a “method of discovering empirical relationships among variables” (Lijphart, 1971, p. 683). Ragin (1987) explains that the 

*comparative method* “traditionally has been treated as the core method of comparative social science, the branch of social science concerned with cross-societal differences and similarities. He asserts that the comparative method is essentially a qualitative case study strategy of comparativist research, with a focus on examining and comparing “whole” cases (i.e., as combinations of characteristics). It follows that qualitative comparative researchers must be both holistic and interpretive in their approach.

When qualitatively oriented comparativists compare, they study how different conditions or causes fit together in one setting and contrast that with how they fit together in another setting (or with how they might fit together in some ideal-typic setting). That is, they tend to analyze each observational entity as an interpretable combination of parts – as a whole. Thus, the explanations of comparative social science typically cite convergent causal conditions, causes that fit together or combine in a certain manner (Ragin, 1987, p. 82).

Qualitative researchers often seek to interpret specific experiences and trajectories of specific countries. Such a process begins by identifying the similarities and differences among macrosocial units, which provides the first step in understanding, explaining, and interpreting diverse historical outcomes and processes and their significance for current institutional arrangements (Ragin, 1987, p. 76-77). Cross-national research continues to be considered a very useful method for generating, testing, and further developing sociological theory (Kohn, 1987, p. 28). Indeed, Kohn (1987) identifies four types of cross-national research: (1) where nations are the *object* of the study; (2) where nations provide the *context* for the study; (3) where the nation

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is the unit of analysis; and (4) transnational research, where nations are studied as components of larger international systems. Schuster (1996) contends that researchers conduct cross-national research for four interrelated purposes: politically motivated research; to find out ‘what is being done’; to assess policy models to determine ‘what can be done’; and social-scientific explanation. The dissertation’s research design will treat the USA, Austria, and Hungary both as components of a world system and individually as the context for developing hypotheses. Main research goals are to find out what is being done and what can be done in order to develop potential policy recommendations.

As King, Keohane, and Verba (1994) state: “qualitative research… covers a wide range of approaches, but by definition, none of these approaches relies on numerical measurements. Such work has tended to focus on one or a small number of cases, to use intensive interviews or depth analysis of historical materials, to be discursive in method, and to be concerned with a rounded or comprehensive account of some event or unit” (p. 4). Arnove (1999) contends that “case studies are likely to continue to be the most commonly used approach to studying education-society relations” (p. 14), which lies at the core of the research problem studied in this dissertation. As Stake (2000) writes, “case study is not a methodological choice but a choice of what is to be studied. By whatever methods, we choose to study the case. … As a form of research, case study is defined by interest in individual cases, not by the methods of inquiry used” (p. 435). In general terms, “cases may be selected for analysis because of an interest in the case per se or because of an interest in theory-building” (Lijphart, 1971, p. 691). Or, as van Evera (1997) states: “case studies can serve five main purposes: testing theories, creating theories, identifying antecedent conditions, testing the importance of these antecedent conditions, and explaining cases of intrinsic importance” (p. 55). This dissertation’s case study selection may be characterized as instrumental – the case is examined to provide insight into an issue; collective –
an instrumental study is extended to several cases; and comparative – where the comparison is substituted for the case as the focus of the study (Stake, 2000, p. 436-444).

A goal of the dissertation research is to be able to infer policy-relevant theories, or in other words, to be able to generate hypotheses. As Lijphart (1971) explains: “Hypothesis-generating case studies start out with a more or less vague notion of possible hypotheses, and attempt to formulate definite hypotheses to be tested subsequently among a larger number of cases. Their objective is to develop theoretical generalizations in areas where no theory exists yet” (p. 692). This study utilizes controlled comparison – specifically, the method of agreement – to infer hypotheses from similarities and differences in aspects of the three comparative case studies.

There are three basic steps in this research strategy. First, the investigator searches for underlying similarities among members of a set displaying some common outcome (or any characteristic of interest). Second, the similarities identified are shown to be causally relevant to the phenomenon of interest. And third, on the basis of the similarities identified, the investigator formulates a general explanation. In short, it is a straightforward application of the method of agreement. It is deductive because initial theoretical notions serve as guides in the examination of causally relevant similarities and differences.… It is inductive because the investigator determines which of the theoretically relevant similarities and differences are operative by examining empirical cases. In this phase of the investigation the researcher formulates a general explanation on the basis of identified similarities. Thus, induction culminates in concept formation and the elaboration of initial theoretical ideas (Ragin, 1987, p. 45-46).

In order to be able to explore preliminary expectations as listed in figure 3.1, case studies were selected on the criteria of data richness, resemblance to current situations of policy concern, prototypical background characteristics, and match in terms of controlled cross-case comparisons (van Evera, 1997, chap. 2). Now that the reasons that this study’s analytical expectations and problem statement call for comparative methodology have been clarified, and the rationale and objectives for case study selection have been explained, the next section turns to a discussion of contextual similarities and differences in the three cases.
Main Proposition

- A mismatch exists between changing demands in the cultural sector and the current focus of formal arts administration education in North America and Europe.

Major Expectations

- Differences in historical legacies, traditions, and public preferences will result in a different nature, pace, scope, and pattern of change in each city’s cultural sector.

- While the management model of arts administration education is institutionalized in the United States, the more recent development of arts administration education in Europe—as many systemic changes were already occurring—will lead to a more “natural” tendency to employ other models and assumptions in arts administration education.

- The impact of international organizations, technology, travel, and information transfer will result in a convergence of cultural policies, institutions, and administrative operations in North America and Europe.

Figure 3.1: Preliminary Proposition and Expectations

3.3 Contextual Similarities and Differences in National Profiles

To begin a discussion of contextual similarities and differences in the three case studies of Columbus, Vienna, and Budapest, it may be helpful to glance at several factors outlined in figure 3.2. Development of the case studies of the cultural sector in Columbus, Vienna, and Budapest focuses largely on the varying domestic contexts of these cases. The nation-states of Austria, Hungary, and the USA (the state of Ohio), as well as larger macrosocial units (EU and international organizations) have been evaluated in terms of the cultural policy context in which the arts operate in the case study cities. Within this context, systemic demands of the cultural sector, arts administration training options that currently exist and proposed new skill sets to manage change were compared.
In addition to the profiles provided in figure 3.2, it has been assumed that contextual comparability would also be enhanced by the nature of the variables under exploration. It was assumed that, in each country, social phenomena correlate empirically in the same way with the factors of this study. In all three cases, the factors under exploration are observed and judged by citizens of each country in approximately the same way. The factors have the same role in the functioning of the cultural sector, and the variables under examination derive from the same conceptual class. Nonetheless, it was also recognized that it must be carefully assessed in research, given marked differences in cultures, whether cross-national comparative elements actually do reflect the same phenomena in each society. This underscores the importance of deep knowledge of each case study context (chapter four addresses cross-national elements to be accommodated).

While the context of each case appeared to be comparable in terms of overarching demographics, culture, and resources, it was expected that variables such as differing histories and cultures, political institutions, and economic strengths would lead to interesting contrasts among the cultural sectors. Much could be learned from both the similarities and differences among interaction of the three cases’ domestic environments with global paradigm shifts. The analytical lens utilized to learn the most from each case was to view Columbus as innovative initiatives within a prototypical American city, Vienna as a nexus of East-West transfer, and Budapest as an exemplar of fast-paced, evident sociopolitical and economic transformation. Thus, the three cases were to serve as exemplars of patterns of domestic and global interactions, from which it would be possible to postulate policy-relevant hypotheses for future research.

In the case study chapters that follow, the puzzle of how differing arts communities in differing domestic environments interact with global phenomena, and how this interaction in turn affects arts management training, is explored. The differing penetration and impact of global paradigm shifts are assessed in each domestic context, looking for similarities and differences
among the three cases in the domestic response. The dimensions along which the three cases vary have been identified, explored, and evaluated in order to attempt to hypothesize, from differing combinations of environmental conditions and global changes, why and how certain outcomes are taking place. Research design and methods are described in chapter four.

Ultimately, the goal of the study was to assess the adequacy of change management skills in response to the cultural sector’s changed contextual factors, in order to be able to infer hypotheses for exploration in other contexts and begin to develop educational policy prescriptions as a product of this study.

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* -- (Cummings & Katz, 1987; Mulcahy, 2000; Chartrand & McCaughey, 1989)

**Figure 3.2:** Contextual Comparability of Cases

Before discussing aspects of the problem statement in terms of case study selection in further detail, it may be helpful to provide “snapshot” overviews of the cultural policy
system in the U.S.A., Austria, and Hungary to highlight interesting similarities and differences in the contexts of the cases. Each of these brief profiles is framed by a discussion of the history, institutions, and funding system of cultural policy and administration in the three cases. Each introductory profile below is structured by an overview of these three factors; many more details are provided in each case study (chapters five, six, and seven).

3.3.1 United States

While public policies and programs pertaining to the cultural sector have existed since the birth of the Nation, American cultural policy can nonetheless be best characterized as fragmented, decentralized, specialized, experiential, and often implicit and ambiguous. Government involvement in the arts has been a flashpoint for political controversy, largely due to the troublesome issue of defining “culture” for policy purposes and due to the historical influence of mercantilistic, pluralistic, and private arts patronage systems (Wyszomirski, 1999; Cummings & Katz, 1987). According to Wyszomirski (1999), “three principles guiding the American system of governance are embodied in the Constitution; separately and in combination, they frame how government and “culture” approach one another in the U.S.” (p. 115). These principles are:

1. A fundamental tendency toward limited government, which even during the era of the modern, activist state, values private initiative and autonomy very highly. This assumption perennially gives rise to questions of whether issues are matters for public action or of private concern.

2. A division of public authority among different institutions at the same level of government as well as between different levels of government. This characteristic frequently leads to debate over which element of government is most appropriate to address a matter of public concern and what authority and resources can be used.

3. A respect for individuality in expression, beliefs, associations, and political opinion that is codified in the First Amendment of the Constitution (Wyszomirski, 1999, p. 115).

Historically, government involvement in the arts has been indirect, through channeling issues pertaining to the cultural sector through other policy realms such as tax policy, foreign
policy, and education policy. Other policies affecting the cultural sector in the U.S. include areas as diverse as copyright law, tax law, employment policy, and foreign policy. Traditionally, the cultural sector has been divided into spheres of legal, economic, and policy action: “the commercial sector is characterized as entertainment/recreation or as applied in nature and as being responsive to market and profit motivations…. [In contrast], nonprofit activities carry a connotation of having educational value, emphasizing quality, being supported by altruism, and characterized by freedom of expression and inquiry” (Wyszomirski, 1999, p. 116).

The assumptions of the National Endowment for the Arts (NEA) policy paradigm guided cultural policy in the United States from 1965 to 1990. “That logic focused on public patronage and subsidy, on addressing the needs and deficits of the arts community, on winning parity with other intellectual activities (for example, science and the humanities), operating in terms of specific arts disciplines and focusing on the NEA” (Wyszomirski, 1995, p. 80). Buzz words of this era included quality, access, availability, the arts’ intrinsic income gap, and art for art’s sake. Policy goals throughout this 25-year period focused on increasing direct and indirect funding for the nonprofit arts and culture; promoting growth and proliferation of nonprofit cultural organizations and arts councils/agencies; fostering excellence in the arts through professional development; and facilitating access and availability to the arts throughout the nation (Wyszomirski, 1999, p. 120).

After a decade of “culture wars” in the 1990s, however, the cultural policy paradigm in the United States seems to be changing. Arts policy is becoming increasingly considered as part of a much larger, broader, and diverse cultural policy system (Kammen, 2000; Campbell, 2000; Seaman, 2002; Wyszomirski, 1995; Chartrand, 2000; Mulcahy, 2000; Cherbo & Wyszomirski, 2000).

Society and the polity have moved on – away from deficit spending to fiscal responsibility, away from entitlement needs to societal capabilities and mutual responsibility, and away from spending on special-interest subsidies to making productive public investments. The arts themselves seem to be redefining policy
principles, moving from a concern with excellence to creativity, from growth and leverage to sustainability, from public accessibility to public responsiveness (Wyszomirski, 1999, p. 197).

The 1997 American Assembly Report, *The Arts and Public Purpose*, defines four main public purposes as follows: 1) the arts help to define what it is to be an American; 2) the arts contribute to quality of life and economic growth; 3) the arts help to form an educated and aware citizenry; and 4) the arts enhance individual life. Wyszomirski (2000b) contends that, in the United States, the articulation of public purposes has often been implicit or indirect. She suggests that the history of government actions with regard to the arts reveal at least five basic public purposes: “1) furthering the quest for security, 2) fostering community, 3) contributing to prosperity, 4) improving the quality and conditions of life, and 5) cultivating democracy” (Wyszomirski, 2000b, p. 60). It is within this framework of public purposes for the arts and a shifting cultural policy paradigm that America’s dynamic arts funding mix of earned and unearned income exists. “The United States supports the arts through a complex mix of funding sources that are pluralistic, diverse, and largely decentralized” (Seaman, 2002, p. 18).

A nonprofit arts organization may receive private contributions from foundations, corporations, and individuals in several ways. … Public support can come from any level of government – federal, state, county, or municipal. In addition, many nonprofit arts organizations, museums, and literary organizations earn a portion of their income through ticket sales, royalties, and fees. Relative proportions of various revenue sources in this funding mix can change with time and circumstance and currently seem to be in a state of flux. …

While this mixed system of funding has many strengths and great flexibility, it also presents a considerable challenge for individual arts managers who must constantly develop and explore many funding sources, each of which works on a different schedule and has its own requirements and priorities. Although independent of one another, the various funding sources can prove to be quite interactive and to be similarly affected by general economic conditions (Wyszomirski, 1999, p. 169-171).

Current data on sources of support for non-profit arts organizations and government spending on the arts is summarized in two tables (Seaman, 2002, p. 18-21), as provided in figures 3.3 and 3.4. Seaman (2002) argues that “the essential message … is that the public sector
commitment to the arts is surprisingly diverse and strong compared to the common perception.

New initiatives, as well as recent favorable trends in line item appropriations at the state and local levels, promise to further incorporate the public sector into the fabric of the arts and humanities communities in the United States” (p. 32). Or, as Mulcahy (2000) notes, “while federal support for the arts in the United States has declined dramatically in the past decade, state and local arts councils have increased their composite support and demonstrated their institutional and political resilience in sustaining the nation’s cultural infrastructure” (p. 139). However, Wyszomirski (forthcoming) asserts that while financing the arts remains an important concern, the “the arts and culture sector may find that mechanisms to leverage access to the ‘right tables,’ to new players, and to better information are equal requirements of success in the information age, a global economy, and pluralistic and glocal society” (p. 26). Seaman (2002) illustrates numerous examples of the eroding distinction between the non-profit and for-profit arts sectors as well as new forms of public-private partnerships in the arts, which again provide evidence of a change in the arts system and the cultural policy system, as well as the arts funding system.

<table>
<thead>
<tr>
<th>Arts Type</th>
<th>Government</th>
<th>Philanthropy</th>
<th>Earned Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performing Arts</td>
<td>6%</td>
<td>36%</td>
<td>58%</td>
</tr>
<tr>
<td>Museums</td>
<td>30%</td>
<td>23%</td>
<td>47%</td>
</tr>
</tbody>
</table>

**Figure 3.3:** *Sources of Support for Non-Profit Arts Organizations in the U.S.A., 1997*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NEA</td>
<td>$176 million</td>
<td>$99 million</td>
<td>$105 million</td>
</tr>
<tr>
<td>State</td>
<td>$213 million</td>
<td>$305 million</td>
<td>$447 million</td>
</tr>
<tr>
<td>Local</td>
<td>$600 million</td>
<td>$700 million</td>
<td>$800 million</td>
</tr>
</tbody>
</table>

**Figure 3.4:** *NEA/State/Local Arts Spending, 1992, 1997 and 2000*
As leaders of European arts policy and patronage systems consider issues such as decentralization, privatization, nonprofitization, and sponsorship, the cultural sector in these nations often attempts to learn lessons from abroad.

The American system for support of the arts is drawing increasing interest from other nations. As arts organizations in Europe and formerly communist nations face pressures to privatize and experience decreases in government funding, they are seeking other revenue sources, and so look to the American mixed system for philanthropic and entrepreneurial ideas (Wyszomirski, 1999, p. 169).

Columbus, Ohio has been treated as a case study of innovative initiatives in arts policy and administration occurring in a typical American city, taking the local, state, and national policy and funding environment into account. It was expected that significant historical, institutional, and public preference influences would reveal a context dramatically different from that of the two European case studies. Please see chapter five for the detailed case study.

3.3.1 Austria

As Ratzenböck (1998) states: “Austria is universally perceived as a country steeped in culture. Efforts to evoke an ‘Austrian identity’ have to this day drawn heavily on culture and cultural policy throughout Austria’s eventful history, which became a small country in 1918. ‘A small country with a great culture’ is a label that continues to stick in the minds of most Austrians, including the political elite. When the world thinks of Austria, it thinks of culture – a fact that pervades Austrian minds and projects itself to the whole world” (p. 9). A historical legacy of lavish arts patronage under the Habsburg empire evolved into strong state involvement and patronage in the post-WWII era (Cummings & Katz, 1987). According to Ratzenböck (1998), “from the mid 1950s onward, state expenditure on culture was successively extended and increased, to encompass art institutions and organizations, and in particular art schools and academies. … Yet repeatedly … alliances were struck between political reform groups (in the
conservative as much as the Social Democrat camp) and of representatives of the intellectual, cultural and art fields” (p. 11). The Social Democratic government which took over leadership in 1970 began to support “cultural policy in the widest sense”, whereby cultural policy became understood as a “version of social policy.” During the 1970s and 1980s a culture boom took place, and during this time artists also began to organize themselves in associations. Culture spending by the Austrian authorities dramatically increased, by approximately seven times the annual amount of the preceding 25 years.

At the end of the 1980s, with the renewed Great Coalition of the ÖVP and SPÖ government, the cultural policy field increased its financial focus to issues of privatization and cultural sponsorship. “In the 1990 policy statement, the Great Coalition principally undertook to assign priority to art and culture in budget allocation,… to improve the cultural infrastructure as well as the conditions conducive to the full deployment of artistic autonomy…. The working agreement also contained a statement of intent to develop an efficient system of culture management. The subsidization of art was to be replaced by art financing” (Rásky & Wolf Perez, 1996, p. 13-14). In 1994, Parliament established a culture committee – “a sign of the greater interest of all political parties represented in Parliament to reform cultural policy” (Ratzenböck, 1998, p. 17). Austria’s first commissioned “Art Report” was published in late 1996, and the coalition agreement of 1996 “once again provided for continuous support to cultural institutions, guaranteeing them assistance in terms of social security, and an emphasis on productive and experimental art” (Ratzenböck, 1998, p. 17). As Sturmvoll et al (2001) explain, from 1995 to 1997, the authorities responsible for art and culture were restructured and diverse responsibilities for cultural policy and administration were reallocated to five different federal ministries:

- The State Secretary for the Arts and Media and the divisions of the Arts Department of the Federal Chancellery
- The Federal Ministry of Education, Science and Culture
A major conservative political shift took place in 2000 with a new coalition between the ÖVP and the right-wing Freedom Party. This new coalition

… was met on a European level by bilateral diplomatic measures in the form of boycotts from the 14 EU member states… During this period, many artists refused to co-operate with the new government, canceling their performances, not accepting awards, withdrawing their plays from the state theatres’ stages. Apart from the opposition to the Freedom Party’s politics, the broad “resistance movement” criticized the new cultural politics as laid down in the coalition agreement: substantial grant cuts in all areas of state expenditure, i.e., for the arts; abandoning the traditional high priority issue of the promotion of contemporary arts in favor of the promotion of folklore art; intentions to promote private investment in the arts in place of public investment (Sturmvoll et al., 2001, p. 3).

Rásky & Wolf Perez (1996) summarize the Austrian system of cultural policy as follows:

To this day, the Austrian system of cultural policy and its most important instrument, arts promotion, may be characterized as a strongly state-dependent system (although Austrian media policy continues to be of a rather reactive and defensive nature). However, this system is affected by the competition between regional and local authorities, and the scattered responsibilities assigned to various federal ministries. …

Compared to the 1970s, … the paradigm of democratization has receded into the background while efforts towards modernization and more efficient management, quality, access to international tendencies and the presentation of Austrian art and culture abroad have come to the fore (p. 14).

A 1998 White Paper on restructuring Austrian cultural policy led to a policy agreement in 2000 which included several important political changes, namely the prioritization of folklore art at the expense of the promotion of contemporary art; a focus on cultural heritage; and the implementation of a social security system for artists in 2001. Sturmvoll et al. (2001, p. 8) summarize the main objectives of Austrian cultural policy as shown in figure 3.5.
<table>
<thead>
<tr>
<th>Basic Cultural Needs</th>
<th>Management</th>
<th>Socio-political Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freedom of art and artistic expression</td>
<td>Transparency</td>
<td>Participation</td>
</tr>
<tr>
<td>Pluralism, identity</td>
<td>Promotion</td>
<td>Equality</td>
</tr>
<tr>
<td>Quality</td>
<td>Competition</td>
<td>Social security</td>
</tr>
<tr>
<td>Innovation</td>
<td>Efficiency</td>
<td>Representation</td>
</tr>
<tr>
<td>Creativity</td>
<td>Public-private cooperation,</td>
<td>Understanding the economic effects of the culture sector</td>
</tr>
<tr>
<td>Internationalization</td>
<td>Flexibility</td>
<td></td>
</tr>
<tr>
<td>Stimulating general conditions for artists</td>
<td>Decentralization</td>
<td></td>
</tr>
<tr>
<td>and possibilities</td>
<td>Planning (promotion contracts for several years)</td>
<td></td>
</tr>
<tr>
<td>for them to flourish</td>
<td>Service orientation</td>
<td></td>
</tr>
<tr>
<td>Digitalization</td>
<td>Evaluation</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 3.5: Austrian Cultural Policy Objectives**

A short overview of Austrian cultural financing is provided, based on the most recent statistics from 1999, as follows:

In 1999 approximately ATS 18 billion, or approx. 1.3% of all public expenditure, was spent on culture and the arts by the federal and provincial governments (excluding the local level) – a substantial amount when compared to other countries around the world. Over 45% of this budget is spent by the federal government, while the remainder is divided among the provincial governments (18%), Vienna (9%), the municipalities with 50,000 inhabitants and more (8%) and the municipalities with less than 50,000 inhabitants (18%). … A high percentage (approx. 50%) of federal expenditure on culture goes towards the maintenance of large-scale projects and institutions such as the federal theatres and museums as well as to performing arts activities, the majority of which are located in Vienna. … Subsidies from the provinces (Bundesländer, excluding Vienna) have more than tripled since 1980. The majority of resources are spent on education, followed by the performing arts. … In 1999, cultural expenditure per capita amounted to ATS 3,094 which is Euro 225 (Sturmvoll et al, 2001, p. 20).

Rásky and Wolf Perez (1996) add the following details regarding Austrian cultural funding:

In addition to arts and culture funding by the state in the direct sense, Austrian legislation furthermore provides for a number of important instruments of indirect arts promotion. This refers to various legal provisions of social policy and fiscal policy, the system of social insurance for artists, measures taken in the field of labor market management, copyright legislation (both direct and indirect payments such as library royalties), the encouragement of private support for the arts by means of tax privileges, tax deductibility for private donations and of arts sponsorship (p. 16).
It is against this background of strong historical and political support for the arts, longstanding importance of culture to the Austrian national identity, and details regarding current cultural policy objectives and funding systems that global trends and paradigm shifts may be affecting the domestic context in which the Austrian cultural sector operates. Austria’s historical legacy as a link between West and East at the crossroads of Europe will also likely provide valuable insight into processes of knowledge transfer and policy transfer. Please see chapter six for the detailed case study.

3.3.3 Hungary

A concise overview of the evolution of Hungarian cultural policy is provided by Rásky and Wolf Perez (1996) and Inkei (2001), who assert that culture and the arts have traditionally formed the nucleus of national Hungarian identity throughout Hungary’s eventful 1000-year history.

The Kingdom of Hungary was established in 1000. As a result of Osmanli expansion (1626 to 1686) and subsequent Austrian domination, it was doubtful whether the Hungarians would be able to retain their identity and autonomy. The 19th century, however, brought about a successful national revival, in which culture played a significant role. A considerable part of Hungary’s current cultural institutions and traditions is rooted in the nineteenth century (Inkei, 2001, p. 2).

Hungary developed a “Western” kind of “East European” society as part of the Habsburg empire in the 19th century, a societal structure which continued to evolve throughout the 20th century. After the Second World War, Soviet domination eliminated Hungarian efforts at cultural policy up until the revolution of 1956.

After the suppression of the revolution, cultural dogmatism began to melt away in the early 1960s. Up to 1989, similar to other areas of life, a rather protracted process of revision was in progress and the most gradual transition of the entire Communist bloc had taken place. As a consequence of the weakening of the Communist system, public resources were gradually depleted and parallel to the withdrawal of political control, the state pulled out of subsidizing culture as well. In the 1980s, the commercialization of culture moved ahead, and the Soros Foundation of Hungary obtained an important role in
the emerging vacuum of finances. … During the decades of dictatorship, art acquired a specific political significance; its end also contributes to the view of many that culture has been one of the losers of the transition (Inkei, 2001, p. 2).

Because this dissertation research is focused on Hungary as an exemplar of fast-paced and evident transformation of a consolidating democracy, the main interest is in the dramatic changes in cultural policy after 1990. The immediate aftermath of the fall of communism brought a new Kulturkampf due to a

… return of the old conflict of the 1920s and 1930s, when the social problems inherent in the transition from a traditional agricultural structure to a modern industrial society had given rise to two great cultural-ideological tendencies: the folklorists tried to preserve authentic Hungarian values and wanted to mobilize rural folk traditions to find a third path between capitalism and socialism; the urbanists had a bourgeois, Western orientation … this conflict created a regulatory void because of the stalemate between the two big cultural-political camps in the years after the first free elections in 1990 (Rásky & Wolf Perez, 1996, p. 81).

As a result, cultural policy in Hungary was very eclectic from 1990 to 1994. The government changed in 1994, and “the new cultural administration drew up a catalogue of general statements of intent (A kulturális kormányzat elvei és teendői) for the modernization and financing of Hungarian cultural policy” (Rásky & Wolf Perez, 1996, p. 81). Severe budget cuts in 1995 and thereafter have made implementation of these initiatives very difficult.

The major priorities of the government in office between 1994 and 1998 were to strengthen civic financing of programs, via granting autonomy and resources to the National Cultural Fund. Special laws were passed and by the end of 1998 emphasis had shifted towards major reconstruction and setting up of institutions. Issues of heritage gained in importance as well as supporting large events to develop national identity/images (Inkei, 2001, p. 3).

Hungarian cultural policy and administration is centralized in the Ministry of Culture and Education. The Minister of National Cultural Heritage cooperates on various issues pertaining to the cultural sector with: The Ministry of Foreign Affairs; The Ministry of Justice; The Ministry of Education; and The Ministry of Health. A National Cultural Fund has been functioning along an arm’s length principle since its creation in 1993. Hungary became a member of the Council of
Europe in 1990 and has been preparing for accession to the European Union. Hungarian cultural institutions have been participating in the EU’s cultural programs, and a Cultural Contact Point has been set up to deal with EU-related questions.

Inkei (2001) writes that “since the early 1990s, the most important national cultural policy principles have been: to safeguard the conditions for free opportunities of creation and transmission, an operational system of institutions, and a balanced cultural life” (p. 6). He states that priorities shifted somewhat after the elections of 1998:

**Priorities before 1998**
- Safeguarding the autonomy of culture;
- Development of the conditions of cultural plurality;
- Promotion of technical modernization;
- Creation of the multi-channel financing of culture.

**Priorities after 1998**
- Preservation and handing down of cultural heritage, its further enrichment;
- Integration of the protection of monuments into cultural policy;
- Promoting the culture of Hungarians living beyond the borders;
- Promoting the cultural role of the Churches (Inkei, 2001, p. 7)

A brief overview of current Hungarian cultural funding is provided by Inkei (2001):

The state budget for culture in 2001 was HUF 71.6 thousand million (1.66% of the total state budget, or about 0.5% of the GDP). Cultural expenditure per capita in the central budget in 2001 is HUF 7,025 or approximately USD 24. … As in other former communist countries, the process of transition has caused a crisis in the system of financing for culture. In addition to the decreasing GDP and reduced state budget, the population has shown less interest in culture and the arts during these years of reorientation. The main channels of financing are, however, becoming more stable and in some fields (such as the protection of monuments, new investments) there has been a significant increase of resources (p. 15).

In addition to cultural funding provided by the state, private grants and sponsorships – primarily through the Soros Foundation – have played a pivotal role in the cultural sector throughout the past decade. In 2000, the Foundation’s budget for the arts was HUF 360 million (Inkei, 2001, p. 19). However, Inkei (2001) also points out that several thousand other
foundations and associations to be found in Hungary’s third sector today have acquired a crucial role in the production, preservation and transmission of cultural values.

It appears that much can be learned from the past decade of rapid change that has taken place in Hungary. Global forces and paradigm shifts that may take longer to penetrate well-established systems of cultural policy and administration in the United States and Austria might be more readily apparent – and the urgent need to address these major changes more likely exists – in post-totalitarian states such as Hungary. It follows that lessons learned from global changes being mediated in the turbulent domestic environments of East-Central Europe might provide valuable ideas that may be transferred to “Western” democracies as well as other transitional democracies. Please see chapter seven for a detailed case study.

3.4 Problem Similarities and Differences

This chapter has explained the selection of comparative case study research methodology, described my analytical expectations for the three selected case studies, provided an overview of the contextual comparability of the cases, and presented a snapshot of the history, policy objectives, and funding structure of the cultural sector in the United States, Austria, and Hungary. The chapter now turns from contextual descriptions to a discussion of similarities and differences that may appear in exploration of the problem described in detail in chapter one. The dissertation study seeks to demonstrate that a mismatch exists between a four-fold set of system changes that are confronting arts administrators and current training in arts management. As a product of this study, it was anticipated that it would be possible to validate these four paradigm shifts, to refine and generate hypotheses pertaining to the causes and consequences of systemic change in the cultural sector, and to formulate recommendations for possible adaptations in training in order for arts administrators to acquire the capacities, competencies, and skills to manage systemic change.
It was expected that each of the case studies would show that the domestic environment had mediated the global paradigm shifts to result in a unique environment in which the cultural sector operates. In each of the case study cities, deep description of the cultural sector was completed, framing each case according to factors of systemic change and the status of current arts administration training options. Potential capacities and skill sets required for managing change were then assessed, and innovative ways in which the cultural sector in each city is coping with change were documented. In Columbus, Vienna, and Budapest, it was expected that a gap between systemic demands, current training options, and skills required for managing change would be found. This finding would validate the assertion that training approaches in the field have not yet responded to new environmental forces and outcome demands. In the three cases, it would be possible to find, and learn from, examples of innovation in cultural policy and arts management to cope with recent change in the sector, as well as the ways in which “global” capacities might be matched by “local” skills to adapt and adjust to the context of each environment.

With these research objectives in mind, Columbus/Ohio/USA, Vienna/Austria, and Budapest/Hungary were selected as cases that would highlight specific aspects of the problem. It was expected that all three cases would be currently facing the four paradigm shifts described in chapter one, albeit at different stages and to varying degrees of penetration. It was expected that arts managers in each city would be responding differently to the paradigm shifts, utilizing different strategies and approaches to address the problem. It was also anticipated that each of the different cases would exhibit a varying emphasis on each of the four paradigm shifts. These expectations were based on an extensive literature review, familiarity with the cultural policy and administration contexts of each nation, and personal/professional experience in arts administration in Central Europe and the United States.
In figure 3.6, important aspects of the problem that it was expected to find in each of the three case study cities are outlined. This figure lists the factors for which it was planned to find evidence to support or disprove the problem statement during the 2002-2003 academic year. It was expected that adjustments in this portrayal of aspects of the problem would have to be made, based on research findings.

As indicated in figure 3.6 and described in detail earlier in this chapter, an *overarching analytical typology* would be used for each of the three case study cities: Columbus as representative of innovative initiatives within a typical American city; Vienna as a nexus of East-West transfer; and Budapest as an exemplar of fast-paced democratic transformation. Based on a review of literature and familiarity with these cases, it was expected that the *penetration and impact of four global paradigm shifts* would be found to vary considerably. In the United States, for example, there appears to be significant awareness of a broadening scope of the arts, to become a more inclusive, creativity-focused “cultural sector.” Also, Americans’ lengthy experience with negotiating a mixed funding system would make changes in arts funding models more readily apparent. The impact of globalization, however, does not seem to be as significant to the cultural sector, because in many cases the American economic, technological, military, social, and cultural forces are often viewed as the leading actor in the new world system. Similarly, due to America’s highly decentralized and fragmented cultural policy system, awareness of a multi-layered cultural policy system is only beginning.

In contrast, it was expected that, in Austria, a high level of emphasis on a international-national-local-organizational cultural policy system, and a keen interest in promoting Austria’s national cultural identity in the changing world system would be found. With its long history of comparatively lavish arts patronage, funding issues may not be as pressing as in the other cases. Nonetheless, it was expected that Austrians would be actively searching for alternative (i.e., private contributions and earned income) sources of revenue. The arts (especially “high” arts) are
especially valued in Austrian society, and it was expected that less blurring of the boundaries among the various arts disciplines would be found. Similarly, in Hungary, where the arts are considered crucial to defining national identity, it was expected that a long-standing emphasis on “heritage,” with a significant distinction between the “high arts” and “folk arts” and “entertainment” would be found. It was anticipated that the key paradigm shifts with which Hungarians must currently cope would be proven to be dramatic change in the world system and an entirely new funding system. It was expected that efforts were being made at multiple levels of policy and administration in response to massive transformations of this new democracy. Overall, taking contextual factors into account, it was anticipated that Hungary would demonstrate a rapid rate of response to systemic change, America a moderate rate of response, and Austria a slow rate of response.

Corresponding with this variety in penetration and impact of the paradigm shifts, it was anticipated that differing types and degrees of change management capacities had been developed in the cases. Through the study, innovative ways that arts administrators in each of the cases are coping with change were found, identified, and assessed. With regard to the change management capacities I identified prior to the field research, it was expected that Americans would have more highly-developed audience development and fundraising/earned income capacities, and lower capacities for strategic leadership, managing international cultural interactions, and representing cultural identity (especially abroad). It was anticipated that this ranking would be reversed in Europe, with Austrians and Hungarians much more experienced in their capacities to represent cultural identity and to manage international cultural interactions. Due to their experience with negotiating national-international-local policy constraints, it was expected that interesting capacities for exercising effective strategic leadership would be found. It was expected that both European nations would be challenged in finding promoting innovative methods of audience development (other than education) and in fostering a sustainable mixed funding system.
<table>
<thead>
<tr>
<th>Problem Aspect</th>
<th>Columbus/USA</th>
<th>Vienna/A</th>
<th>Budapest/H</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Analytical Context</strong></td>
<td>Innovative Initiatives within a Typical American City</td>
<td>Nexus of East-West Transfer</td>
<td>Exemplar of Fast-Paced, Evident Transformation</td>
</tr>
<tr>
<td><strong>Status of Arts Administration Training (Options)</strong></td>
<td>(AAA Standards) Management Model</td>
<td>(ENCATC Influence) Management-Policy Model</td>
<td>Management/Policy Model Transferred from West</td>
</tr>
<tr>
<td></td>
<td>Some formal training options; Increasing options for professional development</td>
<td>Some formal training options; Increasing options for professional development</td>
<td>Few formal and professional development training options, but both areas growing in number and impact</td>
</tr>
<tr>
<td><strong>Ranking of Potential Change Management Capacities Developed (most to least)</strong></td>
<td>Audience Development Mixed Funding Strategic Leadership Managing ICIs Cultural Identity</td>
<td>Cultural Identity Managing ICIs Strategic Leadership Audience Development Mixed Funding</td>
<td>Cultural Identity Strategic Leadership Managing ICIs Mixed Funding Audience Development</td>
</tr>
<tr>
<td><strong>Innovative Ways of Coping with Change</strong></td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Degree of Response to Systemic Change</strong></td>
<td>Moderate, and varies according to paradigm shift</td>
<td>Slow, and varies according to paradigm shift</td>
<td>Rapid, and varies according to paradigm shift</td>
</tr>
<tr>
<td><strong>Possible Similarities</strong></td>
<td>Facing all 4 Global Paradigm Shifts</td>
<td>Facing all 4 Global Paradigm Shifts</td>
<td>Facing all 4 Global Paradigm Shifts</td>
</tr>
<tr>
<td></td>
<td>Training Focus on: Domestic environment Fine arts sector Org. administration Old funding models</td>
<td>Training Focus on: Domestic environment Fine arts sector Org. administration Old funding models</td>
<td>Training Focus on: Domestic environment Fine arts sector Org. administration Old funding models</td>
</tr>
<tr>
<td><strong>Possible Differences</strong></td>
<td>Focus on Creativity and Entrepreneurship</td>
<td>Focus on Identity and Heritage</td>
<td>Focus on Identity, Heritage, and EU Membership</td>
</tr>
<tr>
<td></td>
<td>TBD – differences due to configuration of global-local factors</td>
<td>TBD – differences due to configuration of global-local factors</td>
<td>TBD – differences due to configuration of global-local factors</td>
</tr>
</tbody>
</table>

**Figure 3.6:** Expectations – Key Aspects of the Problem for Exploration in Each Case Study
Within the framework of assessing paradigm shifts and change management capacities, the current status of arts administration training options was closely examined. As described in detail in chapter two, formal training programs relative to the AAAE outcome standards and traditional management model of training were explored, as well as ENCATC influences and a European training model that may have more of a dual focus on management and policy. It was anticipated that models of current formal arts administration training in East-Central Europe would have been transferred from North America and Western Europe. It was expected that more formal training options would be found in Columbus and Vienna than in Budapest, and it was of particular interest to identify and evaluate professional development options in all three cases.

As discussed in chapter one, arts administrators in all three cases are facing all four global paradigm shifts, albeit to varying levels of penetration and impact as mediated by the national and local contexts. In the three cases, similarities in the paradigm shifts the nations are experiencing were carefully assessed and the proposition that current arts administration training in all three contexts is focused on the domestic environment, the fine arts sector, organizational administration, and outdated arts funding models was systematically addressed. It was anticipated that research findings would either support or disprove this proposition.

Potential overarching differences were based on the interaction between the global paradigm shifts and the local context; these remained to be determined through the study. In general, however, it was expected that Americans would have an overarching focus on creativity and entrepreneurship, that Austrians and Hungarians would promote a major focus on national identity and heritage, and that Hungarians will encourage a focus on EU membership (i.e., a “return to Europe”) through many arts policy and administration practices.

This discussion of expectations for this research project concludes chapter three. Chapter four translates research methodology, goals, and expectations into a detailed research design.
4.1 Introduction to Research Design

As discussed in detail in chapter three, comparative case study methodology was used in conducting this dissertation research. Although the context was distinguished in each case by both exogenous and endogenous factors, it was anticipated that comparison across the three cases would demonstrate that current arts administration training is not suited to address systemic change in the cultural sector.

Comparison of Columbus/USA, Vienna/Austria, and Budapest/Hungary was associated with both large macrosocial units (mainly city communities and nation-states) and within-system relationships (arts administration training programs and the cultural sector). Cross-site analysis involved comparison of the gaps between systemic change, training options, and capacities for managing change. In cross-societal comparison, the similarities and differences in the demands of systemic change and the requirements for managing change were analyzed. This comparison produced crucial background information for identifying potential needs for “global” capacities and “local” skill sets. In the three cases, one could learn from examples of innovation in cultural policy and arts management to cope with recent change in the sector, and find that global change management capacities must be matched with unique local skill sets to adapt and adjust to the
context of each environment. In addition, it was anticipated that this study would increase one’s understanding of the dynamics of transnational knowledge transfer, technology transfer, and policy transfer.

This dissertation is a collective instrumental case study (Stake, 2000), where the focus of analysis is as much on comparison as it is on each case’s ability to provide insight into the problem under investigation. The case studies utilized pre-developed analytical instruments, and contributed to the refinement and modification of the theoretical paradigm shifts articulated in chapters one and two. From the research findings, it was possible to infer hypotheses regarding the magnitude and dimensions of systemic change and to generate policy-relevant proposals for arts administration training.

As an overview of research methods, ethnographic techniques for data collection were borrowed, specifically participant observation, interviews, and document analysis. Constructivist methods of grounded theory were utilized for the analysis of data. Trustworthiness of the collected data as well as analytical procedures and constructs have been supported by validity criteria such as credibility, transferability, dependability, confirmability, and reflexivity as well as validity techniques such as triangulation, member checks, catalytic validity, and construct validity. The ways in which these techniques were applied are discussed in further detail throughout this chapter.

A detailed discussion of the research strategy and data collection process now begins. It starts by reviewing the main research question and key sub-questions addressed in this study. Then, the theory and literature from which data collection methods and validity techniques were developed are briefly discussed. This short theoretical discussion is followed by an overview of the methodological problems necessary to address. A lengthy discussion of the research process used for this study then commences: the pre-dissertation research upon which this project was based; cross-national comparative elements selected as observational units; the sources and
content of targeted data; research instruments; the work plan and timeline; and a summary of the dissertation research process. After the discussion of the research process, the data coding and analysis instruments – as well as specific validity techniques – used in analyzing raw data generated from interviews, participant observation, and document analysis are introduced. Finally, this chapter concludes by introducing the structure of the three case studies that follow in the next three chapters.

Research Strategy

Main Research Question: To what extent is current training in arts administration suited to meet changing demands in the cultural sector in North America and Europe?

Key Sub-Questions:

1. How did current professional arts managers acquire their competencies, skills, and practices? How have they needed to adapt or augment their skills since they have been working professionally in the field?

2. What is their current knowledge base and is this knowledge suited to address paradigm shifts they are experiencing in their local context? How aware are they of the paradigm shifts taking place and what challenges do these shifts pose for arts managers?

3. What new functions (capacities) do changing systemic demands in the cultural sector call for? What local skill sets are needed? What blend of “global” capacities and “local” skill sets may be appropriate?
4. What mix of formal education, professional development, and on-the-job training might address the perceived need for new capacities and skills? How are the changing demands in the cultural sector currently being met?

As these questions imply, it is the interplay between the constellation of contextual variables and the mix of training options that would provide significant insight into the ways in which training outcomes might best be attained in any given environment. Deep description is called for to explore new requirements for skills and competencies, resources for training, training intentions and plans of arts administration professionals and educators, and training program plans and preferences. In each of the representative case studies, research was conducted on the questions listed above according to the structure shown in figure 4.1.

As figure 4.1 illustrates, evidence was gathered to validate the paradigm shifts articulated in chapter one and to demonstrate the implications of systemic change for change management skills in the cultural sector. Evidence of new demands in Columbus, Vienna, and Budapest demonstrated the scope and magnitude of the paradigm shifts in North America and Europe. Examples of constructive responses to changing systemic demands were gathered, and the match or mismatch of current arts administration training to demands of systemic change was assessed. Information was collected on how and to what extent training in change management capacities and skills is currently being provided.
To support/disprove the main proposition, evidence was gathered of all factors below:

1. Impact of globalization, with *glocalization* and *global multiculturalism* as preferred local adaptation or filter to global forces

2. “Arts sector” broadening in scope to become “cultural sector”

3. Effective cultural management expanding from focus on organizational administration to include national and international policy

4. Shifts in economic assumptions and resources (due to marketization and privatization in some nations) causing change in arts funding models

1A. Managing international cultural interactions (ICIs)

1B. Representing cultural identity

2. Promoting innovative methods of audience development

3. Exercising effective strategic leadership

4. Fostering a sustainable mixed funding system

**Figure 4.1:** Pathway of Inquiry to Demonstrate Evidence of the Problem
4.2 Selection of Data Collection Methods and Validity Techniques

Chapter three discusses in detail the methodological selection of qualitative comparative social science inquiry. In terms of research methods, data collection techniques were utilized from critical ethnography. Data collection in ethnographic research utilizes the mainstays of qualitative research: participant observation, interviews, and document analysis. As Wolcott (1997) states, “ethnographic significance is derived socially, not statistically, from discerning how ordinary people in their customary settings go about their everyday lives” (p. 333). In general, the ethnographer is the research instrument who, “in the process of gathering information, utilizes observations made over extended periods of time, from multiple sources of data, employing multiple techniques. By being on the scene, the ethnographer not only is afforded continual opportunity to ask questions but also seeks constantly to reflect on the best questions to ask” (p. 334). Ethnographic data collection thus requires an evolving research design and a lengthy period of time in which to conduct the research.

Methods may be utilized from ethnographic research to supply valuable data for analysis. A crucial approach for the analysis process itself may be found in the constructivist methods of grounded theory. As Charmaz (2000) explains, “grounded theory methods consist of systematic inductive guidelines for collecting and analyzing data to build middle-range theoretical frameworks that explain the collected data. Throughout the research process, grounded theorists develop analytic interpretations of their data to focus further data collection, which they use in turn to inform and refine their developing theoretical analyses” (p. 509). “Building empirically grounded theory requires a reciprocal relationship between data and theory” (Lather, 1986, p. 267). The rigorous guidelines comprising grounded theory are explained as follows:

The rigor of grounded theory approaches offers qualitative researchers a set of clear guidelines from which to build explanatory frameworks that specify relationships among concepts. Grounded theory methods do not detail data collection techniques; they move each step of the analytic process toward the development, refinement, and interrelation of concepts. The strategies of grounded theory include (a) simultaneous collection and analysis of data, (b) a two-step data coding process, (c) comparative methods, (d) memo
writing aimed at the construction of conceptual analyses, (e) sampling to refine the researcher’s emerging theoretical ideas, and (f) integration of the theoretical framework (Charmaz, 2000, p. 510-511).

It follows that a key concern in this reciprocal relationship between data and theory lies in the trustworthiness of the data itself. Indeed, issues of validity lie at the heart of much criticism of empirical accountability due to the subjective nature of qualitative research. Lather (1986) asserts that the minimum requirements for assessing validity should be the techniques of triangulation, reflexivity, and member checks. The oft-cited summary of techniques for establishing trustworthiness by Lincoln and Guba (1985) provides specific techniques to meet the validity criteria of credibility, transferability, dependability, confirmability, and reflexivity as follows:

- **Credibility** – (1) activities in the field that increase the probability of high credibility, including prolonged engagement, persistent observation, and triangulation; (2) peer debriefing; (3) negative case analysis; (4) referential adequacy; (5) member checks;
- **Transferability** – (6) thick description
- **Dependability and Confirmability** – (7) the dependability and confirmability audit trail;
- **Reflexivity** – (8) maintaining a reflexive journal throughout the research process.

Lather (1986, p. 67) proposes a reconceptualization of specific validity techniques as follows:

- **Triangulation** – of multiple data sources, methods, and theoretical schemes;
- **Face validity** – she emphasizes the integral role of member checks;
- **Catalytic validity** -- which refers to the degree in which the research process re-orients, focuses, and energizes participants;
- **Construct validity** – “A systematized reflexivity, which gives some indication of how a priori theory has been changed by the logic of the data, becomes essential in establishing construct validity in ways that will contribute to the growth of illuminating and change-enhancing social theory” (p. 67).
The main validity techniques that used throughout this study were the triangulation of multiple data sources and methods, and the utilization of frequent member checks. Ultimately, a goal was to establish construct validity, especially as an objective was to generate hypotheses and develop recommendations from the data. In working closely with numerous research participants, catalytic validity became important – especially in the potential long-term application of findings from the dissertation.

To summarize, data collection methods drawn primarily from the field of comparative education were implemented, and data generated through key informant semi-structured interviews, participant observation, and document analysis was triangulated. Constructivist methods of grounded theory for the analysis of data were utilized. Trustworthiness of the collected data as well as analytical procedures and models were supported by validity techniques such as triangulation and member checks. Potential methodological problems that were necessary to address are now briefly discussed. The chapter then turns to a detailed discussion of the research process.

4.3 Methodological Problems to be Addressed

In a study of this nature, access to information may be considered a serious potential problem. There were no significant problems with access, due to personal familiarity with the cases, interest in and support for this study that is being expressed by key academicians and arts administration practitioners in each of the cases, and extensive networks already established. The researcher’s fluency to English and German was sufficient for this study. There were no significant barriers in conducting key informant interviews, participant observation, and document analysis.
A related potential problem is that of selection. In all three cases, it was necessary to rely heavily on key informants identified through purposive sampling, and as referred through networks and research participants. One fine arts subdiscipline, classical music, was selected as the focus of this study, because of the researcher’s personal interest and professional experience in this field and because it was of interest to explore the ways in which a typically non-profit “high” arts segment is coping with the same paradigm shifts that affect the rest of the cultural sector. In addition, the theoretical sampling of all cross-national comparative elements was designed to facilitate hypothesis generation.

Theoretical sampling helps us to define the properties of our categories; to identify the contexts in which they are relevant; to specify the conditions under which they arise, are maintained, and vary; and to discover their consequences. Our emphasis on studying process combined with theoretical sampling to delineate the limits of our categories also helps us to define gaps between categories. Through using comparative methods, we specify the conditions under which they are linked to other categories. After we decide which categories best explain what is happening in our study, we treat them as concepts (Charmaz, 2000, p. 520-521).

Additional potential methodological problems may have included issues pertaining to validity and generalization. The validity techniques to be employed were addressed earlier in this chapter. Generalization may be more difficult to address, because a research goal was to infer theories and generate recommendations from this study. It was not expected that it would be possible to generalize from a study limited to one fine arts subdiscipline and current arts administration training in three case study cities. Rather, it was anticipated that it would be possible to draw lessons from each of the case studies and find patterns of agreement among the data to begin to formulate hypotheses for future research. The goal was externalization (Schriewer, 1988) rather than generalization.

Finally, the very nature of qualitative inquiry is subjective, so it was necessary to be forthcoming in the personal methodological biases brought to this study and in personal
motivations for conducting this research (addressed in detail in chapter three). The next section provides a detailed discussion of the data collection process.

4.4 The Research Process

4.4.1 Pre-dissertation Research

This dissertation study was conducted based on data from exploratory research conducted from 2000 to 2002 in five areas: (1) a literature review of pertinent multidisciplinary social science theory; (2) a review of literature pertaining to issues and research methods in comparative and international higher education; (3) findings from ongoing research conducted by my department on international issues in cultural management training; (4) interviews conducted in summer 2001 of 20 young professional arts managers from Eastern Europe; and (5) surveys conducted of international curricular content in university arts administration training programs around the world and North American-based professional development programs. In addition, the dissertation’s conceptual framework and operational methodology drew on the researcher’s personal international experience and professional networks in the fields of cultural policy, arts administration, and classical music. It addressed the need expressed by arts administration educators and cultural policymakers around the world for advancing international cooperation, research, and instructional materials in this field.

4.4.2 Selection of Cross-National Comparative Elements

As explained in chapter three, it was expected that the demands placed on the cultural sector would be significantly different in each of the case studies, due to the mediation of global
paradigm shifts through local contexts. Therefore, in order to develop structured comparative case studies, it was important to control for cross-national comparative elements. That is to say, information was gathered according to observational units that translated across the case studies.

Ragin (1987) cautions that two distinct metatheoretical constructs – the observational unit and the explanatory unit – must be taken into account in comparative research. “Observational unit refers to the unit used in data collection and data analysis; explanatory unit refers to the unit that is used to account for the pattern of results obtained” (p. 79). Wirt (1980) distinguishes three basic observational units of analysis of particular relevance to comparative education: government, group, and policy. In the research design, through purposive sampling of key informants in Columbus, Vienna, and Budapest, information was gathered on observational units as follows:

- **Institutions** – governmental and nongovernmental, non-profit (3rd sector) and public, at local, regional, national, and international levels;
- **Groups** – individuals associated with major classical music organizations, higher education programs, policymakers, academics, students, researchers;
- **Policy** – national and international cultural policy, including relevant aspects of foreign policy and education policy.

To structure the cases, relevant data was acquired as provided by institutions, groups, and policy found in the data sources outlined in figure 4.2. As shown in this figure, the key factors taken into account were evidence of changing demands in the cultural sector, capacities of arts administrators to manage change, and current training options in each of the case studies (see figure 4.1 for further details). Data was acquired from individuals and institutions that are functionally equivalent in each of the cases. In interviews, the researcher spoke with key informants who are recognized as leaders in cultural policy and administration. In classical music
organizations, the majority of interviews were with individuals at the executive director level of the organization. The researcher developed a long-term association with the leading university arts administration program in Columbus and Vienna, and the director of the leading arts administration program in Budapest became a key informant. A wide range of data was available through documents found (or available online or through publications) at the many research institutes visited throughout the research process.

Using the informants listed in figure 4.2, information was gathered to structure each case study according to the magnitude and dimensions of paradigm shifts taking place in cultural policy and administrations, the capacity of arts administrators to manage change, and range of training options currently available in the field. Throughout the study, it was necessary to be cautious in confirming comparability of terminological assumptions; (that is, the researcher was certain to define the terms used in the process of collecting data, particularly in interviews). It was also important to attempt to collect parallel data for the cases, that is, data from individuals and institutions at the same functional and expertise level in each of the cases.

With reference to the first factor under examination – changing demands – the changing local, national, regional, and international cultural policy context of each of the cases were explored. The major sources of data for this factor included experts in this area of research and documents available through a wide range of institutions and government agencies. For the second factor – capacities to manage change – information was provided by individuals at the executive director level of major symphony orchestras, opera companies, classical music festivals, and classical music presenters in each of the cities. With regard to the third factor – training options – the main focus was on information provided by the major university-level arts administration education program in each of the case studies. It was also interesting to collect information on other training options (i.e., formal arts administration training, professional development, and on-the-job training) currently available in each of the cases.
<table>
<thead>
<tr>
<th><strong>Factor</strong></th>
<th><strong>Columbus</strong></th>
<th><strong>Vienna</strong></th>
<th><strong>Budapest</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changing Demands</strong></td>
<td>Policy in USA and Ohio Local context</td>
<td>Policy in Austria Local context</td>
<td>Policy in Hungary Local context</td>
</tr>
<tr>
<td>National, international, and local public policy context of cases</td>
<td>Center for Arts &amp; Culture (Washington) Ohio Arts Council Greater Columbus Arts Council</td>
<td>Ministry of Culture FOKUS Österreichische Kulturdokumentation U.S. Embassy Cultural Exchange Program KulturKontakt Austria</td>
<td>Ministry of Culture Budapest Cultural Observatory U.S. Embassy Cultural Exchange Program Institute for Human Sciences (Vienna)</td>
</tr>
<tr>
<td><strong>Capacities to Manage Change</strong></td>
<td>Opera Columbus Columbus Symphony Orchestra Columbus Association for the Performing Arts</td>
<td>Vienna State Opera Vienna Philharmonic Orchestra Vienna Symphony Orchestra Musikverein Konzerthaus</td>
<td>Hungarian State Opera Hungarian National Phil. Orchestra Budapest Festival Orchestra Budapest Spring Festival Krem Concert Agency</td>
</tr>
<tr>
<td>Case study focus on needs expressed by art administration practitioners in major classical music organizations</td>
<td>Management of above OSU APA Program Academy for Leadership and Governance Overview of other formal education and professional development programs AAAE</td>
<td>Management of above IKM AA program Institute für Kulturkonzepte Overview of other formal education and professional development programs ENCATC</td>
<td>Management of above EL Univ. AA program Cultural Contact Point of Hungary Overview of other formal education and professional development programs ENCATC</td>
</tr>
<tr>
<td><strong>Training Options</strong></td>
<td>Management of above OSU APA Program Academy for Leadership and Governance Overview of other formal education and professional development programs AAAE</td>
<td>Management of above IKM AA program Institute für Kulturkonzepte Overview of other formal education and professional development programs ENCATC</td>
<td>Management of above EL Univ. AA program Cultural Contact Point of Hungary Overview of other formal education and professional development programs ENCATC</td>
</tr>
<tr>
<td>Formal arts administration training, professional development, on-the-job training</td>
<td>Management of above OSU APA Program Academy for Leadership and Governance Overview of other formal education and professional development programs AAAE</td>
<td>Management of above IKM AA program Institute für Kulturkonzepte Overview of other formal education and professional development programs ENCATC</td>
<td>Management of above EL Univ. AA program Cultural Contact Point of Hungary Overview of other formal education and professional development programs ENCATC</td>
</tr>
<tr>
<td><strong>Key Research Advisers</strong></td>
<td>Margaret Wyszomirski Wayne Lawson Rosa Stolz</td>
<td>Otto Hofecker Monika Mokre Veronika Ratzenböck</td>
<td>Peter Inkei Janos Kovacs Bela Rasky</td>
</tr>
<tr>
<td>(Member checks for case studies)</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

**Figure 4.2:** Factors and Data Sources for Comparative Analysis
My main research advisers in each of the case studies were crucial in providing information for and feedback on drafts of the case studies. In Columbus, Dr. Margaret Wyszomirski (Director of the Ohio State University Arts Policy and Administration Program) and Dr. Wayne Lawson (Executive Director of the Ohio Arts Council) were both key informants and members of my dissertation committee. Dr. Rosa Stolz, with her long experience as an arts administrator in Columbus, served as an additional adviser for that case study. In Vienna, main research partners included Dr. Franz-Otto Hofecker (Director of the Institute of Culture Management and Culture Studies, University of Music and Performing Arts Vienna), Dr. Monika Mokre (President of FOKUS, the Austrian Society for Cultural Economics and Policy Studies based in the Austrian Academy of Sciences), and Veronika Ratzenböck (Director of the Österreichische Kulturdokumentation cultural policy research center and archive). Serving as major research advisers for my Budapest case study were Peter Inkei (Director of the Budapest Cultural Observatory), Dr. János Kovacs (a leading Hungarian political science scholar based at the Institute for Human Sciences in Vienna), and Dr. Béla Rásky (a leading scholar on Hungarian cultural policy).

4.4.3 Sources of Data for the Dissertation

Information-gathering methods of interview, participant observation, and document analysis were utilized throughout the data-collection phase of the dissertation research. Specific sources and content of the data collected are listed in figure 4.3. Throughout the research process, the key criterion (or filter mechanism) used for data collection was the search for evidence of changing requirements for cultural management skills. Research instruments were designed (see section 4.4.4) to specifically target evidence of systemic change in the cultural sector, capacities needed to manage change, and potential shortfalls of current training options in arts administration.
The most significant source of data for this study was the collection of interviews with key informants, selected by purposive sampling (see Appendix G). The researcher spoke with recognized cultural policy experts, instructors, students, and arts administration practitioners representing major educational, research, political, and classical music institutions in each of the case studies. This information was supplemented by notes collected during a wide range of participant observation activities throughout the 2002-2003 academic year. Cultural policy facts, figures, and systems were most commonly provided through document analysis or secondary analysis of statistical information.
<table>
<thead>
<tr>
<th>Method</th>
<th>Data to be Collected</th>
<th>Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviews</td>
<td>Evidence of changing requirements for cultural management skills</td>
<td>Key informants in Columbus, Vienna and Budapest:</td>
</tr>
<tr>
<td></td>
<td>Responses to interview questions</td>
<td>AA Professors / Trainers / Consultants</td>
</tr>
<tr>
<td></td>
<td>Notes from group discussions</td>
<td>Students</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Professional Arts Administrators</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Arts Policymakers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Researchers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Actors in International Organizations</td>
</tr>
<tr>
<td>Participant</td>
<td>Evidence of changing requirements for cultural management skills</td>
<td>Involvement with higher education training programs and organizations, such as:</td>
</tr>
<tr>
<td>Observation</td>
<td>Training program syllabi, course materials, teaching methods, curriculum</td>
<td>Institut für Kulturmanagement, Vienna</td>
</tr>
<tr>
<td></td>
<td>Notes from participating in conferences and workshops</td>
<td>Austrian Society for Cultural Economics and Policy Studies (FOKUS)</td>
</tr>
<tr>
<td></td>
<td>Notes from courses I instruct</td>
<td>Institute for Human Sciences (IWM)</td>
</tr>
<tr>
<td></td>
<td>Notes from guest lecturing / tutoring</td>
<td>AAAE and ENCATC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>AIMAC (conference in Italy, July 2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ohio State University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Budapest University of Economics and Public Administration</td>
</tr>
<tr>
<td>Document</td>
<td>Evidence of changing requirements for cultural management skills</td>
<td>Research conducted at various institutes:</td>
</tr>
<tr>
<td>Analysis</td>
<td>Comparative arts policy systems</td>
<td>Reports, analyses, papers, written materials for training programs, policies, various government documents, conference proceedings, online information, statistics</td>
</tr>
<tr>
<td></td>
<td>Cultural statistics</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Influence of international organizations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dynamics of policy transfer</td>
<td></td>
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<tr>
<td></td>
<td>Arts funding systems</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cultural diplomacy / exchange</td>
<td></td>
</tr>
</tbody>
</table>
4.4.4 Research Instruments

Research instruments included semi-structured interview protocols, forms for document analysis, and forms for participant observation. These instruments were derived from pre-dissertation research, theory discussed in chapters one and two of the dissertation, and research methodology and methods addressed in chapter three as well as earlier in this chapter. The following research instruments were developed:

1. Semi-structured protocol for interviews with arts administration practitioners
2. Semi-structured protocol for interviews with cultural policy specialists
3. Semi-structured protocol for interviews with arts administration educators and students
4. Consent form for interviews (when more than oral consent is required)
5. Data collection sheet for participant observation
6. Data collection sheet for document analysis

The specific research instruments used in this study are contained in Appendix C, D, E and F. Notes and audiotapes for all interviews were created; this raw data is kept on file. Summaries of the interviews, including translations wherever necessary, were prepared, with selective transcription of sections considered especially pertinent for potential quotation, paraphrasing, or summarizing. Written materials about the organizations of virtually all interviewees are also on file. In participant observation, notes were taken on all relevant education, workshop, or conference activities in which the researcher participated during the 2002-2003 academic year. Participant observation forms and notes are on file. For document analysis, access was provided to library and archive materials relevant to cultural policy and administration in each of the case studies. Document analysis forms with references to where the written documents or statistics were found, as well as numerous publications and documents, are also in the raw data file.
4.4.5 Work Plan and Timeline

The dissertation study was based on pre-dissertation research conducted from 2000 to 2002 in Columbus. As such, North American arts policy and administration literature provided the conceptual framework through which the researcher conducted the comparative case studies. Consequently, Columbus became a referential case study, while the main focus of the investigation was Vienna and Budapest. The researcher was based in Vienna during the 2002-2003 academic year, traveling as needed to Budapest. She visited Columbus in February and May of 2003, during which she conducted interviews and collected additional data to complete the Columbus case study. She returned to the United States in late July 2003, and completed the dissertation in the 2003-2004 academic year.

4.4.6 Summary

Having presented the research design, research strategy, data collection methods, sources and content of data, research instruments, and work plan, this methodological section of the dissertation now concludes by providing a summary of the dissertation research process.

Using qualitative research methodology, data collection methods were comprised of participant observation, interviews, and document analysis. For each case study, the main research focus was on evidence of changing demands in the cultural sector, necessary capacities to manage change, and the potential mismatch of these needs and demands to current arts administration training options. Data sources included cultural policy experts, instructors, students, and leading classical music managers, as well as a wide range of documents, statistics, and other written materials available through diverse academic and political institutions. Ongoing triangulation of data, member checks, and feedback from key research participants comprised the main validity techniques.
After collecting sufficient data to begin coding and analysis, data was translated, summarized, grouped, and coded according to the analytical factors described in detail in chapter three and four. Information was collected throughout the 2002-2003 academic year, filling gaps discovered in my data and supplementing information wherever necessary. From this data, it was possible to prepare thick description of each case study, each of which is essentially a situation analysis of the extent to which current training in arts administration is suited to meet changing demands in the cultural sector. The case studies are structured according to identical topics and factors, allowing for ease in cross-case comparison. Each case study was submitted to key research participants for comments and feedback.

In the final chapter, findings from each intra-societal evaluation are transferred to a collective cross-societal evaluation through comparative analysis. It thus became possible to begin to formulate and refine hypotheses, recommendations, and potential educational policy implications. The goal of the final comparative analysis is to identify “global” capacities to be matched by “local” skills, and to identify best practices and lessons learned that might be externalized to future research initiatives. Findings from this comparative analysis then led to the formulation of hypotheses on the causes, scope, and dimensions of the paradigm shifts; recommendations for cultural administration training; and avenues for future research. These findings culminate in a heuristic educational model for the field of arts policy and administration.
CHAPTER 5

COLUMBUS

5.1 Overview of the Case Study

A snapshot of the changing demands in the American cultural sector, change management capacities required to meet these new demands, and current training options in arts administration in Columbus, Ohio are provided in this chapter. After an overview of the changing cultural policy and administration context in Columbus, systemic change is discussed in terms of the four paradigm shifts in the world system, the arts system, the cultural policy system, and the arts funding system. The chapter then moves to a discussion of how arts administrators in Columbus are currently coping with change. The five change management capacities are discussed as they are understood by leaders in the cultural sector in Columbus, demonstrating the scope and nature of new functions and skills that may be required. Then, an overview of arts administration education in Columbus is provided, framed by training needs identified by key informants, the current range of training options in Columbus, and profiling in detail the arts administration program at The Ohio State University. The final section of this chapter provides a critical analysis of the apparent disconnect between systemic change, change management capacities, and training options.

This chapter is created from information provided through interviews with leading classical music performing arts managers, cultural policy specialists, and arts administration educators in Columbus. Data provided through these key informants’ qualified judgments has
been further substantiated by information collected through document analysis, participant observation, and secondary analysis of statistical data. Interviewees are often cited throughout the chapter. Where no direct citation in parentheses appears after a quotation, the source cited is an interviewee identified in the text – a detailed list of interviews is included in Appendix G.

5.2 Introduction:  
The Changing Cultural Policy and Administration Context in Ohio, U.S.A.

The United States is a country of roughly 280 million people; the state of Ohio has around 11 million citizens, and Ohio’s capital city, Columbus, is a city of 1.5 million inhabitants. As was outlined in Chapter 3 and 4, for purposes of comparative analysis in this study, Ohio has been examined according to the same contextual factors as the countries of Austria and Hungary. While Vienna, Austria and Budapest, Hungary are the main focus of this investigation, this referential case study of Columbus, Ohio provides a basis for the comparison of systems between North America and Europe, and for the comparative analysis provided in Chapter 8.

Ray Hanley, President of the Greater Columbus Arts Council, sums up the current state of the cultural policy and administration context in Columbus, Ohio by stating that “anyone who is not expecting change is blind.” He refers to both positive and negative change in the cultural sector in asserting that “everything is on the table.” Dr. Rosa Stolz, a leader in Columbus’ arts administration community for several decades, describes many transitions and new trends that have appeared over the past decade in Columbus’ cultural sector. She mentions that far fewer arts institutions existed in the mid-1970s to early 1980s, during the period of time when state and city arts councils were formed. Columbus grew significantly in the 1980s, during which the orchestra developed as a professional arts organization and professional opera and ballet companies were started. New management for these companies were hired from across the country. Stolz asserts that this trend toward professionalization reflected the aspirations of the
community – that Columbus could have arts and culture offerings that could compete for the public’s attention. She goes on to describe the second wave of “elevated arts management and artistic achievement” that began in the early 1990s, which marked the beginning of maturation of some of the organizations. Over the past decade, the new mandate was stabilization. Outreach began to broaden constituencies, and performing arts organizations’ marketing and education programs increased in size and importance within the organizations.

Turning to the changing cultural policy context in Columbus, Ohio, Dr. Wayne Lawson, executive director of the Ohio Arts Council, states that “ten years ago, at least from a practitioner perspective, cultural policy didn’t exist.” He explains that after changes took place in governmental arts funding systems in the early 1990s, leading to a decentralized funding system that led to a strong emergence and growth of local arts agencies, where “tenured arts people put their experience to work.” Discussions about cultural policy and the demand for cultural policy research is now being heard, he asserts, but he suggests that more information needs to be exchanged between theorists and practitioners to address this need. Still, with reference to the cultural policy context in the state of Ohio, Lawson says that “cultural policy is about what it isn’t. … It’s about what is lacking, or missing, or what there is a need for.” Indeed, the evolution of the cultural policy context in Ohio over the past decade might best be described as functional, reactionary, ad hoc, and decentralized. Or, as Hanley puts it, “we are now in an active period of evolutionary change, although this has to do more with functionality than policy changes.”

Change in America’s cultural policy and administration context are fully evident in challenges now facing performing arts organizations in Columbus, Ohio. Dan Hart, executive director of the Columbus Symphony Orchestra, states that “in general in the USA, arts administrators are having to work smarter and wiser, with a main focus on fundraising and marketing.” This ongoing focus on generating earned and contributed income underscores the challenge of running a major performing arts organization in an economic downturn, when very
little in terms of a financial safety net exists. The National Arts Stabilization program was brought to Columbus in the early 1990s to solidify arts organizations’ business plans and to increase cash reserves. As Stolz describes the effects of this initiative, “within the last ten years, a securing has happened, but the endowments have not been developed. Operating capital was not put aside.” Hanley agrees that the now-completed Stabilization program – which functioned as “both a carrot and a stick” with regard to motivating and threatening arts organizations to increase their cash reserves – still involves clarification of expectations, evolution of program goals, and ongoing training.

But financial stabilization is only one of many administrative challenges facing performing arts organizations in Columbus. As Stolz describes the situation, “now, these institutions are looking at tapped-out boards which can’t fund the organizations beyond the operations as they currently exist. Staff has very little succession planning. Audiences are staid. Education programs are fine, but not necessarily translating into audiences.” Stolz expects that, over the next five years, performing arts organizations will be very cautious, focused on fundraising and keeping finances under control, and “producing art within our means.” The 2001 Rand Report titled *The Performing Arts in a New Era* – completed prior to the sharp economic downturn and resultant financial constraints of arts organizations beginning in 2002 – identifies three major challenges that are changing the context in which performing arts organizations throughout the nation are managed: sharp cutbacks in federal support for the arts, declining public interest in live performing arts, and increased demand for home-based entertainment.

Figure 5.1 provides an overview of the factors for analysis in this case study, providing key word descriptions of the nature, extent, and pace of systemic change in the American cultural sector according to the paradigm shifts and change management capacities introduces earlier in chapters one and two. The remainder of this chapter will provide detailed information on each of these factors, then conclude with an analysis of the case study.
<table>
<thead>
<tr>
<th>Nature of Change</th>
<th>Paradigmatic (a nascent conceptual framework)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparative Pace of Change</td>
<td>Moderate</td>
</tr>
</tbody>
</table>
| Major Issues and Trends          | Increased focus on “public value” and “community”  
An unsustainable funding system forcing collaboration among arts organizations |
| Paradigm Shifts                  | Key characteristics                          | Recognized impact level of change |
| World System                     | Diversity, community                         | Low                               |
| Arts System                      | Collaboration among non-profit professional arts | High                             |
| Policy System                    | Disconnect between theorists/policymakers/practitioners | Medium                          |
| Funding System                   | Unsustainable arts funding system, economic crisis | High                              |
| Coping with Change               | Exploring new policies and tools to cope with current unsustainable systems  
Emphasis on developing strategic leadership  
Collaboration among arts organizations |
| Change Management Capacities (CMCs) | Key elements of CMCs as currently identified as necessary to cope with systemic change  
Collaboration among arts organizations |
| International Cultural Interactions | Some international artist exchange, as well as international touring and presenting | Low |
| Cultural Identity                | Programmatic diversity  
Community outreach to minority audience groups | Medium |
| Audience Development             | Educational programs for children, focusing on participation  
Collaboration among arts organizations |
| Strategic Leadership             | Major interest in strategic leadership and strategic planning | High |
| Mixed Funding                    | Tweaking the current arts funding system  
Building cash reserves and endowments if possible  
Revenue-driven organizations | High |
| Training Options                 | Example and key characteristics explored in case study  
Note: level of demand for all training options in Columbus on the part of participants appears to be high  
Level of interest in the training options as expressed by arts administrators interviewed |
| Formal Education                 | OSU Arts Policy and Administration Program  
Currently revising curriculum | High |
| Professional Development         | Academy for Leadership and Governance  
Focused on professional development programs and services for future leaders in arts administration | High |
| On-the-Job                      | Highly valued in all arts organizations; many organizations offer excellent opportunities for professional development through internships and programs offered by national service organizations | High |

**Figure 5.1:** Overview of Arts Administrators’ Managing Systemic Change in Columbus
5.2.1 The Changing World System
(The Impact of Globalization)

Dr. Margaret Wyszomirski, director of the Arts Policy and Administration Program at The Ohio State University, discusses globalization as a whole new dimension facing cultural policy and administration. “Most arts administrators are aware of local factors and have a field orientation, but are ill-informed about international issues,” she states. “When they think international, these tend to be bilateral programs. Global forces must be taken into account… International factors everywhere must be dealt with domestically.” As Stolz puts it, “globalization casts a wider net – there is a potential to change who you are by the new influence. Globalization reframes the mission, delivery system, product.” For arts organizations in Ohio, globalization seems to be mostly understood as the need to promote artistic and social diversity. In contrast, Philip Dobard, general director of Opera Columbus, views globalization as an audience factor. He goes on to explain that “global is rather irrelevant in Columbus” but that a tension lies in consumption patterns. “As world cultures become more accessible, there is an impulse to eschew one’s own culture and embrace others. This reflects the American cultural inferiority complex.”

Hanley asserts that globalization affects everyone but is an overused term. He describes the ways in which the Greater Columbus Arts Council supports international exchange and multinational programming, and states that, through trying to “sell Columbus abroad,” the city has become “less provincial.” Yet, Lawson states that no one has yet studied the effects of globalization on arts administration in Columbus. “No one is thinking about this yet, but we will see an effect in demographics and in political changes. Also changes in trade. People are acting outside of a policy context right now.”

Globalization in Columbus might also be understood as the impact of multinational for-profit corporations on the local arts scene. In Ohio, major corporations such as Bridgestone Tires
or Honda (through the Honda Foundation) heavily fund education and the arts state-wide, which indicates that a group of individuals inside such corporations can be actively involved in creating cultural policies.

Other than the effects of multinational corporations can be felt in the local and state arts scene, and a general interest in promoting Columbus internationally through artistic exchange for purposes of enhancing international trade, the direct impact of globalization on Columbus is quite low. The city’s residents are simply much more affected by local, state, and national policy issues than world system issues. While arts management practitioners interested in international exchange, there does not appear to be an interest in learning “best practices” in the field from abroad.

5.2.2 The Changing Arts System
(The Broadening Scope of the Cultural Sector)

Boundaries are blurring between arts segments in Ohio, although loyalty for arts segments still exists. Audiences may still be art form-specific, but this is now shifting in Columbus. In discussing the changing arts system in Ohio, Lawson states:

…the keyword here is community, and building communities through the arts. In the past, the focus was on education, specifically arts education. Now, the question is ‘how does one support or create public value?’ Community therefore has become the cultural policy context. People are still theorizing about collaborative partnerships in closed circles. Links to communities, community building, cultural awareness, and public-private partnerships are key.

While Lawson criticizes that goals and theories for collaboration among arts forms has not yet translated into strong collaborative relationships, arts administrators in Columbus contend that collaboration is well underway. As Hanley puts it, “we fund and encourage lots of collaborative efforts. It’s good intellectual and creative exposure for people to work together.” Stolz similarly notes that funders reward collaboration, so these initiatives will continue to strengthen, causing a ripple effect toward more resources and more stability. “There are strengths
in numbers and shared purposes – venues, funders, funding pots, volunteers. So many artistic forms are collaborative, which can lead to cross-pollination of audiences.” Moreover, as Hanley explains, “boundaries are irrelevant other than in a legal sense. The public makes no distinction whatsoever among the various arts, in terms of whether they are for-profit, non-profit, or educational. Price and value are the key decision criteria.”

Dobard speaks at length of the “synergy initiative” instigated by Opera Columbus and supported by all arts organizations in Columbus. Partners include the opera company, orchestra, ballet, art museum, as well as many other local arts organizations. Hart states that the Columbus Symphony Orchestra is an active participant in many partnerships. “Everyone’s focus is now on the natural overlap and connections between arts organizations,” he states, and he explains how the maturity of organizational structures and recent changes in management of many organizations are leading to an increased interest in cooperation. In discussing collaboration, Dobard emphasizes that “collaboration short of mission drift and loss of identity is important to growth.” He expresses concern about blurring of boundaries now being sometimes understood as the “watering down of the arts.” As he emphatically states, “it is fine arts atrophy when PBS poster children like Charlotte Church are being promoted as opera singers.”

But collaboration among arts organizations in Columbus, Ohio seems to be concentrated on developing synergies among the non-profit professional arts institutions. Wyszomirski criticizes this approach by observing that “there is not yet full integration. It is important to avoid the default position that nonprofits view profits as a funding source rather than a potential collaborative pattern. They often don’t know how to communicate information. Informal and commercial sector research must be put into parallel with research in the non-profit professional sector.”
5.2.3 The Changing Cultural Policy System
(The Expanding Spheres of Influence)

In the introductory section (5.2), it was noted that a clearly defined and articulated cultural policy is virtually non-existent in Columbus, Ohio. Arts administration practitioners seem to feel disconnected to the public policy system as it affects the cultural sector. “We don’t really have any influence on this,” states Dan Hart. Or, as Philip Dobard notes, “Opera America has a lobbyist and the NEA will continue to exist. But we have low policy influence. Much less than I would like.” The Ohio Arts Council appears to be similarly convinced that practitioners do not have much involvement in cultural policy on local, state, regional or national levels. “Ohio has no link to changing policies at the national level,” says Lawson. “There are no mechanisms to keep abreast [of changes in policy]. I don’t think there is a changing policy. And we don’t have an international cultural policy.”

While there may be consensus that the nature of American cultural policy is fragmented and decentralized, opinions differ in the potential importance and role of practitioners in cultural policymaking. As Wyszomirski notes, professional development in this area is critical.

In any course or in any speech, there are good instructive ways to emphasize how policy is important to practitioners. There are restrictions on advocacy on the part of nonprofits, and most err on the side of caution. A division of labor is needed – effective lobbying can’t be easily done by only the executive director. The ED needs to be civically engaged, but the levels of involvement are not well articulated among local-state-national. Advocacy needs to be more proactive and requires a knowledge of pluralist voices and when to get involved.

Interviews attest to the disconnect experienced among academics, policymakers and practitioners. Where individuals involved in scholarship and research in the field refer to issues that cut across spheres of activity in organizational administration, national policy, and international diplomacy, “regular” practitioners in the field appear to be less inclined to comment on potential interlinkages among spheres of activity.
5.2.4 The Changing Arts Funding System
(New Funding Models)

Concerns about funding the classical performing arts abound in the United States, and comments made in Columbus, Ohio reflect the current pessimism and frustration regarding the current arts funding system. All revenue sources are showing a sustained downturn. As Hart summarizes the situation, “The state budget is in crisis. City money is based on a bed tax, so a decrease in tourism has a direct effect on our income. The stock market and interest rates are down, which results in a negative stimulus on the economy. We rely on cash flow. There are so many needs in the community. We also have a very competitive entertainment market.” Dobard asserts that arts funding systems, when compared nationally, depend on the community’s priorities. He suggests that Columbus views itself as a “sports town” and has a “lack of cultural sophistication.”

As a result of the nationwide recession that began in 2002, Ohio has (at the time of writing) a $4 billion deficit. Many states have made major cuts in arts funding at state arts agency and local arts agency levels; the Ohio Arts Council’s 7.4% cut is minimal in comparison and attests to the efficacy of the Council’s leadership and advocacy. Indeed, as Dobard notes, governmental arts funding for the arts from the Ohio Arts Council and from the Greater Columbus Arts Council remains at a very high level when compared nationally.

Economic impact arguments still seem to resonate in Central Ohio. A publication by the GCAC in fall 2002 is headlined by “The Arts Mean Business,” a short article that cites some local facts and figures generated by a study by Americans for the Arts. According to this study, Columbus generates over $265,000,000 in economic activity... The local date also reveals that Columbus’ nonprofit arts industry generates 8,964 full-time equivalent jobs; $8,045,000 in local government tax revenues; $17,485,000 in state government tax revenues. The $265,552,719 total includes $106,549,421 in spending by arts organizations and $159,003,298 in event-related spending by arts audiences – excluding the costs of admission...
Despite the apparent strength of such economic impact arguments, Hanley states that Columbus is monolithic in its arts funding structure, explaining that in many other cities there is more balance in the philanthropic support structure. Stolz explains the funding structure in Columbus as one where many institutions rely on the generosity of a small number of funders. As a local public funding agency, the GCAC is constantly grappling with the questions of what organizations should be supported and to what extent. Yet, as Hanley mentions, it is important to consider funding now coming from areas other than the nonprofit arm. “The public doesn’t see the profit/non-profit difference [in funding decisions],” he says.

In the highly decentralized arts funding system found in the United States, acquiring statistical data to give an overview of arts funding patterns over the past decade is very challenging. In addition to the national trends outlined in section 3.3.3, with the development of decentralized funding patterns evident in the growth of SAAs and LAAs illustrated in figures 3.3 and 3.4, governmental funding data provided by the Ohio Arts Council provides a useful base for comparison across case studies. The annual budget of the Ohio Arts Council, which includes both grants and administration expenses, is shown in both original and actual appropriation amounts in figure 5.2. For a closer look at direct governmental funding of arts organizations in Columbus, it is helpful to look at the OAC funding patterns given in figure 5.3. This financial data provides a comparative base for exploring federal funding of the arts in Austria and Hungary, since funding examined at the American state level is most appropriate in its functional positioning when compared with federal funding systems of European nation-states.

Turning to non-governmental funding of the arts, Stolz mentions several challenges to the cultural sector in Columbus, Ohio. She notes that major corporate funders have relocated due to shifting priorities, and the number of individual donors has not risen significantly. In asserting that a major problem is individual philanthropy, Stolz describes a “missed opportunity” of not
<table>
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<th>Fiscal Year</th>
<th>Original Authorization</th>
<th>Actual Appropriation</th>
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<tbody>
<tr>
<td>1993</td>
<td>$11,897,746</td>
<td>$8,260,686</td>
</tr>
<tr>
<td>1994</td>
<td>$10,440,686</td>
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<td>1995</td>
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<tr>
<td>1996</td>
<td>$11,536,596</td>
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<tr>
<td>1998</td>
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<tr>
<td>2002</td>
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</tr>
<tr>
<td>2003*</td>
<td>$15,672,032</td>
<td>$13,321,228</td>
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</tbody>
</table>

* Subject to change at the time of data collection.

Figure 5.2: Ohio Arts Council Budget, 1993 to 2003
Source: Ohio Arts Council

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of Grants Awarded</th>
<th>Dollars Awarded</th>
</tr>
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<tbody>
<tr>
<td>1991</td>
<td>72</td>
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<td>$1,571,174</td>
</tr>
<tr>
<td>2003</td>
<td>191</td>
<td>$1,944,445</td>
</tr>
</tbody>
</table>

Figure 5.3: Ohio Arts Council Funding to the City of Columbus, Ohio, 1991-2003
Source: Ohio Arts Council
cultivating the tradition of philanthropy in young professionals in the mid-1980s, which has led to a dearth of individual philanthropic support in today’s society.

The result of the changing funding system can be seen in what Stolz refers to as “revenue-driven arts organizations. This is the antithesis of an artistic focus, where decisions are being made on what the budget can bear.” Stolz contends that arts organizations in the United States are just “tweaking the system” while trying to figure out what kind of new system might address changing demands due to dwindling funding sources. Wyszomirski agrees that research is needed to identify and address ongoing change in funding institutions, their players, trends, and possibilities. She lists several research areas necessary for mapping emergent funding systems: philanthropy, marketing research, new tools, virtual box offices, e-philanthropy, online sales, various other technologically-based revenues, and the ramifications of each of these. “Arts organizations need a unified revenue strategy, utilizing new tools and techniques in this expanding repertoire. And we need to identify the potential for public sources of income. And what’s the interaction among all of these?”

5.3 Change Management Capacities

5.3.1 Coping With Change

The scope and extent of change in the cultural sector in Columbus, Ohio may best be discussed as a function of shifting and emerging paradigms or systems; one senses that arts leaders in the United States are beginning to explore new policies and tools to address systems that they no longer see as sustainable. Change is taking place in Ohio at a moderate pace, when compared with Hungary and Austria. One can see a causal link in the changes taking place in paradigms and systems affecting the cultural sector. Economic crisis is leading to major challenges in the arts funding system, which is not capable of accommodating environmental
demands currently taking place. Shifting approaches to addressing needs in the arts funding system require a significant shift in the arts system. While cooperation is well underway among nonprofit professional arts, experts in the field increasingly allude to the importance of encouraging collaboration among non-profit, for-profit, and public institutions. This shift in the arts system may be leading to increased connections among spheres of activity in organizational administration, national policy, and international diplomacy; that is, a significant re-thinking of the cultural policy system. And as the cultural policy system adapts and evolves, it may be increasingly open to and influential in a changing world system.

All interviewees agree that the five change management capacities identified in this study are important for current and future arts administration practitioners. Further, all interviewees designated “exercising effective strategic leadership” as the single most important change management capacity.

5.3.2 Managing International Cultural Interactions

Although arts leaders in Columbus, Ohio assert that the classical performing arts are not particularly involved in or influenced by international cultural interactions, a closer look at local and regional programs and initiatives reveals a different perspective. The Ohio Arts Council, for example, has a very active International Program that serves as a model for other similar programs just beginning in other states. The Greater Columbus Arts Council actively promotes its sister city program and international artist exchange opportunities. As Hanley emphatically asserts: “Americans must travel more! I mean going to other festivals, and experiencing how it is done abroad. There is a need for experiential reality in multiple cultures. This is very important, especially for leadership. Americans are much too arrogant. There is no right way. Instead, there is a process of understanding. You must question the process you use, and must recognize other models for doing things.”
Local performing arts organizations occasionally employ international guest artists, and programming by the Columbus Association for the Performing Arts (CAPA) often involves international touring and presenting. Stolz, a long-time senior manager in CAPA, notes that while presenting organizations in the United States are often challenged in acquiring visas for bright new performers, major touring organizations do not have the same difficulties, and a general infrastructure exists in Columbus for coordinating international performing arts programs and artists. Her comments, however, might lead one to wonder how immigration procedures and requirements in the United States might function as a barrier to artistic innovation and the opportunity for American publics to experience lesser-known artistic expression.

An appreciation for the role of the arts in regional cultural tourism and in promoting Columbus in international trade seems to be growing. In general, however, concerns about challenges in managing international cultural interactions are overshadowed by other issues and functions that performing arts administrators consider to be more important in their day-to-day operations.

### 5.3.3 Representing Cultural Identity

Among interviewees, representing cultural identity appeared to be interpreted as using the arts as a platform to encourage expression of multiple and diverse minority identities in the local context. “Diversity” is the key concept here, in terms of both audience diversity and programmatic diversity. As Dan Hart says of the Columbus Symphony Orchestra, diversity in programmatic decisions refers to style and composition – “we are involved in music from 1600 to 2003, from Baroque to Motown” – as well as other types of music, such as the annual pops program. Hart emphasizes that the orchestra focuses on quality when trying to program repertoire as diversely as possible, but that “programs that reach out” are very important.
This idea of “community outreach” appears to be very important to major performing arts organizations in Ohio. As Lawson puts it, “now, what’s really important is public value.” He goes on to explain that public value may be best understood as the community-building component of arts organizations’ work. Stolz outlines some challenges facing management of arts organizations in dealing with diversity and community outreach by explaining that a wide diversity of interests and intentions exists in the local cultural sector.

Arts organizations place their own institutional needs (their vision and mission) versus funders’ community needs. So how broad is the mission and how accepting of this is the constituency. [For community outreach] you need people, time, and resources to build bridges. And with diversity, do we mean new people? New geographically-specified audiences? Ethnic diversity. We are saying that we need to diversity at a time we need to solidify. We need to define community. This project needs to continue to be engaging and reflective. Art and culture helps to define who we are. This vision results in leadership, funding systems, and audience development.

A glance at major performing arts organizations’ programming over the past five years demonstrates rather traditional programmatic decision-making. Selections seem to be drawn, for the most part, from the mainstream repertoire. The programmatic diversity that Hart refers to appears more in the Symphony’s series of “pops” concerts. The Opera similarly attempts to appeal to broader audiences through their “light opera” productions in the summer. Indeed, Opera Columbus and the Columbus Light Opera merged in 2001 to achieve economies in administrative and production staffing and to build audiences in the region for all live music theater. All performing arts performances are promoted through the organizations’ extensive education and community outreach initiatives, which are discussed in more detail in section 5.4.4.

One example of the way in which programmatic decisions can be combined with organizational community outreach goals was in Opera Columbus’ commissioning and production of *Vanqui*, a project which extended from the mid-1990s through the full opera performances in fall 1999. This “African-American opera” employed the artistic talents of minorities and the entire composition and production cycle was combined with a wide array of
educational and outreach initiatives, encouraging the expression of minority cultural identities and the participation of non-traditional audiences and talent in operatic production. The main goal of this project was as much an investment in community building as it was in artistic creation; through Vanqui, Opera Columbus attempted to build the company’s public value to community social development.

5.3.4 Promoting Innovative Methods of Audience Development

In dealing with economic hardships, changing audience demographics, and the need for community outreach, a number of informed views on and practical approaches to audience development can be witnessed in the arts community in Ohio. As Lawson asks, however, “is this all developing naturally or by necessity?” He asserts that within five years even more collaboration and partnerships will be forced by environmental demands.

The Columbus Symphony Orchestra and Opera Columbus tend to still focus their audience development programs on early education. Hart notes that “K-3 is a major target group. We are extending our educational program, and we are trying to build musical literacy.” Hart and Dobard both mention the importance of early participation in the arts as a causal determinant of audience participation later in life. “The number one predictor of audience behavior is participation in youth,” explains Dobard, “which is why this is at the heart of our education and residency approach.” And, as Hart tells of the symphony orchestra audience, “exposure before age 20 can make a substantial impact. [A survey told us that] sixty to seventy percent of our subscribers had early musical experiences.” A second group targeted by both the Orchestra and the Opera is young professionals. Dobard states that the Opera sees participation starting in audience members in their 20s and 30s, and says that the community orientation in audience members – in terms of what choices are made in participation and behavior – is in individuals in
their 40s. He infers that it is important to get young professionals actively involved as audience members so that they might become solid subscribers and cultivated as potential donors several decades later.

In discussing audience development, Hanley notes that “we are marketing to the same target groups, just using different tools.” He is referring to the children, young professionals, and “underserved” (typically ethnically categorized) minority audiences in Columbus that are addressed through arts organizations’ education and outreach initiatives. Stolz suggests that “the audiences of the present and future are people who have done it before – maybe we should limit our focus and get better at it?” But she goes on to hypothesize that the key to audience development will be the breaking down of traditional performance delivery to be more experiential. “How do we let art just wash over you? And how can we market this expanding consciousness?” She suggests a process-oriented form of audience development, in which the experience of creating or participating in the arts is central; the traditional product-oriented performance is thus an output only secondary in importance.

Several professional associations have developed which seek to advance cooperation in the arts for purposes of audience development. In Columbus, a website (www.columbusarts.com) promotes the municipality’s entire arts sector, with links to festivals, film, literary, visual arts, music, theatre, dance, community arts, and multi-disciplinary arts. As the homepage of the website charmingly states: “The arts are alive…in Columbus! If you live in Columbus, Ohio, you’re lucky. There’s so much more to do than just go to the movies. You can experience drama, music and other forms of art… REAL. LIVE. FUN!” In Columbus, the opera, ballet, and symphony work closely together in terms of employing artists and production personnel, but still compete with each other for ticket sales and fundraising dollars.

Collaborative associations may also be found on regional and national levels. An initiative called the Heartland Opera Network was launched by Opera Columbus in 2000 to
promote audience development and professional development among the opera companies located in Ohio, Indiana and Kentucky. The professional arts organizations in Columbus are also active members in national service organizations such as the American Symphony Orchestra League or Opera America. On a national level, evidence of closer cooperation among all the performing arts may also be found. In spring 2004, for example, the first “National Performing Arts Convention” will take place in Pittsburgh. As information on this convention available online states, this meeting “represents the first-ever gathering of national arts leaders from across a spectrum of performing arts disciplines.” The description goes on to describe the goals of this convention:

This unprecedented gathering will offer a historic opportunity to demonstrate the dimension of the non-profit performing arts sector and its value to civic life – in cultural, educational and economic terms. Bringing together artists, arts administrators, trustees and volunteers, and audiences, the Convention will promote the arts and arts issues into the national dialogue.

One wonders whether the inclusion of academics, researchers, analysts, and policymakers in this convention might contribute toward bringing the public value of the non-profit performing arts into the national dialogue, but the cross-disciplinary dialogue described above is certainly a good place to start. The time appears to be ripe in the United States – by will and by need – for increased cooperation among the non-profit professional performing arts. By examining the major performing arts organizations in Columbus, one may capture an idea of the range of local, regional, and national participation that might lead to concrete initiatives for developing audiences of the future.

5.3.5 Exercising Effective Strategic Leadership

Practitioners of professional arts organizations in Columbus tend to discuss leadership issues in terms of their strategic planning process. Hart and Dobard both refer to the
comprehensive process of decision-making in their strategic planning, which results in a functional managerial plan that admittedly must be adjusted to changing opportunities and constraints that constantly appear. In contrast to this traditional approach to thinking of leadership in arts organizations, however, Stolz contends that “we need to disconnect from the system from which [leadership] evolves.” She suggests that traditional leadership approaches – such as the creation and implementation of a strategic plan – may not be best-suited to meet changing demands in the cultural sector.

In recognizing that traditional strategic planning process may no longer be adequate in response to changing environmental demands, the Ohio Arts Council has begun to develop a new “public value strategic schematic.” As Lawson explains it, “we need more advocacy, more response coming from experience in the field, and more interaction between the profession and the academy. The new system is interdisciplinary and community-based. At the core is public value. In this schematic, the big arrows are creative clusters; a matrix system would best utilize resources.”

The complex strategic schematic developed by Lawson and his staff at the Ohio Arts Council is conceptualized as a series of concentric circles. At the center of the schematic is a core group of values, vision, mission and goals that drives the OAC’s programs and activities. The OAC’s key initiatives are defined as public information, grantsmaking, and programs & services, which encircle the core values at the center. Extending outward from this inner circle are large arrows titled “operational capacity”, which Lawson explains as “creative clusters.” The largest defined concentric circle is that of the authorizing environment, comprised of 44 separately defined groups of individuals or institutions that can have a constant and changing influence on the legitimization of the environment in which the OAC is functioning. Arrows titled “legitimacy” extend inward from the external authorizing environment. Legitimacy and operational capacity meet at what might be identified as the OAC’s functional concentric layer,
comprised of categories of functions such as *partnership, communication, research & development, international*, and *technology*. This schematic has been adapted for purposes of clarification, and is provided in figure 5.4.

In reconceptualizing a strategic approach to their operations, the Ohio Arts Council is attempting to create a tool in order to proactively respond to and cope with constant change. As Lawson explains: “We are trying to ‘constantly respond’ – not ‘react.’ This involves ‘revealing’ what is already there in terms of public value, rather than ‘telling’ our constituencies what is there. It is a translation of public value. And we always need to ask ‘who is involved, and in response to what authorizing environment?’ This leads to strategic partnerships.”

### 5.3.6 Fostering a Sustainable Mixed Funding System

As Stolz asks, “what does it mean to be a cultural institution in a state facing severe deficit and changing demographics? And there are other issues: there is no succession plan and there are a lot of organizations where boards have allowed deficit spending for many years.” Funding of the arts is an ongoing challenge, with no relief in sight for American arts administrators. A mix of roughly 50% contributed revenues and 50% earned income is common in the American cultural sector but, as Stolz notes, “many organizations are often paying forward. The solution is either expenditure cutting or strong endowments.” By “paying forward” she is referring to the common practice of using early subscription income for the next season to be applied to meet the current season’s budgetary needs. Similarly, arts organizations often acquire “early pledges” from board members and/or key donors, that is, donations made for the next fiscal year which are applied to the current year in accounting procedures. When practiced on a regular basis, methods such as these may and often do seriously exacerbate arts organizations’ financial problems.
Figure 5.4: Strategic Planning Processes in the Ohio Arts Council
Source: Adapted from Schematic Provided in Interview by Dr. Wayne Lawson
The Columbus Symphony Orchestra has a $10.6 million annual budget and 30 staff members. Hart reports that the composition of the Orchestra’s budget is around 50-50, where, in 2002, earned income comprises 45% of the budget, and donations (of which 60% come from individuals and 40% come from corporations and foundations) comprise 44% of the budget. Five percent of revenues come from governmental grants, and the remaining income comes from investment income. Dobard reports a similar 50-50 funding structure for the Opera, and states that the norm in mid-level opera markets in the United States is 45% earned and 55% contributed (assuming a better economy, he notes). Specific to Opera Columbus, Dobard would like to see an increase in foundation support to 15% of the budget, while keeping governmental contributed revenues at around 10%. He says that corporate funding is currently 20-25% of contributed income, but since he does not believe that this is a sustainable figure for the corporate environment in Columbus, he would like to reduce this reliance to 10-15%. He emphasizes that individual donations urgently need to be built up to make up for anticipated reductions in other sources of contributed income.

In the present economy, all elements of the arts funding system are being negatively affected, and it is generally anticipated that all composite parts of the arts funding system will be down for a sustained period of time. What does it mean for arts organizations when all types of philanthropy (individual, foundation, corporate) are significantly reduced, along with decreased discretionary income and audience demand that might offset the downturn in contributed revenues through ticket sales? And what happens in public support for the arts when the decentralized governmental arts funding system that was successfully built up over the previous decade suddenly faces major structural changes as state and local arts agency budgets are significantly reduced or even eliminated?

The arts funding system, still based on an NEA-era model of maximizing earned income and encouraging private-sector philanthropy as well as supporting a policy of decentralized arts
funding does not appear to be sustainable in current economic conditions. Hoping to boost ticket sales, arts organizations are often forced to pander to lowest-common-denominator audience preferences in making artistic decisions. They are often forced to design and implement specific education and outreach activities (which may or may not be in line with the organization’s mission and strategic plan) in order to acquire government, foundation, or corporate grants that are very rarely provided for operational support. The current arts funding system is one that has long encouraged self-sufficiency, community access, and maximization of the supply side of artistic offerings. While all these attributes may appear to be beneficial, the system that has evolved is one in which non-profit professional performing arts organizations can only make minor adjustments across the diverse range of revenue sources in times of economic crisis. It is easy to see how, if an organization does not have sufficient cash reserves, severe hardship or even closure of operations might result.

Two major strategies appear to be implemented by performing arts organizations in coping with current strains in the arts funding system. The first strategy is revenue-driven budgeting, whereby repertoire decisions, production schedules and the number of performances are determined by what the organization determines it can afford to produce. The second strategy is that of slightly adjusting goals for various sources of both earned and contributed revenues. Both strategies are highly problematic; the former in the risk of betraying the organization’s artistic mission, and the latter in the risk of not having sufficient back-up options when all funding sources have a prolonged downturn. Both strategies are unsustainable. Is it possible that the collapse of the arts funding system as we have known in over the past 40 years might lead to an entirely different arts funding paradigm based on different assumptions of the public value of the arts and culture sector?
5.4 Arts Administration Education

5.4.1 Overview of Arts Administration Training in Columbus

Among interviewees, those with formal education in arts administration or a related field find this training to be very important; those without formal education in this field appear to find this training valuable but not necessary for future success as an arts administrator.

Lawson and Dobard are both experienced educators in formal university-level arts administration programs. In reflecting on his own educational experience, which includes graduate degrees in arts administration and conducting as well as extensive doctoral urban studies, Dobard notes that the analytical skills and conceptual ability he acquired through formal education makes him a more effective manager, but that on-the-job experience is priceless. As he puts it, “Organizational theory and politics were especially helpful to study. Also economics of the arts. The foundations of study should include economics, finance, and budgeting. But formal training can only take you so far – you need to go out and apply it.” In attempting to connect education with practical experience, Dobard has developed a professional development plan with each of his staff members. He holds formal meetings with senior-level staff members to assign texts and discuss them, and he encourages senior staff to attend external seminars when possible, especially the annual Opera America conference.

National service organizations such as the American Symphony Orchestra League and Opera America have fellowship programs and in-service courses with experts. Stolz states that “these have made a tremendous difference in a short period of time.” She notes that it is often difficult to continue learning when faced with day-to-day demands in one’s own work environment, and that many questions are seeded only once one is actually on the job. She also asserts that a major training need in arts administration can be addressed through practical experience acquired through fellowships, internships, and entry-level positions. Emphasizing the need for developing generalists in the field, she states that it is “imperative to sculpt positions to
learn all parts of the institution.” Professional development programs such as the one run by the American Symphony Orchestra League are designed to address all the needs outlined by Stolz. The Orchestra Leadership Academy offers, on an annual basis, a range of seminars tailored to the needs of administrators, volunteers, or musicians. The Academy also offers a year-long “Orchestra Management Fellowship Program” for emerging leaders in the field and a several-month-long “American Conducting Fellows Program” to encourage young artistic talent.

In speaking of the skills required to be an effective general director of an opera company, Dobard suggests that one needs a knowledge of operatic repertoire and production requirements, a conceptual framework for marketing and development activities, and personal qualities such as “charm, to extract wealth from donors.” He mentions the importance of “people skills in general.” He states that an ability to educate is also vital, but refers to this skill specifically as “the ability to speak persuasively about an art to adults,” noting that the educational focus on youth is handled by specialists in the organization.

In the United States, many professional development opportunities currently exist for arts administrators, but practitioners in the field are often not aware of these options. In addition to the range of professional development services offered through national service organizations, one can develop specific competencies through diverse short-term course offerings. Stolz, for example, does not have a degree in arts administration, but has participated in several mini-courses on leadership and management – especially crisis management – which she has found to be particularly useful in her work as an arts manager. Wyszomirski mentions that formal arts administration education programs are often unable to respond to professional development needs due to personnel limitations and the promotion requirements of such initiatives. She suggests that university programs may best be able to respond to practitioners’ needs through a publication program rather than an instructional program. In contrast, Stolz contends that multiple opportunities might exist for practitioners to cooperate with formal arts administration programs,
resulting in “arts administration training projects and inter-learner cross-pollination.” She also suggests that the process of education might need to be reversed, in that university programs possibly develop a career opportunities course for undergraduate arts majors and conceptualize other means of speaking with young people at the high schools and universities about career options. She also notes that such training is important on a much wider scale, so that individuals in a wide range of professions might be effective board members of arts organizations in the future.

5.4.2 Current Arts Administration Training Options

As described in the previous section, many arts administration training options exist in North America from which individuals in Columbus might have the opportunity to benefit. At the national level, numerous professional development opportunities may be found through national service organizations or major institutions such as the Kennedy Center for the Performing Arts in Washington, DC. In the United States, roughly 30 graduate level programs in arts administration are members of the Association of Arts Administration Educators (AAAE). In Ohio, formal university educational programs in arts administration are located in Cincinnati, Akron, and Columbus, with many additional related programs (e.g., a major in the arts combined with a minor in business, or areas of emphasis coupled with non-profit management) located throughout the state. Several arts management consulting agencies have become well-established throughout North America, and Stolz is an example of an arts management consultant focusing on local and regional needs. In addition, both the Ohio Arts Council and the Greater Columbus Arts Council often provide professional development opportunities for arts managers, often drawing on the skills and expertise of consultants.

One professional development program based in Columbus requires special attention. The Jefferson Center founded its Academy for Leadership and Governance in 2000 “to support,
Develop, and enhance the practice of leadership by executive directors, board presidents, and boards of directors in non-profit organizations.” While educational programs are provided to non-profits nationwide, a special focus is on the cultural sector. One program, for example, is titled “Fellowships in Arts and Culture: The Next Generation of Leaders.” As the description states, “these Fellowships are designed to identify, support, and prepare the most promising next generation of leaders for our institutions of arts and culture. Now in its [fourth] year, this effort is carried out in a small group with highly individualized attention to the professional development needs of the participants in the context of multiple demands of leadership.”

One of the most well-established arts administration education programs in Ohio is the Arts Policy and Administration (APA) Program at The Ohio State University (OSU). The APA-OSU Program differs from most formal arts administration programs in the United States in its departmental positioning (a collaborative program between the Department of Art Education and the School of Public Policy and Management) and its major academic focus (cultural policy). Further, the program is highly research-focused, and is one of only a few universities in the United States to offer both a Master’s degree and a Ph.D. specialization in arts policy and administration. Information available online and in print describes the APA Program in further detail as follows:

The Program employs a three-part focus that includes curriculum, research, and collaboration. The curriculum itself has three component parts: (1) public policy and the arts and culture; (2) arts management; and (3) arts education policy and program management. The M.A. in Arts Policy and Administration degree program seeks to educate arts policy makers and administrators who can contribute significantly to the formulation, clarification, and cohesion of more informed, sophisticated, and effective public arts and cultural policies. Ph.D. candidates specializing in public policy and the arts continue their studies in preparation for careers in teaching, research, and/or administrative roles in higher education, nonprofit arts organizations, public arts agencies and arts service organizations.

As the APA Program director, Wyszomirski states that the program appeals to a wide demographic group – students pursuing graduate studies immediately subsequent to completion of their undergraduate degree, young professionals in the field who are interested in upgrading
their skills, people looking for a career shift, or people wanting to advance to the Ph.D. level. She says that the Program aims to educate students to be broadly-based and have a repertoire of competencies to draw on after completing the program. “People need to be good at field leadership, strategic planning, and have a breadth of versatility. We are not training technicians, but we want our graduates to have a broader focus.”

Due to its departmental placement, the APA Program has traditionally had a strong focus on cultural policy, public management, and art education. Wyszomirski mentions that the Program “needs to beef up the traditional arts administration segment. We just added marketing and development; we would like to add grant-writing, governance and boards.” She foresees developing courses pertaining to cultural issues at the interface between arts organizations and other policy developments, such as historic preservation and tourism. She anticipates continuing to constantly integrate components and “cross-walk” among the art education stream, policy stream, and administration stream in the Program’s educational focus.

In discussing curricular changes over the past five years, Wyszomirski states that the APA Program has added some courses (one example is a new course on globalization and the arts); revised and fleshed out some courses; identified steps for a long-term agenda; and identified interesting electives in other departments. She elaborates on revisions in course syllabi, stating that internet resources, international and comparative information, and a diverse range of cultural issues are now being integrated. Further, the program is beginning to build an on-line searchable cultural policy document archive.

At the core of the APA Program is an introductory course on public policy and the arts, taught by Wyszomirski. This course includes a combination of political history, key ingredients to thinking about policy, and practical applications of students doing what policy staffers do on a daily basis in preparing policy briefs and analyzing documents and speeches. In discussing her teaching methods in which critical analysis of cultural policy is key, Wyszomirski states: “I have
students immediately try to apply concepts and skills. They do this as soon as they’re introduced.

Administration and policy both require immediate application assignments. Critical analysis of reports and events also contextualizes these. I back students into strategic thinking. The task is to get students aware of the difference between preference, attitude or opinion, and analysis.”

Arts Policy and Administration course offerings, positioned in both the Department of Art Education and the School of Public Policy and Management, are listed under the titles listed in figure 5.5. This list demonstrates the strong emphasis on arts policy and art education policy, as well as the program’s strengths in public administration and strategic planning. A secondary group of coursework on issues in aesthetics may be identified, as well as diverse courses focusing on the research component of this educational program. Further, while master’s level students draw primarily from the courses listed in figure 5.5, doctoral students may structure much of their own curriculum from departments around the campus, as determined as necessary for their specific research interests.

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**Curricular Offerings in the APA-OSU Program**

Foundations and Principles of Public Policy and the Arts  
The Theory and Practice of Arts Administration  
Planning for Community Arts Services  
Policy Planning and Leadership for Arts Management  
Overview of Research Methods in Art Education  
Contemporary Art, Conflict, and the Establishment  
Policy Perspectives on Arts Education  
Field Based Research and Learning  
Public Policy Formulation and Administration  
The Legal Environment of Public Administration  
Concepts and Methods of Program Evaluation  
Strategic Management  
Public Management and Human Relations  
Economics of Public Policy and Management  
Public Budgeting and Spending Decisions  
Criticism, Aesthetics, and Education  
Interactive Arts Media I

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**Figure 5.5:** *Curricular Offerings in the OSU-APA Program*  
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Turning to a discussion of strengths and weaknesses in current arts administration instructional materials, Wyszomirski states that a lot of fertile work in the field exists in the field, which results in an extensive body of “case-study-like material.” However, weaknesses abound in instructional materials. As she sees it,

There are few things that one can use as a textbook, but there are parts of books and articles that are useful. There isn’t much secondary material that distills primary research. There is little that one can use in instruction. There are also diverse discipline perspectives. There are no literature review articles that analyze these. There is no real literature analysis. I need to constantly find, distill, and integrate materials. Other media is a hit or miss. There are some documentaries, movies, and website material. A directory is needed. There is a limited network. We need some good textbooks and research handbooks – methods and disciplinary approaches – and the evolution of thinking on an issue area or a disciplinary area.

With its strengths lying in scholarly exploration of cultural policy issues, with its collaborative positioning between art education and public policy departments, and with its focus on developing advanced-level arts policy researchers as well as future leaders in arts administration, the APA-OSU Program may serve as an exemplar of an educational model that differs from the traditional managerial focus of most arts administration education in the United States. In developing innovative connections among the spheres of policy, research, administration, and education, training approaches provided through this arts administration educational model may prove an asset to the development of options in formal arts administration education.

5.5. Columbus Case Study Analysis

5.5.1 Summary of Findings

This chapter has provided evidence of changing demands in the cultural sector in Columbus, has discussed change management capacities in the ways identified and assessed by key informants, and has profiled several arts administration training options. To begin a situation
analysis and needs assessment on the extent to which current training in arts administration appears to be suited to meet changing demands in the cultural sector, it may be helpful to review some of the main findings from data collected through interviews, participant observation, and document analysis.

Changing demands in the cultural sector seem to often be discussed in terms of major issues currently facing policy specialists and arts administrators. Major factors to take into account are an increased focus on the role of the arts and cultural sector in enhancing public value and building communities. Severe economic challenges are causing a crisis in the arts funding system, as earned and contributed revenues are all expected to have a sustained downturn. An unsustainable arts funding system is thus forcing collaboration and cooperation among arts organizations.

Agreement seems to exist from all data sources that the four paradigm shifts are taking place in Columbus, and that environmental constraints and opportunities have changed significantly over the past decade. When compared with Austria and Hungary, the pace of change is moderate. The nature of change may be described as paradigmatic, that is, a reconceptualization seems to be taking place in the way theorists, policymakers, and administrators are thinking about the framework in which the cultural sector operates.

The changing world system is not particularly evident in Columbus, other than with increased frequency of artist and audience travel. Nevertheless, the importance of taking global influences into account in arts administration is recognized, especially with regard to the demands of international touring, presenting, and artist exchange programs. The changing world system is addressed in terms of promoting programmatic and audience diversity.

The changing arts system in Columbus refers to marked increases in cooperation among non-profit professional arts organizations. It has been noted, however, that this cooperation tends to be forced on the organizations by demands of external funding sources rather than a strong
desire for cooperation per se. Further, cooperation of the non-profit professional with other arts segments (e.g., applied arts, heritage arts, unincorporated arts, entertainment sector) is minimal.

The changing cultural policy system may best be characterized by a disconnect in views held by theorists and practitioners in the field. Policy experts are more apt to discuss interlinkages among organizational administration, national policy, and international diplomacy than arts administration practitioners are.

The changing arts funding system is inconclusive in its nature, other than evidence that the current system is unsustainable. All revenue sources to arts organizations are currently experiencing a prolonged downturn, with no relief in sight. This macroeconomic crisis is causing a major crisis in the operations, artistic decisions, and programmatic decisions of arts organizations.

The ways in which arts administrators are coping with systemic change in the American cultural sector indicate a steady adaptation to changing environmental constraints. A high level of interest exists in exploring new policies and tools to cope with the current unsustainable frameworks within which arts organizations currently operate. A major emphasis is placed on the importance of developing strategic leadership in the cultural sector. Further, enhanced cooperation among arts and culture organizations is viewed as a means through which the survival and development of major non-profit professional performing arts organizations might be ensured.

Turning to the change management capacities (all of which were confirmed as important by interviewees), managing international cultural interactions seems to be focused on capacities for managing international artist exchange, as well as international touring and presenting. Representing cultural identity is understood in terms of artistic programmatic diversity and the goal of implementing effective community outreach programs to meet the needs of minority audience groups. Promoting innovative methods of audience development seem to be associated
with educational functions of arts organizations, particularly participatory-based educational opportunities for children. Fostering collaboration among arts organizations is also viewed as a vehicle to develop audiences of the future. *Exercising effective strategic leadership* is viewed by all interviewees as the most important of the change management capacities. Developing new approaches toward strategic planning and strategic thinking in the cultural sector appears to be a major priority in the United States. Finally, in *fostering a sustainable mixed funding system*, arts administrators are challenged in “tweaking the current system” in order to survive, and to build cash reserves and endowments if at all possible. Survival seems to be enhanced if the organization has been able to adapt as a “revenue-driven organization,” now producing the type and amount of art in accordance with the budget the organization determines is available.

In Columbus, *training in arts administration* is currently provided through formal university education, professional development programs, and on-the-job practical experience. This chapter has profiled the graduate-level program at The Ohio State University. The disciplinary and departmental positioning of this program sets it apart from many similar programs in the North America, and affords it the opportunity to address multiple and changing training needs of arts researchers, policymakers, educators, and administrators. Interesting professional development options are available in Columbus through programs offered through organizations such as the Jefferson Center and national service organizations’ conferences and fellowship programs. On-the-job training is strongly encouraged.

It is possible to deduce a range of current barriers to arts administration training in Columbus. While arts administration practitioners are very aware a major changes taking place in the environment within which they are working, they do not appear to be particularly aware of what, exactly, changing demands in the cultural sector might require in future leaders in the field – with the exception of a definite need for some kind of new strategic leadership. Practitioners value formal education and professional development in arts administration, but suggest that
practical experience is of equal importance. Arts administration educators, cultural policy experts, and students participating in arts administration all appear to support the importance of formal graduate-level arts administration education, but experts in arts administration education in North America are not in agreement on what, exactly, standards and disciplinary approaches to education in the field should be. Further, with limited full-time faculty support, programs such as the one profiled at The Ohio State University must position themselves according to the strengths of key faculty, and must rely heavily on interdepartmental and adjunct support. Interdisciplinary and multidisciplinary instructional materials are used in instruction, and it is recognized that an urgent need exists for new, updated, and integrated teaching resources.

5.5.2 Needs Assessment

The nature of change in Columbus, Ohio, may be described as paradigmatic, that is, a new conceptual approach in analyzing the cultural sector seems to be evolving in response to changing environmental demands. Change has taken place steadily over the past decade, with all parts of the cultural sector being continually affected one way or another. Arts administrators in North America are constantly working in a “change management” or “crisis management” mode, but most often find themselves reacting to change on an ongoing basis, rather than proactively anticipating and adjusting to change. In Columbus, arts administrators express the need to become more proactive and strategic in coping with change. At present, a shift in major performing arts institutions may be characterized by the function of sustaining operations in a restructuring cultural sector system. What might the dual functions of surviving and reconceptualizing mean in terms of training needs for arts administrators?

The main dilemma appears to be that models of formal arts administration education that have evolved in North America provide necessary capacities to students to become practitioners
in the field, but that these capacities may now be insufficient, due to the multiple changing environmental demands in the cultural sector. Comments made by practitioners in Columbus such as Dan Hart, who asserts that arts administrators in the U.S.A. are “having to work smarter and harder,” mainly in terms of revenue generation, lead one to wonder how much smarter and harder practitioners can work, and how much leaner organizations can be structured, in responding to financial challenges. If income levels are shrinking to a point where many organizations are significantly reducing their annual production schedules, making artistic decisions based on achieving marketing goals, or even in some cases closing their doors, an urgent need exists for developing a sustainable public cultural funding system. Yet, at the same time that public investment is needed to respond to downturns in individual, corporate, and foundation giving, the decentralized governmental support system that evolved over the past decade is coping with significant cuts at the state and local arts agency levels.

Educational options such as the APA-OSU program offer future leaders in the cultural sector the opportunity to hone their public policy and administration skills, and develop their analytical capacities yet, due to constraints in human and financial resources, not address urgent traditional skill sets in arts administration. In Columbus, current and future leaders in arts administration demonstrate a high level of interest and participation in formal arts administration education and professional development programs. Arts administrators in major performing arts institutions in Columbus are also learning from local, regional, and national contact with colleagues, through conferences, professional associations, and networking. Yet, one senses a constant state of frustration as arts administrators continue to cope with unsustainable systems and unrealistic expectations for and from their organizations. One also infers from participant observation and from research findings such as the RAND report (2001) that arts administration in the U.S.A. may be at a critical juncture in its evolution as a specialized professional field.
Two main “needs” come up continually in document analysis, interviews, and participant observation alike: the need for strategic leadership and the need for cross-sectoral collaboration. New strategic processes, such as the one being developed at the Ohio Arts Council, focus as much on public value and legitimacy as they do on organizational mission and goals. This strategic orientation implies the need for continually analyzing and influencing the policymaking process (i.e., the “authorizing environment”). Depending on the local and national context, such a strategic orientation would call for constant monitoring of organizational goals, national policy, and international policy.

The need for cross-sectoral collaboration might call for a much broader lens than the current focus on collaboration among similar arts segments, such as the synergies being developed among non-profit professional arts organizations in Columbus. As Hanley notes, arts organizations’ constituents do not necessarily differentiate among for-profit, non-profit, and public institutional structures, and audiences do not necessarily distinguish “high” arts from commercial culture. Hence, negotiating coalitions and alliances across the cultural sector – when examined through a lens of public acceptance and legitimacy – will not likely be problematic. One must also consider, however, what the long-term intended and unintended consequences of cross-sectoral aesthetics and production values might be. Participation in professional associations and networking skills seem to be comparatively high in the United States, and developing the capacity for cross-sectoral cooperation may lead to an interesting new conceptual framework for assessing the public value of culture and the arts in American society.

So, if current and future leaders in arts administration are currently focusing on institutional survival while they recognize that a new framework is required to respond to environmental changes that make the current arts sector paradigm unsustainable, what
educational models might evolve in the future? This nascent conceptual framework is unclear at present, but models of strategic leadership, public value, and collaboration will likely be key to its evolution.

5.5.3 Nature of the Disconnect

Recognition of constant change and the need for skills to cope with change is omnipresent in the arts sector in Columbus. The disconnect here may best be expressed as a frustration with the unsustainability of current approaches to arts policy and administration in the American cultural sector, and the fear of not knowing what will come next. “What we’ve been doing for so many years really isn’t working very well, but now what?” seems to be an unexpressed question by many American arts administrators. The resultant professional behavior might be expressed as “well, let’s just keep doing what we’ve been doing, but keep trying to do it better.” The need for a different kind of strategic leadership may be the most evident of the gaps that exist in proactively responding to the changing cultural sector, but other gaps between changing demands, change management capacities, and training options may also be examined.

The gaps in managing systemic change may be characterized as a limited ability to proactively respond to change. While recognition of the changing environment certainly exists, and arts administrators have been successful in many ways in responding to new challenges and opportunities, responses seem to be both reactionary and slow. There is no common identification of the nature and extent of new capacities needed to respond to the change. Learning-by-doing has resulted in new organizational initiatives and programs that attempt to address the demands of the changing environment, but most of the new skill sets required appear to be applied as needed in practice, without a solid theoretical foundation or structural orientation.

A gap between theory and practice exists in Columbus, although many individuals are taking significant strides in bridging the worlds of the academic and the practitioner. A general
recognition of the paradigm shifts and new change management capacities is apparent, but this recognition has not yet translated into a concentrated effort on the part of practitioners to implement change in administrative structures and competencies. Also, while it is recognized that the entire framework of the cultural sector is changing, the means of reacting to changing demands in the cultural sector are understood as being an individual responsibility. The major challenge of bridging theory and practice might prove the most fruitful approach to developing a new proactive conceptual framework for coping with change in Columbus’ arts and culture sector.
6.1 Overview of the Case Study

A snapshot of the changing demands in the Austrian cultural sector, change management capacities required to meet these new demands, and current training options in arts administration in Vienna are provided in this chapter. After an overview of the changing cultural policy and administration context in Vienna, systemic change is discussed in terms of the four paradigm shifts in the world system, the arts system, the cultural policy system, and the arts funding system. The chapter then moves to a discussion of how arts administrators in Vienna are currently coping with change. The five change management capacities are discussed as they are understood by leaders in the cultural sector in Vienna, demonstrating the scope and nature of new functions and skills that may be required. Then, an overview of arts administration education in Vienna is provided, framed by training needs identified by key informants, the current range of training options in Vienna, and profiling in detail the arts administration program at the University of Music and Performing Arts Vienna. The final section of this chapter provides a critical analysis of the apparent disconnect between systemic change, change management capacities, and training options.

This chapter is created from information provided through interviews with leading classical music performing arts managers, cultural policy specialists, and arts administration educators in Vienna. Data provided through these key informants’ qualified judgments has been
further substantiated by information collected through document analysis, participant observation, and secondary analysis of statistical data. Interviewees are often cited throughout the chapter. Where no direct citation in parentheses appears after a quotation, the source cited is an interviewee identified in the text – a detailed list of interviews is included in Appendix G.

6.2 Introduction: The Changing Cultural Policy and Administration Context in Austria

Austria is a country of 8.1 million people, with its capital city, Vienna, a city of 1.5 million inhabitants. As was outlined in Chapter 3, Austria is a social democracy, with a strong capitalist economy. Austria’s history of lavish patronage provided throughout the duration of the Habsburg monarchy transferred into a relatively high level of governmental patronage of the arts in the second half of the twentieth century. Dr. Monika Mokre, a cultural policy scholar based in the Austrian Academy of Sciences, explains that it is important to understand this legacy of an underlying sociopolitical assumption in Austria that the state is responsible for art. This orientation explains the centralized nature of cultural policy and the low civic engagement in various forms of philanthropic support for the arts. However, the executive director of the Österreichische Kulturdokumentation (Austrian Cultural Documentation) research institute, Veronika Ratzenböck, argues that “Austrian cultural policy is not really a cultural policy. [Rather,] in Austria, cultural policy means arts funding policy.” Indeed, leading cultural policy scholars tend to approach the concept of cultural policy very broadly, as a sub-policy sector of social policy. This orientation is repeated by leading arts administrators. As Dr. Georg Springer, executive director of the Bundestheater-Holding GmbH, states, “I see cultural policy as social policy with other means and tools.”

In general, Austrians seem to grow up with the assumption and ‘obviousness’ that state support for culture is a good thing. Mokre explains that, in the 1970s, a combination of “culture
for all” together with “papa state” characterized cultural policy. Some new streams of focus began in the 1980s, leading to a new economic focus on the creative industries in the 1990s. But Ratzenböck contends that the prevalent focus on arts funding policy is leading to problems in present-day cultural policy, such as the fact that cultural workers in diverse arts segments – particularly in the “high arts” – are having difficulties and conflicts with the creative industries. Further, a complicated funding structure exists in various federal, provincial, and municipal ministries, with a lack of cooperation among the sections involved.

The current state of cultural policy is uncertain, given major political upheavals that have taken place over the past year and the overall effect of an economic downturn. Considerable budget cuts in arts and culture funding were made from 2000 to 2002.

The expenditure of the Arts Department was cut by approximately 11 million euros in 2000. The Ministry of Foreign Affairs’ operative budget for international cultural cooperation was likewise cut by 1.3 million euros in 2000, yet it was increased by 0.26 million euros in 2001. Only the cultural heritage budget has risen, the larger part of this being dedicated to the federal museums. The tight financial situation has contributed to a climate of uncertainty in the Austrian arts and culture scene. Smaller cultural institutions and associations in particular, whose activities provide an essential stimulus for the creation of culture in Austria, are facing a threat to their existence (Sturmvoll et al, 2002, p. 3).

Although no official Austrian definition of culture exists, it is evident that culture – and the “high arts”, particularly classical music – are closely linked to the sense of Austrian national identity. Austria also defines itself by its cultural heritage in its contributions as a member of the European Union, which it joined in 1995. In general, the “objectives and principles of Austrian cultural policy reflect the Council of Europe’s principles, such as support and protection of diversity, identity, creativity and participation in cultural life” (Sturmvoll et al, 2002, p. 9). The Federal Ministry of Foreign Affairs initiates and finances many activities which present Austrian culture in other nations, through a strong network of Kulturforen (cultural fora), restructured from the diverse cultural institutes and departments of culture in Austrian embassies around the world.
A particular area of focus is on encouraging cultural cooperation with neighboring countries in Central Europe, particularly the EU-candidate nations of East-Central Europe (Ministry Website).

Research in the area of cultural policy is not strongly supported in Austria, where there is a much higher emphasis on supporting the practice of culture and the arts. Ratzenböck states that, over the past several years, it is increasingly being argued that “cultural research is taking money away from artists.” Yet international institutional isomorphism has strongly influenced cultural policy over the past decade. International influence and lesson-learning from abroad has led to an increased interest in international comparison and evaluation of cultural policy. “In the European context, contextualization is always important,” says Ratzenböck. Mokre says that market mechanisms are now playing a larger role in Austria, and a trend toward evaluation, accountability, and responsibility in arts institutions has led to an Austrian form of privatization, called Ausgliederung (the restructuring of arts organizations).

Ausgliederung comes up repeatedly in conversations with cultural policy scholars and arts administrators. The best example of how this move toward accountability and efficiency in arts organizations has taken place may be found in the Bundestheater Holding (Federal Theatres Holding). In Springers’ words, “formerly, the major state theaters were owned by the national government, which led to a lot of complicated legal conditions and financial problems, especially with cash flow. The Holding is now a concern owned by the state with four limited companies reporting to it. The Holding functions between these companies and the state. This political initiative was a way to provide more responsibility and autonomy for the arts organizations.” Printed materials supply a more detailed description of this change in organizational structure as follows:

With the beginning of the 21st century the Österreichische Bundestheater-Verband (Association of Austrian Federal Theatres) … was not able to satisfy the requirements of the increasingly competitive and open markets. Therefore the decision to adapt the organisation system was taken in order to guarantee a long term solution to assure cultural activities on the highest level.
Following the “separating” in 1999, the Bundestheater is now organized into an association of four independent limited corporations – Burgtheater GmbH, Wiener Staatsoper GmbH, Volksoper Wien GmbH, and Theaterservice GmbH – led by the Bundestheater-Holding GmbH. (Source: Bundestheater Holding website and organizational brochure).

The abbreviation GmbH means Gesellschaft mit beschränkter Haftung (an organization with limited liability), which denotes the new public limited company status given to these four organizations. The Bundestheater-Holding, which is 100% state owned, is the sole proprietor of the four subsidiaries listed above. Each of these subsidiaries, in turn, is “economically directly responsible and artistically autonomous limited companies” (Source: Bundestheater-Holding brochure, p. 12). Further, “in its role as ‘parent company’, the Bundestheater-Holding also offers a range of services to its subsidiaries, such as assistance in legal, budgetary and financial issues…. At the top of the companies, (it) serves as a contact between politics, the business community and the public” (p. 4-5). Altogether, the group has an annual budget of slightly over €167 million and a total staff of 3,000. Overall, “the actions of the Bundestheater-Holding are based on the principles of economy, economic efficiency and expediency, especially when it comes to the use of the yearly subsidies” (p. 6). The restructuring of Austria’s most significant national opera companies and theater reflects a growing trend toward increasing efficiency and accountability in the performing arts. It is also noteworthy that the internationally renowned institutions receive roughly 77% of the total federal subsidies provided in the category of music and the performing arts on an annual basis (Tschmuck, 2003, p. 2).

Leading scholars agree that large, traditional arts institutions will remain relatively stable and strongly supported in Austria, but that it will become increasingly difficult to acquire funding for small institutions and contemporary art. Further, they expect that the focus of cultural policy research in coming years will increasingly turn to study of the creative industries. Mokre asserts that the move toward Ausgliederung will continue among major arts institutions, but will focus mainly on short projects, easily operational objectives, and a focus on recognizing economic
success. Indeed, she contends that the use of simple raw numbers (such as audience numbers) are already being too-often used to determine ‘success’ or ‘non-success.’ Ratzenböck suggests that cultural policy research in the coming five years will have to do mainly with cooperation with the new European Union member states. “There will also be much more monitoring, especially of major arts institutions,” she says, “and it would be nice to see more cooperation in general among education, heritage, cultural institutions, networks, and so on, within the culture and media sector.”

Viennese performing arts managers agree that arts administration has changed over the past decade, although practitioners in the most traditional and historically significant institutions tend to see a limited scope of change, mostly focused on the new requirements for efficiency and accountability exemplified by the Ausgliederung movement. As Andreas Lang in the Vienna State Opera sees it, “Ausgliederung started two years ago and is now finished.” Thomas Mittermayer, in the administration of what is often considered the mecca for classical music – the Musikverein – says that nothing much ever changes within the Musikverein’s administrative structure and operations, although the renovation of the hall (providing new rehearsal space and facilities for young peoples’ projects) will lead to an expansion of his activities and responsibilities in coming years. Clemens Hellsberg, chairman of the Vienna Philharmonic Orchestra, notes that the biggest forces of change affecting the orchestra’s administration have to do with revolutionary advances in technology and increasing marketing demands, which he sees as mostly an increase in the amount and means of making information available to the public.

In contrast, however, the executive director of the Konzerthaus, Christoph Lieben-Seutter, contends that arts administration has changed significantly over the past decade through a new emphasis on professionalization. “Where earlier it was mainly artistic people who focused on artistic content, it is now a management job. The artistic side is now only a small part of my work, but this understanding is very important.” Dr. Rainer Bischof, executive director of the
Vienna Symphony Orchestra, is highly critical of the influence of the “American system” on arts administration in Austria. “We have a false American influence and increasingly stronger conservative thoughts,” he says. “Many people see positive things in the American system and transfer them without adapting or changing the structures. But one cannot compare these structures.” He explains how the basis of private support for orchestras in the United States is a sense of community ownership in “my orchestra,” and “to be proud of my orchestra” is a form of community identification. Moreover, he notes, the underlying foundations of private philanthropy and the volunteer system do not exist in Austria, making direct transfer of American fundraising techniques exceedingly difficult.

Many leaders in Austrian cultural policy and arts administration are concerned that public responsibilities for culture and the arts are being diverted to a privatized marketplace. “The growing dependency on private funding is feared to have negative consequences on cultural development as economic motives and profit expectations would be put above artistic and cultural goals… Further arguments against privatisation include the threat of negative financial, economic, and professional consequences in the course of privatization (e.g., the loss of job guarantees of civil servants, reduced salaries, reduced staff, etc.)” (Sturmvoll et al., 2002, p. 27). Overall, the trends toward decreased public subsidization for the arts and culture and increased role of market mechanisms characterize the changing Austrian cultural sector, which is evolving slowly but steadily in the direction of a mixed funding structure and professionalized managerial competence.
Figure 6.1 provides an overview of the factors for analysis in this case study, providing key word descriptions of the nature, extent, and pace of systemic change in the Austrian cultural sector according to the paradigm shifts and change management capacities introduced earlier in chapters one and two. The remainder of this chapter will provide detailed information on each of these factors, then conclude with an analysis of the case study.

6.2.1 The Changing World System
(The Impact of Globalization)

Prof. Dr. Otto Hofecker, director of the Institute of Culture Management and Culture Studies at the University of Music and Performing Arts Vienna, states that global contextual awareness is crucial to the field of cultural policy and administration. He asserts that a global orientation and a focus on global cultural society research can also be transferred in practical terms to international exchange and networking. “This is a global field with global players and global resources.” But what does globalization mean within the Austrian cultural policy arts administration context?

As Mokre explains, “culture always has something to do with identity. And in global competition we define ourselves through culture. And skiing.” Indeed, this concept of globalization is both abstract (identity) and concrete (tourism) in Austria. Karin Wolf, director of the Institut für Kulturkonzepte (Institute for Culture Concepts) states that identity affects all areas and levels of the cultural sector in Austria. Many arts administration practitioners appear to understand their work in terms of maintaining an Austrian identity in the face of the global-local dichotomy or tension. As Bischof says, referring to the Vienna Symphony Orchestra, “globalization should never be seen as a dialectical problem, where one of the poles disappears. We are a Viennese orchestra. We must maintain the Viennese sound and style of playing instruments such as the horn and oboe. And this specificity of culture, this differentiation, is very
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<th>Nature of Change</th>
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<td>Comparative Pace of Change</td>
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<td>Paradigm Shifts</td>
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<td>Arts System</td>
<td>Dominance of “high arts”</td>
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<td>Policy System</td>
<td>Individual actors, low level of coordination</td>
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<td>Funding System</td>
<td>Decrease in state funding</td>
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<td>Coping with Change</td>
<td>Learning from abroad, developing “restructuring” and “sustaining” skills, potential for generational differences in managerial professionalization</td>
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<td>Change Management Capacities (CMCs)</td>
<td>Key elements of CMCs as currently identified as necessary to cope with systemic change</td>
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<td>International Cultural Interactions</td>
<td>Heritage, tourism, Austria’s identity in Europe</td>
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<td>Cultural Identity</td>
<td>Tourism, diplomacy, Austria’s identity in Europe</td>
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<td>Audience Development</td>
<td>New educational programs for children The need to increase earned income</td>
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<td>Strategic Leadership</td>
<td>Low awareness and interest in this CMC Individual connections to politics</td>
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<tr>
<td>Mixed Funding</td>
<td>Need to increase earned income and diversify funding mix New demands for efficiency and accountability in financial management</td>
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<td>Training Options</td>
<td>Example and key characteristics explored in case study Note: level of demand for all training options in Vienna on the part of participants appears to be high</td>
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<tr>
<td>Formal Education</td>
<td>Institute for Culture Management and Culture Studies Currently restructuring curriculum and developing new academic field called “culture institutions studies”</td>
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<tr>
<td>Professional Development</td>
<td>Institute for Culture Concepts Focused on providing practical skills to address changing administrative needs of arts administration practitioners</td>
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<td>On-the-Job</td>
<td>Highly valued in all arts organizations: many organizations offer excellent opportunities for internal advancement</td>
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**Figure 6.1:** Overview of Arts Administrators’ Managing Systemic Change in Vienna
central.’’ The arts organization perhaps most closely associated with national cultural identity – and, in fact, has a *Leistungsvertrag* (performance or achievement contract) with the Republic of Austria – is the Vienna Philharmonic Orchestra. As Hellsberg sees it, the principle of globalization has not changed over the past several centuries (he notes that Vienna has been a destination for the world’s leading musicians for a very long time), but the pace of globalization is now moving much more quickly. He explains that the concept of identity is very central to the orchestra. “There is definitely a unique sound to the Vienna Philharmonic, but it is also important that we are open to international influences and new trends in musical interpretation.”

Globalization also appears to be understood in Austria in terms of access. Ratzenböck, for example, explains that there is an increase in international networks, cooperation, and access to culture. “There is no local Austrian version of the internet, media, and artistic mobility. Access is European and international.” Access seems to be understood by performing arts practitioners as access to international artists and in terms of programming decisions and competition in what Lang coins “a hyperglobalized field.” He states that the field has always been global, artists in all areas of opera production are globalized, and the ongoing trend is toward international influence. Springer understands globalization in opera to mean an increase in competition. He explains that competition for artists among presenters has led to a star system, resulting in what he sees as an unhealthy market through artistic offerings. Further, he contends that this star system has facilitated the promotion of less-talented people such as Andrea Boccelli, who are “falsely mass-marketed as great stars.”

The global-local dichotomy is interesting to observe in a major cultural institution such as the Musikverein. As Mittermayer explains, most projects presented in the Musikverein are organized by others internationally, but local performing arts ensembles have their own audience base in Vienna and offset the costs of presenting major international orchestras. Yet, “the music business is global at this level, which includes international artists, record companies, and hall-to-
hall cooperation.” The programmatic influence of internationalization may be most evident in the Konzerthaus, which, according to Lieben-Seutter, “is now offering much more than classical repertoire. We are trying to increase non-European offerings and to include more contemporary music. This has changed significantly over the past 10 years.” Lieben-Seutter spoke at length about the challenges of managing the star system and global music market in terms of their effects on artistic programming. “Everything moves more quickly now, the market is enormous, and the star system is very influential. We constantly need to be aware of who is new and interesting. A major problem with the ‘star system’ and ‘hits system’ is that the public always just wants to hear the ‘best’ and the ‘most famous’.”

Globalization among cultural policy scholars and arts administrators in Austria also appears to be understood as the increase in the influence of market criteria. Similar to Lieben-Seutter’s perspective on programming challenges, Springer explains that the tendency now is to “chase after the public artistically.” He passionately argues that the breadth and variety of artistic programming must be maintained in Austria.

A major problem in Austria, according to Mokre, is the problem that was the impetus for the Ausgliederung movement. She contends that a lot money from the state flows into major arts organizations, but there has been very little responsibility and accountability for these funds on the part of arts administrators. This is to be seen as a long-term project, as there have been, in her view, no major changes in the short-term, other than implementing some rational accounting principles. Indeed, she argues, very little information is available on what is actually taking place in these “Ausgliederungen,” demonstrating the lack of transparency endemic to Austrian cultural administration. The increasing influence of market criteria, understood in Vienna as the Ausgliederung movement or the growing importance of business and financial factors, lead Bischof to ask, “can art be evaluated through market criteria?” He argues that the growing
influence of market criteria in Austria is mostly through false marketing ideas, and contends that “there are certain things that must be understood more broadly than in just seeing a financial balance or using monetary criteria.”

6.2.2 The Changing Arts System
(The Broadening Scope of the Cultural Sector)

“It is becoming increasingly difficult to define boundaries between the arts,” says Mokre, “but the discourse is still functioning as if there were different levels. This ‘aura of art’ is so important in Austria. Debates about cultural workers and creative industries attempt to cross these boundaries, but without much success.” Ratzenböck concurs that, due to this “aura of art,” a major problem for acquiring public funding exists for arts organizations not in the classical disciplines. “In Austria, art is not yet viewed in general or in an interdisciplinary perspective. Classical theaters receive an overproportional amount of funding. Cultural entrepreneurs have no voice in the ministries and are rarely supported. This is a major gap in cultural policy. And where does one place multimedia and new media, graphic designers, other technologies, creative industries?” In Austria, she explains, a strong division exists between Kunstförderung (public support for the arts) and Wirtschaftsförderung (public support for business), leading to major opposing camps in these areas and problems in the legal environment and private business support for the arts through sponsoring.

Yet, scholars in cultural policy and arts administration seem to be very aware of the blurring boundaries in the arts system, and are attempting to address inter- and intradisciplinary cooperation in the training of future leaders in the field. “We are multidisciplinary, and include all arts segments,” says Hofecker, referring to program participants, faculty, and instructional content in the Institute for Culture Management and Culture Studies. Similarly, Wolf explains that, in professional development seminars at the Institut für Kulturkonzepte, a common theme
is “cooperation skills.” “Culture is now more broadly understood. Yet, there are major divisions between the various arts forms. In Austria, the traditional arts are very afraid of commercialization.”

According to Sturmvoll et al. (2002, p. 27), budget cuts in cultural funding are leading to intensified discussion on potential partnerships and collaborations, and evidence may be found of successful new models of cooperation in the fields of audio-visual media, theatres, and museums. Indeed, the cultural sector is being targeted politically throughout Europe as a potential employment, and Austrian scholars and policymakers are beginning to pay more attention to the broadly defined cultural industries. “Employment, the greatest and most urgent European challenge of the 1990s, was at the top of the previous government’s agenda. In 1999, the cultural sector became part of the Austrian national employment strategy. The prospering culture and media industries sector, with high increases in turnover, was recognized by the government as a source for new jobs” (Sturmvoll et al., 2002, p. 14).

In looking at the classical performing arts, limited cooperation among the arts in Austria seems to only take place among major institutions with a similar level of prestige. Further, the perception of the scope and extent of cooperation among these institutions appears to differ. Bischof, for example, contends that “a permanent coming together seems to be developing automatically,” and states that the Vienna Symphony Orchestra considers the Konzerthaus, the Musikverein and the Bregenz Music Festival to be its main partners. Lieben-Seutter, however, states that the extent of the Konzerthaus’ cooperation with other members of the arts community is minimal, although he does mention that there is some cooperation with contemporary music organizations, museums, and various festivals in Vienna. “The public no longer differentiates between serious and entertainment music,” he says. Mittermayer seems to perceive the extent of the Musikverein’s cooperation to only take place with other major concert halls with similar status. The European Concert Hall Organization (ECHO), for example, offers possibilities for
joint promotion of artists, and the Musikverein shares a cycle called “Rising Stars” through artistic cooperation with Carnegie Hall in New York City. Springer notes that cooperation between similar institutions can consist of either artists or programming. He discusses various methods for co-producing opera, and emphasizes that this form of artistic cooperation must be approached very cautiously. Hellsberg sees the Vienna Philharmonic’s main partners as presenters, recording companies, journalists and artists, and he notes that one-on-one relationship building is always taking place with leaders in these fields.

In contrast, the Vienna State Opera seems to be addressing the importance of cooperation with other arts organizations. “There are many new levels and layers of audiences for the future, which is reflected in the Opera’s new focus on education programs,” states Lang. To achieve educational program goals, many departments and individuals at the Opera are involved with other local arts organizations in providing an opera school, a ballet school, and various opera productions for children. This focus on education and audience development may be an entry point for cooperation in the future. For the present, however, the major performing arts organizations in Vienna seem to function very autonomously. Springer provides a succinct overview of the situation, stating that “in general, solidarity is missing. The arts organizations are very egocentrically oriented. The system is not one of cooperative moving-forward, rather it is a sum of individual interests.”

6.2.3 The Changing Cultural Policy System
(The Expanding Spheres of Influence)

In interviews, responses to questions pertaining to an emerging cultural policy system where spheres of activity seem to be expanding to include organizational administration, national policy, and international diplomacy were varied. In general, an awareness seemed to exist that an
increasing interdependency exists among these three spheres of activity, but an identification of a need for developing these interlinkages has not yet translated into specific coordinated responses. At the most, individual arts administration leaders in Austria may become personally involved in an attempt to influence cultural policy decisionmaking, but an organized effort among arts administrators to influence national and international policy has not yet been developed.

Lieben-Seutter, for example, states that the Konzerthaus has little influence on policy. In speaking about the Musikverein, Mittermayer similarly says: “We are relatively autonomous, and follow our artistic policy. We have the possibility to push in certain directions with programming… We are otherwise not involved in policy.” In contrast, Bischof asserts that “we have too little influence. We are confusing culture and art. It is a question of power. Much more should be done for culture, since much is being lost right now.” The State Opera seems to be practically alone in its acceptance of its political role. Lang says: “The Opera in Vienna is inherently political. It also plays a role politically due to its history and its archives.” But Springer is critical of arts organizations’ involvement in cultural policymaking, stating that “currently, the director of the State Opera is more involved in driving cultural policy than in driving opera policy.” Interestingly, Springer expresses conflicting views on the expanding spheres of cultural policy involvement. First, he emphatically states that “cultural policy has to do with us, but it is wrong if we try to influence it.” A few sentences later, however, he argues that Austrian cultural organizations have a common interest in cultural policy. He is also convinced of the important social and economic role major Austrian arts organizations play as a vital part of the history of art, culture, and tradition in Austria, and argues at length for the importance of conceptualizing cultural policy as an element of social policy.

Similarly expressing a link between cultural policy and social policy, Hellsberg passionately argues for the centrality of the artistic message in the cultural policy system, reflecting his background as artist-as-administrator. He contends that arts organization’s
influence on the cultural policy environment must come from the artistic product. “The Vienna Philharmonic is based on history and tradition, with a view to the future, and we focus on timeless artistic criteria. There is a link between the message of the arts and human rights, humanitarianism. Art expresses the highest achievement of humanity, and it will always be important to people. The artistic message must be injected into the system.” It is indeed good to be reminded of the centrality and importance of the artistic message in the cultural sector.

Leading scholars recognize the potential for expanding links and influence among the three spheres of organizational administration, national policy, and international diplomacy. Mokre suggests that a great possibility exists to work internationally in the future, especially within the European Union. In training future leaders in the Austrian cultural sector, Hofecker states that he is “optimistic that we can change practical awareness, recognition and results.” He states that the Institut für Kulturmanagement is an information provider through training and research, and both approaches can be used as instruments to affect cultural policy. “We see the connections, make links, provide publications, and this influences politics. Students are socialized by materials and the thinking of applied research. This defines the professional level of a discussion. It improves arguments. It improves the quality of our work and our discussion.”

6.2.4 The Changing Arts Funding System
(New Funding Models)

The increasing influence of market mechanisms in the cultural sector in Austria appears to be resulting in significant changes in the arts funding system, particularly among performing arts institutions that were traditionally solely supported by the state. As Mokre explains the changing arts funding system,

The key here now is Marktfähigkeit (the ability to perform according to market criteria). This is a basic paradigm shift, from “culture should be funded” to a situation where we are now asking, “What is culture?” There was a boom in funding in the 1970s and
1980s, which led to the question, who should and who should not receive funding. Now it is a question of criteria – various economic indicators, such as profitability and ticket sales. Evaluation criteria are becoming increasingly important for subsidies and mixed funding systems. Again, Ausgliederung is the major change. But this is mostly evident in different accounting procedures. Earlier, revenues and expenses were divided from each other in accounting processes. It’s much more normal now. Human resources issues, especially retirement benefits, are also major considerations.

It may be astonishing to performing arts administrators in other nations that only with the start of the Ausgliederung process in 1999 did the Vienna State Opera begin to have a responsibility in controlling its expenses. As Springer notes, “it is important that, in Austria, one can no longer say that ‘art costs what it costs’.” He goes on to explain that the Ausgliederung process to date has to primarily with changing accounting systems, and is highly critical of its potential long-term effects:

Since 1995, the three major theaters have received the same amount of funding from the state, which means that this amount has effectively decreased (accounting for the increase in personnel costs and materials costs). From 1995 to 2003, though, the theaters have managed to decrease their expenditures. But we have now reached the limit. Further reductions in expenditures will endanger the quality. I question this new system since there are too many changes that will result in negative consequences for artistic quality.

The Vienna Symphony Orchestra, also historically supported almost solely by the state, is also dealing with major changes due to reductions in funding. “We have had major budget cuts and major structural changes,” says Bischof. “Everything is changing and we need to reposition ourselves. There is the threat of a low level of cultural understanding. We are even being faced now by questions such as, ‘why do we need a symphony orchestra’.” Hellsberg asks, “how far can the state pull back its funding?” and argues that “the structures have to adapt to this. If it is expected that private donors will now make up for state subsidies, they must be given the possibility to do so, through tax reform and so on. Methods from the United States cannot just be taken over directly.” Springer explains that, throughout Europe, a major problem exists in which, in times of scarcity, “the phenomenon is that we reduce spending in social, educational,
and cultural areas. We forget about the future. We give up the future in order to save the present, since politics is focused on current issues – the future perspective becomes irrelevant.”

While the official figures reported and published by Statistik Austria are primarily used to discuss arts funding in Austria, interesting statistical analyses are also available directly through the LIKUS system, which leading cultural economists in Austria consider to be a more accurate statistical reporting system with regard to tracking federal funding of the arts and culture. According to LIKUS, federal funding of the arts amounted to roughly € 708.8 million as opposed to the published figure of € 668.8 million. Figure 6.2 shows formally published statistics that illustrate the reduction of federal arts funding in Austria over the past five years.

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<td><strong>Expenditure as percent of total federal budget</strong></td>
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**Figure 6.2:** Austrian Federal Funding of the Arts, 1996 to 2000 (in ATS billion)
Source: Kulturstatistik 1998, 1999, 2000 of the Statistik Austria

In 2000, the Austrian federal and provincial governments (excluding the local level) invested ATS 27.668 billion on culture and the arts. As shown in figure 6.3, one third of public funds was spent by the federal government, while the remainder was divided between the provincial governments (29.5%), Vienna (8.5%), and local municipalities (28.7%) (Statistik Austria, 2002). Data on arts funding by Austrian municipalities is only available as of the year 2000. While comparison of statistical data over the past decade is difficult due to the implementation of new statistical methods throughout in 1997/1998, the Statistik Austria report on cultural funding in 1996 (p. 23) indicated ATS 16,187.2 million schillings (€ 1.176 billion)
provided by the federal government and provinces; in 1991, Statistik Austria (p. 33) reported a total of ATS 11,004.3 million schillings (€ 799.7 million) in funding from the federal government and provinces. While the total amount of arts funding increased in Austria throughout the 1990s, the percentage of public funds allocated to supporting the cultural sector decreased significantly from 1996 to 2000, as figure 6.2 illustrates.

Figure 6.3 shows shifts in funding amounts by levels of government from 1996 to 2000, in Austrian Schillings. As Sturmvolll et al (2002, p. 23) explain, approximately half of all federal expenditure on culture is invested in maintenance of major arts institutions, most of which are located in Vienna. Also, arts funding provided through the nine Austrian provinces (Bundesländer) has more than tripled since 1980, marking a strong trend toward decentralization of funding throughout the past several decades.

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<tbody>
<tr>
<td>Municipalities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vienna</td>
<td>2.756</td>
<td>2.841</td>
<td>2.116</td>
<td>2.347</td>
<td>7.941</td>
</tr>
<tr>
<td>Provinces</td>
<td>5.023</td>
<td>5.173</td>
<td>7.520</td>
<td>8.005</td>
<td>8.166</td>
</tr>
<tr>
<td>Total Funding</td>
<td>16.184</td>
<td>16.200</td>
<td>20.737</td>
<td>21.636</td>
<td>27.668</td>
</tr>
</tbody>
</table>

Figure 6.3: Austrian Federal Funding of the Arts, by Level of Government, 1996 to 2000

According to the LIKUS system, total state expenditure for culture by the federal government, provinces, and city of Vienna in 2000 (the most recent published figures available) amounted to € 1,262.3 million. Of this total amount, 53% of funding was provided through the federal government, 33.4% through the provinces, and 13.6% through the city of Vienna.

According to LIKUS, the provinces provided € 422.1 million in funding, a figure considerably lower than that reported by Statistik Austria in figure 6.3, and the figure that accounts for the difference between the total of € 1,262.3 million and € 1,433.67 million, which can be calculated
from figure 6.3. LIKUS’s accurate expenditure reporting system shows that the performing arts are highly supported in Austria, receiving 26.5% of all federal funding in the cultural sector. Of this amount, a whopping 77% is allocated to the Bundestheater-Holding (comprised of the Staatsoper, Volksoper, Burgtheater, and Theaterservice). The remaining 23% is budgeted through the Arts Division of the Federal Chancellery, and is granted, for the most part, to major music festivals, presenters, and orchestral ensembles (Tschmuck, 2003). Figure 6.4 shows a detailed breakdown of Austrian federal arts funding by arts segment.

<table>
<thead>
<tr>
<th>Field of the Cultural Sector</th>
<th>In € million</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Museums, archives, science</td>
<td>112.21</td>
<td>16.78</td>
</tr>
<tr>
<td>Monuments and sites</td>
<td>90.74</td>
<td>13.57</td>
</tr>
<tr>
<td>Folk arts, local history, customs</td>
<td>0.59</td>
<td>0.09</td>
</tr>
<tr>
<td>Literature</td>
<td>7.35</td>
<td>1.10</td>
</tr>
<tr>
<td>Libraries</td>
<td>20.80</td>
<td>3.11</td>
</tr>
<tr>
<td>Newspapers and Periodicals</td>
<td>18.56</td>
<td>2.78</td>
</tr>
<tr>
<td>Music</td>
<td>9.65</td>
<td>1.44</td>
</tr>
<tr>
<td>Theatre, opera, musicals, dance</td>
<td>177.40</td>
<td>26.53</td>
</tr>
<tr>
<td>Fine arts, photography</td>
<td>7.40</td>
<td>1.11</td>
</tr>
<tr>
<td>Film, cinema, video</td>
<td>12.41</td>
<td>1.86</td>
</tr>
<tr>
<td>Radio and television</td>
<td>9.61</td>
<td>1.44</td>
</tr>
<tr>
<td>Initiatives, cultural centers</td>
<td>4.84</td>
<td>0.72</td>
</tr>
<tr>
<td>Training, further education</td>
<td>141.54</td>
<td>21.16</td>
</tr>
<tr>
<td>Adult education</td>
<td>0.18</td>
<td>0.03</td>
</tr>
<tr>
<td>International exchange</td>
<td>34.36</td>
<td>5.14</td>
</tr>
<tr>
<td>Large-scale events</td>
<td>11.84</td>
<td>1.77</td>
</tr>
<tr>
<td>Other</td>
<td>9.31</td>
<td>1.39</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>668.80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Figure 6.4:** Austrian Federal Arts Funding, 2000, by Field  
(Source: Sturmvoll et al, 2002, p. 23)

State arts funding mechanisms are not transparent in Austria, and the complicated funding structure and lack of cooperation among the various federal, provincial, and local ministries and agencies appear to be a constant source of frustration to cultural policy analysts and arts administrators alike. At the federal level, the following ministries are involved in administering public funds to the cultural sector, depending on the arts segment or subject matter of the project to be funded: the arts department of the federal chancellery; the federal ministry of
education, science, and culture; the federal ministry of foreign affairs; the federal ministry of economics and labor; and the federal ministry of internal affairs. The federal ministry of defense, ministry of land and forestry, and ministry of finance are also involved with arts funding, albeit at a more limited level. Further, every provincial government and all communities with over 20,000 inhabitants in Austria have a cultural department, sometimes combined with science and/or education departments.

6.3 Change Management Capacities

6.3.1. Coping With Change

The scope, extent, and pace of change in Austria seems to be comparatively slow, gentle and evolutionary in nature, making it difficult to assess the ways in which arts administrators are being forced to cope with change in their work. Slow but steady decreases in state funding for the arts have resulted in the need to diversify earned income sources of funds, and new demands on arts administrators through the Ausgliederung process are calling for more efficiency and accountability in managerial processes. These two major causes of change in Austria signify global trends towards privatization and the convergence of means and tools of governmental patronage of the arts. They also point to extensive lesson-learning and best practices borrowing from abroad, as Austrian cultural policy makers and arts administrators look at other European and often American practices of supporting the arts.

All interviewees agree that the five change management capacities identified in this study are important for current and future arts administration practitioners. The range of responses on the relative importance of the five capacities, however, is noteworthy. While all are deemed important, none of the five appear dominant in this ranking process through interview responses.
6.3.2 Managing International Cultural Interactions

Cultural policy experts and arts administrators in Austria appear to be very aware of the importance of tourism to the national economy, and understand much of their work in supporting cultural tourism. “We consider ourselves at the pinnacle of classical music,” says Mittermayer. “Everyone knows the Musikverein, and every tourist wants to see it. One billion people have the opportunity to watch the New Year’s Concert around the world each year. We have close ties to the tourism industry.” As Springer puts it, “What does this country have? Two things: the landscape and its cultural tradition. The state must ensure its resources, its cultural traditions. This is a major business interest, to make sure that the systems remain competitive in the global tourism market.”

While the major performing arts institutions in Vienna understand their important role in national cultural tourism, the actual impact of tourism on ticket sales varies. In the Konzerthaus, for example, Lieben-Seutter caters mainly to the Viennese public. “We are not particularly focused on tourism, other than around Christmas and New Year’s, and in the summer.” In contrast, Lang speaks at length of the important role of domestic and international tourism for the Vienna State Opera:

Tourism is very important. Tourist account for 30% of ticket sales. Tourism among Japanese has especially increased after Seiji Ozawa became artistic director. Much attention is given to the Opera in the Japanese press, and we even have some Japanese who will fly to Vienna, attend a performance, and fly back to Japan that same night. The Opera works with various tourism agencies. There is also coordination among the Austrian provinces. Because we are a national theater, we are required to reserve a certain number of tickets per performance for non-Viennese Austrian ticket sales until a few days before the performance.

The skill in managing international touring is a crucial component of arts administrators’ work with orchestras such as the Vienna Symphony and Vienna Philharmonic; most performance tours take place in Europe, the U.S.A., and Japan. Artists from throughout the
world present their work in all of Vienna’s major performing arts institutions, leading to a high
demand for the capacity to manage international presenting and the need for strong foreign
language skills.

6.3.3 Representing Cultural Identity

Closely tied with cultural tourism is a keen awareness of the importance of supporting a
national cultural identity. The Vienna Philharmonic, for example, sees the representation of
Austria and Austrian culture abroad through international touring as a major diplomatic service to
the nation. Hellsberg tells of two times of national political crisis – when President Waldheim
received negative international press attention around 15 years ago, and when the EU placed
sanctions on Austria following election results several years ago – when the Vienna Philharmonic
served a major diplomatic function through representing another dimension of Austrian society
on its European tours and, as a result, was able to offset some of the negative international press
coverage. Further, Hellsberg contends that, when artists or organizations are recognized to be at
the top in the field, other social responsibilities come into play. He notes that there is a
tremendous potential for the Vienna Philharmonic to be involved in humanitarian activities, and
that a significant multiplier effect comes from the attention that the orchestra is able to generate
from their participation in a social service or benefit function.

In Vienna, a sense of cultural identity appears to be interpreted as a rather homogenous
“high” culture, steeped in the legacy and tradition of Viennese classical music. Springer, for
example, states that “minority issues are not really a problem in Austria. And there is a strong
dominance of high culture here, with comparatively low support for folk arts.” Six ethnic
minority groups (Volksgruppen) are officially recognized in various provinces of Austria: the
Slovenes (in Carinthia); Croats (in Burgenland); Slovaks and Czechs (in Vienna); Hungarians (in
Burgenland and Vienna); and the Roma (in all nine provinces). Immigrants, who come mostly
from the former Yugoslavia and Turkey as “guest workers”, are not officially recognized as cultural minorities. No specific minority arts community programs are federally funded, but financial support for some cultural activities is provided through regular cultural budgets at national, regional, or local levels (Sturmvoll et al, 2002, p. 11). Ratzenböck notes that “diversity, globalization, and civil society are buzzwords in Austria. Cultural diversity may be understood as breaking down boundaries between the center and periphery, emancipation, access, participation, social inclusion. There is a broad political understanding of this in general, but a definite conservative trend here, especially in areas such as media policy.”

While identity in terms of internal minority issues is rather brushed aside in Austrian cultural policy and arts administration (remembering that Austrian cultural policy may best be understood as an arts funding policy, especially for the “high” arts), identity in terms of representing a national cultural identity abroad seems to be on everyone’s agenda. For example, on its website, the Vienna Philharmonic writes that the orchestra “is not only Austria’s most highly coveted ‘cultural export,’ it is also an ambassador of peace, humanity and reconciliation, concepts which are inseparably linked to the message of music itself.”

Mokre states that international contact is increasing, and that cooperation with partners in other countries would be very fruitful. She cautions, however, that Austrian cultural policy is still very nationally oriented and that there seem to be major barriers to developing a more global orientation due to its history and traditions. Ratzenböck suggests that “arts administrators must now be aware of changes in international connections, flexibility, artistic mobility, artistic exchange, and openness.” Hofecker speaks about multiple identities – at supranational, regional, national, and local levels – that European citizens are now facing. “We are searching for a new EU identity, but we also need to think about what the Austrian contribution is, the share of this, and the responsibility. Increasing global and European forces are making us think much more about our local identity. Also, with the EU expansion ahead of us, cooperation in Central Europe
may be the most fascinating and challenging area ahead of us, and may lead to many practical outcomes for our students.” Springer, in contrast, is more critical of participating in supranational cultural initiatives, stating that “international cultural policy seems to be conference policy with the funding of certain projects.” He asserts that it is imperative to have a cooperative framework at the international level, from which practical cooperation may then be realized, but contends that cooperative cultural initiatives at the EU level to date have been quite difficult to realize.

Austrian national cultural identity is intimately connected with classical music, a strength that all major performing arts institutions are able to draw on. Still, with the majority of concert-goers citizens of Vienna (e.g., 80% of the Musikverein’s public are Viennese), arts administration practitioners encourage breadth in programmatic decisions. “We have to preserve and advance our own musical heritage, so living composers are important to us,” says Lieben-Seutter. “In supporting our tradition, we also offer a highly diverse and wide-ranging program to the Viennese.” Even the arts organization that is often criticized for being “too traditional,” the Vienna Philharmonic, has always been active in premiering new works. However, as Hellsberg notes, “we must focus on the basis of our repertoire, the timeless works from the Viennese classical and romantic repertoire.”

6.3.4 Promoting Innovative Methods of Audience Development

Audience development in Vienna seems to be targeted to young audiences, whom the major institutions are beginning to address through new educational programs. Cost-cutting in the public education system is leading to a reduction in the amount and scope of arts education provided to Viennese youth, and the major performing arts institutions are feeling the need to help address this challenge. As Springer explains it,

We must do a lot more in the area of education – too little is now taking place. And the system is breaking down. We have too little arts education. There is no house music any more. And political decisions are leading to cost-cutting in public education – they
are reducing personnel in the arts subjects. But should other institutions now step in for the state in educational functions? This is irresponsible of the state. There seems to be a growing expectation that institutions will now take on this educational function without being provided additional funding to do so.

Springer goes on to explain that, while he is vehemently opposed to the major performing arts institutions serving as a substitute for public education in the arts, he strongly supports these institutions offering cooperation with schools. Members of the Vienna Philharmonic, for example, are encouraged to cooperate with educational programs, but Hellsberg notes that these activities are best characterized as individual involvement. “We are ready to cooperate, but educational programs must be run professionally. We don’t have the capacity to organize them ourselves.”

In addition to an increased demand for educational services due to changes in public education, incentives for implementing audience development initiatives also come from a need to increase earned income. “And to pull in a new, young public,” says Mokre. “But it is astonishing how little these instruments are differentiated. Audience development is growing in the direction of tourism. There is very little cooperation between cultural institutions. Little is discussed or demanded between them, due to political reasons such as societal expectations, personal arguments, and political appointments.” To illustrate this situation, the State Opera consciously avoids any “crossover” among art forms, producing only grand opera. Yet, in terms of audience development, the administration targets certain operas to appeal to different groups, and is trying to develop audiences among children, students, families, and seniors. The administration of the State Opera appears to be very proud of the wide range of educational initiatives, targeted to children, that the organization has introduced over the past several years. Primarily, these initiatives consist of both presenting performances of children’s operas each year.
and in cultivating children’s participation in mainstage opera performances through their
Opernschule (Opera School), a three-year program providing opera performance training to pre-teens aged nine to twelve.

Bischof states that the basis for audience development must lie with schools and families. In terms of programming for young artists, he states that the Vienna Symphony Orchestra “just tries to play well. Children can’t be deceived – they feel whether or not a performance is good.” In the Musikverein, children are brought into the major hall to experience the venue’s beauty and acoustics. While the Musikverein offers several “cycles” of children’s programs, the majority of their educational programming is coordinated in partnership with an in-house organization (i.e., an independent organization located in the Musikverein building) called Jeunesse. Also, as Mittermayer says of developing the Musikverein’s audiences: “Who is the audience of the future? Either people really interested in music, or social-climbers who come here to be seen.” Lieben-Seutter expresses his interest in developing future audiences for the Konzerthaus as follows: “I don’t have major concerns for audiences of the future, but I see that developing educational programs, that is, children’s programs, is important. We need to bring children into concerts where they have enjoyable experiences. Teenagers don’t come to us. University students slowly start coming back. Our main target group is now people in their late 20s and early 30s – young professionals.”

In sum, it appears that, while the major performing arts institutions are aware of the need to develop audiences of the future to ensure the long-term sustainability of their organizations, the context of Vienna – the importance and legacy of classical music in this city – provides an environment in which audience development is not a primary concern. Arts administration practitioners seem to agree that a need for educational initiatives targeted to young children and pre-teens is an important service to provide, and that young professionals may be best targeted for cultivating long-term subscription series relationships.
In addition to a new focus on educational programs and a strong cultivation of annual subscription purchases, many major performing arts institutions have recently introduced various forms of “membership” in the institution. For example, the Vienna Symphony has a “friends” program, in which membership at four different levels provides financial support to the orchestra. The Musikverein – which refers to both the building (completed in 1870) and the “Society of Friends of Music” (founded in 1812) – offers a membership program in which, for a annual membership fee of € 50, card-carrying members are entitled to a range of benefits in subscription and single ticket purchasing, various discounts, and a monthly newsletter. The Bundestheater-Holding has also recently introduced the new “bundestheater.at-CARD,” through which card-carrying members have advantages in the process of purchasing subscriptions or single tickets, and receive a certain level of “points” for each ticket purchased (depending on the type of card the member has) which can be “cashed in” for reduced prices on other tickets. The Bundestheater’s membership program is a little complicated, but is designed to increase attendance among current opera- or theatre-goers.

6.3.5 Exercising Effective Strategic Leadership

When discussing the need for strategic leadership in Austrian arts organizations, Springer states that “strategy doesn’t exist here. At the most, there are tactics. And there is a general lack of courage among cultural policy decisionmakers. There is a general lack of vision and mission. People seem to think that ‘anyone who has visions should go to a doctor’.” Mokre asserts that there would be a great potential for cooperation between major institutions. “There are many different forms of individual influence on Austrian politics,” she explains. “It would be possible for leaders of these institutions to have major influence on cultural policy.” Yet, Ratzenböck is highly critical of this potential, stating that a major “star system of cultural policy influence”
appears to be evolving in Austria, resulting in the Ministry of Culture supporting the “star” arts institutions, and the smaller, less politically powerful organizations not receiving any support at all.

Discussions of strategic leadership in terms of organizational administration reveal some approaches that might prove difficult to operationalize. For example, Mittermayer simply states that the Musikverein’s “strategic leadership comes from the Maxim of 1812,” whereby, at the founding of the Musikverein, the social function was designated as the provision of performances “for everyone to be able to enjoy music at affordable prices.” For the Konzerthaus, as Lieben-Seutter explains, “strategic planning is important to us. We rework our five-year plan every year. I believe in a practical approach to business strategy. Lean management, a flat hierarchy, high responsibility for employees. In short, our customers – artists and the public – should feel great when they are here. We want to start developing a mission statement and vision statement.” One wonders where, exactly, the strategic business plan comes from without a mission statement in place.

In examining Vienna’s flagship performing arts institutions more closely, one finds that the organizations’ (mostly implicit) missions tend to be historically significant and artistically-driven. Similar to the Musikverein’s ongoing focus on the Maxim of 1812, the Konzerthaus continues to refer to the mission stated at its opening on October 19, 1913: “To be a place for preserving noble music, a collection point of artistic endeavors, a house for music, and a house for Vienna” (Source: website). Hellsberg states that the basic structure and mission of the Vienna Philharmonic Orchestra has not changed over the past 160 years. And, according to Hellsberg, “true leadership comes through artistry and the artistic message. One must be realistic, but it is important to also keep Don Quixote alive.”
In terms of organizational structure, the Vienna Philharmonic, the Vienna Symphony, the Musikverein, and the Konzerthaus are all private Vereine (private societies), which were established to serve artistic and public purposes, and which are entitled to receive public funding. Elected officers from each Verein serve (often in salaried positions) in either an advisory or administrative capacity. Administrative structures remain traditionally structured and reflect an apparent low lack of concern with increasing earned and contributed revenues. None of the major performing arts institutions has a fundraising department, and the marketing department is typically comprised of only a few marketing and public relations specialists. For example, the Konzerthaus, with 350 performances and 30 subscription series annually, has a marketing staff of three. It has federal and local subsidies, 1 corporate season sponsor, 10 additional major corporate sponsors, 16 business “cooperation partners,” and 5 “supporting institutions,” and yet in its administration, no one directly responsible for fundraising. One wonders how administrative structures and professional expectations might be altered as an increasing number of educational, membership, sponsorship, fundraising, and marketing initiatives and demands are introduced in coming years. As financial constraints and public demands for efficiency and accountability continue to influence arts administrators’ decisions, and arts policymakers and arts administrators become increasingly cognizant of opportunities to proactively influence environmental factors, it might be expected that new forms of strategic leadership and administrative structures might evolve.

6.3.6 Fostering a Sustainable Mixed Funding System

Funding seems to be discussed by interviewees as a significant challenge, but not one that has yet reached a crisis point for their operations. Arts administration leaders, such as Springer, state that they ideally “would like to see 100% state funding, without a reduction of this amount
to compensate for the revenues earned by the organizations on their own” for the major performing arts institutions, but realize that this is not feasible, given the realities of the political and economic situation in Austria. Instead, as Lang explains, the State Opera is attempting to attain 36% earned income through ticket sales and 60% public funding. “We are emulating more and more the American system” he says. “This reflects a trend toward privatization in general, which is not only in the cultural sector.”

The Musikverein is trying to increase contributed income, especially through sponsorship, and a limited amount of merchandising. “Subsidies haven’t increased in years, and artists have become more expensive,” says Mittermayer. Vienna’s three main flagship music institutions – the State Opera, Musikverein, and Konzerthaus – all offer opportunities for corporate sponsorship of selected performances. Lieben-Suetter would like to see an increase to 20% state subsidization for the Konzerthaus, but is satisfied with the current situation of pulling in a wide range of earned and contributed revenues to make ends meet. Orchestras such as the Vienna Symphony operate through a mix of fees from presenters and public funding from the state. When asked for percentages in the Vienna Symphony’s revenue mix, Bischof is unable to provide specific information, stating that the budget and revenue mix varies considerably each year, depending on the season’s performances, tours, and state funding provided. He mentions that fees from presenters and ticket sales accounted for 42% of last season’s revenues, and that this figure is very high for the orchestra. Last year’s subsidies amounted to €10.54 million, and the remainder of the orchestra’s income comes in negligible amounts from the membership program and merchandising. It is noteworthy that economic necessity has apparently not yet forced the executive director of this major orchestra to track budgetary constraints.

Performing arts institutions with a historically more diversified funding base seem to be less dramatically affected by changes in the Austrian arts funding system than institutions with historically more direct state subsidies do. Both the Konzerthaus and the Musikverein do not rely
heavily on state funding. In the Konzerthaus, direct governmental patronage accounts for less than 15% of the total budget; earned income comprises around 80% of their budget, comprising ticket sales at 45%, sponsoring at 5%, hall rentals at 25%, and restaurant revenues at 5%. The Musikverein only relies on direct state subsidy for 6-7% of its budget, although Mittermayer notes that many orchestras are heavily subsidized by the state, which must also be taken into account. Instead, most of the Musikverein’s income comes from hall rentals. “We effectively have a system where the cost of presenting major orchestras is offset by performances given by soloists,” says Mittermayer. “We are also increasing our fundraising efforts, and many concerts are now sponsored.”

The Konzerthaus went through a major renovation over the past five years, and is coping with ongoing debt financing. The Musikverein is in the midst of its major renovation, and Mittermayer explains the diversified system of covering renovation costs of €360 million. Of this amount, €75 million is being provided from the city of Vienna, €75 million is being provided from the national government, the Musikverein has added €1 to the price of each ticket, and incentive programs are in place to encourage private contributions. But the dangers of relying heavily on private philanthropy and sponsorship have become quickly apparent. “Alberto Vilar promised us €80 million, but he has only actually given €10 million. We expect that we will be forced to remove his name from the designated new ‘Vilar Hall’ now being built as our fundraising efforts continue.”

Arts administrators’ fundraising efforts tend to focus on cultivating corporate sponsorship (in Europe, the marketing function of corporate sponsorship is often understood as the major tool for fundraising); a tradition of individual and foundation philanthropy is rather weak, due to Austrians’ overarching assumption that the state has responsibility for supplying social benefits to citizens. Nonetheless, according to Initiativen Wirtschaft für Kunst (Austrian Business Committee for the Arts), arts sponsoring has become an important factor in the funding mix for
Austria’s flagship institutions and major festivals. It is estimated that private sponsoring amounts to roughly 2.5% of public arts expenditures (Sturmvoll et al, 2002, p. 27). However, Hellsberg states that the Vienna Philharmonic, for example, is concerned about possible negative effects of sponsorship. “One must be very cautious about sponsors. You can’t rely too much on one sponsor, as even major corporations can have business problems and not be able to provide the funding they promised. Also, a dependency on sponsorship could lead to an influence on programmatic decisions. One must always be cautious about preserving artistic freedom.” The fact that the Vienna Philharmonic operates as an independent entity with 100% earned revenues – comprised of sources such as ticket sales, subscriptions, recordings, presenters’ fees, special events, and two major corporate sponsors – is a little misleading, since all the orchestra’s musicians are concurrently employed as civil servants in the Vienna State Opera orchestra. Also, despite its full reliance on earned income, the Philharmonic has neither a marketing nor a fundraising staff.

In Austria, the main funder of the arts and culture sector, either directly or indirectly, remains the state. In reflecting on approaches that have been suggested for reforming the Austrian arts funding system, which relies predominantly on governmental patronage, Hofecker notes that it is important to closely examine different models for governmental support of the arts before making drastic changes in the Austrian model.

There are two such models: those that focus on the state and public funds, and those that are focused on the private sector. There is also some recognition about an evolving European model. But if we want to change our system, how is it possible to ensure that the money really comes? We also need to check the funding models with the output side of the cultural sector. In Austria, we should be aware of the qualities we already have. We need to protect our model as long as there is no better one! There are economic arguments that a centralized funding system may be the most efficient. It is important to learn from other models, but it is also important to not change just for change’s sake.
6.4 Arts Administration Education

6.4.1 Overview of Arts Administration Training in Vienna

In Austria, the need for formal arts administration education seems to be perceived by arts administration practitioners as not very important. Some individuals in leadership positions appear to be proud of the fact that they were able to “work their way up” in the organization, without a university degree and without reliance on professional development activities, other than on-the-job training. Specific statements from interviews that support this dominant reliance on practical experience in arts administration education include: “One can only learn on the job how an opera house works.”; “I don’t think I’m missing anything in my education – you can learn this job by doing it.”; “One can’t learn this through academic training.”; and “I learned what I needed from learning the skills in all the small areas and special areas of management in the Konzerthaus.”

Individuals in leadership positions in Vienna’s major performing arts institutions have a diverse range of educational backgrounds, ranging from no formal university qualifications to doctorates. Dr. Rainer Bischof, for example, is a composer and a philosopher who learned arts administration through years of practical experience. Also an artist-as-administrator, Dr. Clemens Hellsberg has a doctorate in musicology and history and learned how to be the chairman of the Vienna Philharmonic through practical experience. Mag. Andreas Lang acquired his master’s degree in musicology, and admits that he has learned his practical skills both on the job and through participating in various conferences. Dr. Georg Springer is an attorney who specialized in constitutional law (he also studied voice and originally wanted to be a professional singer), and a position that opened in the federal chancellery many years ago led to his lifelong interest in cultural policy and arts administration. In contrast, Christoph Lieben-Seutter and Thomas Mittermayer did not complete a formal university degree, began in mid-level positions in their performing arts institutions, and have developed their practical skills solely on the job. As
Mittermayer puts it: “Education might be important in general for making a career – an academic title helps a lot. But Vienna is different in many ways. Everything works through personal contacts. I would say, if you have time and money, get a good degree. Or, advance internally through building up your skills on the job.” In speaking about the opportunities for on-the-job training at the Konzerthaus, Lieben-Seutter states: “Career development for my subordinates is excellent here in the Konzerthaus, due to the flat hierarchy. People can advance very quickly in the organization. We often hire our interns and trainees. I don’t believe much in theory, but a lot in practice. My ideal mix for training would be a basic education in music, or a very strong interest in music. Languages, especially English. And as much practical experience as possible.” Bischof describes an ideal training mix for music administrators to consist of a musical education, international awareness (he refers to art, languages, and networking), organizational and financial skills, and practical experience.

All interviewees agree that a passion for the performing arts is the key criterion for success as an arts administrator. “One must burn for the theater,” says Lang. “I was always passionate about music,” says Lieben-Seutter. Or, as Springer states, “it is important to love the craziness of the theater – this cannot be ‘just a job’.” Springer asserts that in general, arts administrators need a strong interest in the arts, but there is no set career path. “Entry into this field is often the combination of coincidences.”

While a deep commitment and extensive knowledge of the arts may be identified in Vienna as most important for arts administrators, interviewees also identify sets of skills particularly needed in practice. Practical skills are often discussed as business skills – especially in marketing and finance – as well as strong foreign language skills and computer skills. “The basis must be something artistic,” says Bischof, “but you must have good organizational and financial skills.” Skill sets are also often discussed as personal qualities such as enjoying contact with artists and with the public. Springer describes at length that the “skills required for this
position are negotiations skills and tactics, that you can only learn through experience. Also sensitivity and hardness, in order to implement the correct things. And the ability to stay calm. You can really only learn it by doing. Everyone should be as broad-based as possible, they need to learn all parts of the organization. The theater can only function through cooperation. Everyone needs to know the product, and identify himself with it.” Or, as Hellsberg puts it, “for this job, one needs good Fingerspitzengefühl (tact, sensitivity). One always has to do with artists, so you need to know when and how to react – it is important to not let your emotions run wild.” “You have to know what you want and how to get it,” says Mittermayer. “And you have to know people here in Vienna, especially artists and agents.” All interviewees state that they learned their practical skills in their work as professional arts administrators, supplemented sometimes by professional development (e.g., languages and computer skills) or international conferences. “I learned a lot from colleagues overseas, particularly through the European Concert Hall Organization. And the U.S. Embassy once organized an excellent fundraising training program,” says Lieben-Seutter.

It may be argued that the relatively slow pace and extent of change in the cultural sector (especially among the “high” classical performing arts) in Austria as compared with other nations is reflected in a relatively slow pace and extent of awareness of arts administrators’ educational needs. As the next section describes in detail, a boom seems to currently be taking place in arts administration training in Vienna. Practicing arts administrators, while cognizant and accepting of the paradigm shifts taking place in the cultural sector around them, seem to almost grudgingly concede to the idea that professionalization in the field might call for a different set of educational opportunities than those that they experienced. Professionalization is discussed in terms of proficiency in basic managerial competences, particularly the marketing and financial skills called for by the Ausgliederung processes. As Mokre explains, “Ausgliederung is the key issue. Much is changing, a focus on earned revenues, business influence, professionalization,
improvement in structures and output, economic thinking.” In sum, although practicing arts administrators seem aware that changes in the cultural sector might demand new skills in response, the general view that future leaders in the field can learn these skills in whatever way they did (that is, mostly on-the-job) remains dominant. This view is not mirrored by the students and young professionals eagerly participating in diverse forms of arts administration training currently available in Vienna.

6.4.2 Current Arts Administration Training Options

While professional arts administrators in Vienna’s major performing arts institutions may be skeptical of the value of formal arts administration education and training, a range of training options in this field is flourishing in Vienna. Students at the University of Vienna can enroll in elective arts administration courses in diverse university departments during their undergraduate studies. Formal “post-graduate” (graduate level) university training programs exist at the University of Music and Performing Arts, the University of Applied Arts, and the University of Vienna’s Institute for Theater, Film, and Media Science. These programs vary in their program offerings and disciplinary focus; the most well-established and interdisciplinary program is the Institute of Culture Management and Culture Studies at the University of Music and Performing Arts, which will be discussed in detail later in this chapter. For students interested in other fields related to arts administration, the Faculty of Law of the University of Vienna offers a course of study in cultural law, and the Diplomatic Academy offers a course of study in cultural diplomacy, but there is very little exchange among faculty and students in all these diverse university departments. Further, several successful professional development institutes, professional development programs, and consultancy initiatives in arts administration have been established
over the past decade. In addition, various independent and university-based research institutes in Vienna occasionally offer seminars related to arts management which are open to the public.

The professional development options available to arts administrators illustrate some innovative ways in which training appears to be addressing changing demands in the Austrian cultural sector. The *Institut für Kulturkonzepte* (Institute for Cultural Concepts) – founded in 1994 – offers professional development through specialized arts management seminars (over 20 per year); a professional development program comprised of a series of three “basis seminars” (project organization and financing, publicity, marketing and advertising); a six-month specialized course of study titled *Kultur & Organisation* in cooperation with the University of Vienna’s Institute for Theater, Film, and Media Science; and consulting activities. Consulting activities are both with non-profit arts organizations as well as with for-profit businesses since, as the Institute’s director, Karin Wolf, explains, “art and culture are becoming increasingly important aspects of consultancy in general.” Further, the Institut für Kulturkonzepte offers a summer academy, and is expanding its involvement in international professional development in neighboring countries. The Institute expects to increase its involvement in public-private partnerships in professional development due to its expanding spheres of cooperation with the university.

The Institute does not conduct research in the field, but focuses instead on developing practical skills of seminar participants at an organizational level. The Institute’s director, Karin Wolf, notes that participants are mostly interested in developing their skills in marketing and public relations, and that a growing interest area is in international cultural development. Wolf’s major interests lie in the practical application of theory, particularly in areas such as entrepreneurship and the creative industries. “There is currently a lot of dialogue in these areas,” notes Wolf. “And we have excellent flexibility. We are able to adapt to constant change.” She explains that the curricular design has become more multi-faceted as the “palette of topics has
grown.” The Institute attempts to respond constantly and actively to participants’ needs through using questionnaires in every seminar and maintaining close networks and contacts to clients. “We try to be as close to practice and projects as possible.” Wolf identifies several skill areas in which she envisions a growing interest in acquiring training in the future: international arts management, new fundraising and marketing skills, as well as entrepreneurial skills. “Ongoing professional development is required due to new and increasing responsibilities of arts managers. Especially due to the Ausgliederung in Austria.”

Targeted program participants are primarily visual artists and arts managers. Written documents (Skripten) are prepared for each seminar, and Wolf states that the strengths of these materials are that they are compact, clear, and immediately applicable. “Students can refer often to them in the future.” She notes, however, that they require ongoing updating and improvement, and there is an urgent need to develop better reading lists, topic by topic. A mix of instructional methods is used, consisting of lecture, work groups, best practices sharing, case studies, discussions with experts, and practical exercises.

As Wolf states, “previously, the choice for learning in this field was either a formal course of study or learning-by-doing.” The Institut für Kulturkonzepte demonstrates a successful example of professional development in arts administration. Several other training options appear to have sprung up in recent years, such as an entrepreneurial team of three young arts administrators establishing a new consulting firm, called General Quality KEG, in September 2001. The areas of emphasis in their consulting work targeted toward cultural organizations lie in strategic planning, operational management, reorganization, cultural sponsoring, and research.

Another channel for professional development in arts administration is through KulturKontakt Austria, a non-profit organization functioning in a diplomatic capacity in implementing many governmental initiatives in cultural diplomacy. In general, KulturKontakt “supports projects of cultural dialogue in the fields of the arts in Eastern Europe and Austria” and
“promotes educational cooperation with and in Central, Eastern and Southeast Europe through an extensive range of programs” (website). These objectives result in a wide range of professional development seminars and published research on cultural policy and management available to arts administration practitioners in Austria and its neighboring countries. As their website states:

So as to fit in with the very differing working and living conditions experienced by the artists in the individual countries, we are constantly reviewing the alignment of our programmes and sponsoring measures. In this way we can supply not merely resources, but also tailor-made programmes, which provide in-service training courses leading to qualifications in the cultural management field. … Since Austria acceded to the European Union we have also been able to find European partners who support the cultural dimension of the integration process. This international financing model allows us to provide fresh stimulus in the make-up of Eastern Europe’s cultural life.

The professional development focus and activities of KulturKontakt Austria highlight the emphasis in Austria on regional cooperation and development, and underscore the importance of Austria’s role within the European Union as a bridge between East and West. For example, KulturKontakt supports faculty and student exchange throughout Central Europe, and provides connections to major European organizations involved in cultural policy and administration.

The most well-established arts administration education program in Austria is provided by the Institut für Kulturmanagement und Kulturwissenschaften (IKM) at the University of Music and Performing Arts Vienna. The program was founded in 1976, originally offering single lectures on the topic of arts administration, then gradually systematized into a university-level course of study. Higher education in the arts in Austria (formerly a “Hochschule” system) merged with the university system in 2000, resulting in a “new scientific approach” for the IKM. As the IKM’s director, Dr. Otto Hofecker, states: “As practitioners we have a long history, but research has been increasing steadily over the past ten years. We have to excel in research in this field – there are now more dissertations being advised here, with students concurrently participating in our master’s level course. We have cooperation across departments. Our possibilities are increasing. … We are defining new standards, and we are informing the public on these findings. We are repositioning IKM in support to the field as a whole.”
As of the 1999-2000 academic year, the IKM offered students the internationally-recognized “Master of Advanced Studies” degree at the successful completion of a two-year “post-graduate” (graduate level) course of study. This degree is awarded after completing a final thesis paper as well as coursework, examinations and term papers in the areas including general arts management, cultural policy, cultural economics, cultural theory and sociology, aesthetics, legal issues in arts administration, and specialized art administration (e.g., management of the visual arts, performing arts, music, literature, media). In addition, IKM offers undergraduate and graduate students in the University of Music and Performing Arts and other Viennese Universities a series of elective seminars. The “goals and didactical concept” expressed in IKM’s brochure may be translated as follows:

It is the goal of the graduate program in arts administration to provide participants with specialized qualifications for management in the cultural sector. Central to our instructional concept is the attempt to view culture and management interactively and to transfer specific skills in cultural management and culture institutions studies. An interdisciplinary scientific and practice-oriented instructional approach is a major characteristic of our graduate program.

Cultural managers act as mediators between culture and management, as experts in and representatives of diverse fields. They succeed through a high level of cognitive, communicative, and social competence. This professional profile demands the instructional transfer of basic orientation models as well as the structures of knowledge and thought processes. Self-driven learning, dialogue, and project orientation play a major role in our didactical concept.

The curriculum of the master’s level course of study is now structured by five modules, each comprised of thematic areas of instruction as indicated below:

Module 1: Business
  Cultural institutions studies
  Cultural management
  Business management (methods, techniques)
  Cultural economics
  Cultural policy

Module 2: Soft Skills in Management
  Leadership
  Communication
  Group dynamics
Four full-time faculty as well as numerous adjunct instructors (often leading arts administration practitioners in Vienna) teach the program’s courses. The master’s degree curricular design was extensively altered during the 2002-2003 academic year (for implementation beginning fall 2003) to be more comparable to other similar courses of study in Europe and to respond to the demand for cost-cutting due to major restructuring in Austria’s university system. The curriculum, which was previously much more time-consuming and demanding than that of other university-level programs in Europe, was reduced in terms of the total credit hours required and the total areas of study and examination. Computer workshops, for example, were completely eliminated since it was demonstrated that students entering the program now already command very diverse capacities in this area; students requiring more training in information technology now go elsewhere to acquire these skills. The tuition requirement of students remains the same, however, which assists the IKM in managing the budgetary demands placed on the institute through university-wide cost-cutting and restructuring.

The Institute is groundbreaking in developing a new “academic discipline” (that is, an academically recognized and formally approved field of university-level study) called Kulturbetriebslehre. Two of the IKM’s faculty acquired their Habilitation (the approximate equivalent of tenure in the United States’ university system) in Kulturbetriebslehre during the
2002-2003 academic year, and the IKM’s faculty are enthusiastically involved in forming this new field of study. Kulturbetriebslehre, which roughly translates to “culture institutions studies,” involves the development of a systemic research and instructional approach in the interdependent areas of cultural economics, cultural policy, sociology of culture, and the public sector.

According to Hasitschka, Tschmuck, and Zembylas (2002):

Culture institutions studies aims at synthesizing a cultural studies and an economic approach to cultural goods and services. Therefore, culture institutions studies is occupied with (1) the formation of cultural goods as meaningful symbolic entities and their transformation into cultural commodities (i.e., the phenomenon of commodification), (2) the analysis of cultural practices and their institutional frames that constitute and regulate the formation of cultural goods and services, (3) the examination of the specific characteristics of culture institutions as organizational settings, and (4) the social organization of cultural labor and other cultural activities (e.g., consumption). (p. 2.)

Figure 6.5 illustrates the way in which IKM faculty conceive of Kulturbetriebslehre at the center of four interlinked areas. According to this model, the four interdependent areas defined as the cultural sector, cultural economics, cultural policy, and the public sector much each be examined as part of a systemic approach toward research in the cultural sector. IKM faculty have defined several research areas in which this approach might be useful, such as professional profiles in the cultural sector, organizations in the cultural sector, financial structure of the arts, cultural regulations, education in the cultural sector, as well as technology and the arts. At present, however, it remains unclear as to how the extent, scope, characteristics, approach, and practical application of culture institutions studies might be described, but this systemic approach may provide researchers and instructors with a useful tool to address systemic change in the cultural sector. Faculty at the IKM started to formulate this new field of study in the late 1980s, yet this approach is still very new in its conceptualization, and the direction in which applied research and instruction will follow from the concept is still a work in progress. Indeed, the
In line with its focus on culture institutions studies, the IKM utilizes a multidisciplinary and interdisciplinary approach in its selection of instructional materials and teaching methods. “In general,” notes Hofecker, “teaching requires accurate preparation, exactness, dedication, commitment, obsession, and conviction to bring across the message. The team (at IKM) is mixed, and a dialogue among all involved integrates the material, and all share their gifts, using common challenges as a starting point for the dialogue. It is possible that students in the program will never again have this mixture and teamwork across art forms.” Teaching methods consist mainly of interactive lecture, individual and group assignments, projects and research papers, and oral and written examinations. IKM requires a high level of self-initiative and teamwork among students in the selection of topics for individual and group study and in completion of papers and presentations.

With regard to instructional materials, Hofecker states that more information is needed for specific fields. “We particularly need comparison across Europe. We need to go deeper into specific areas, with increasing supporting arguments and indicators. We are refining the processes needed in cultural policy analysis.” In his own research, Hofecker is at the forefront of European scholars developing a system for statistical analysis in the cultural sector. The statistical reporting and analysis system used in the Austrian cultural sector since 1995, called the LIKUS system, was developed by Hofecker as a tool to provide very accurate financial data on the cultural sector and to make this data comparable across municipalities and provinces in Austria. Several other European nations are now beginning to model their reporting systems on cultural statistics after the LIKUS model.
Hofecker and the other IKM faculty express their conviction that formal arts administration education is making a difference in the professionalization of Austrian arts organizations. As Hofecker states, “there are still some basic problems and resistant behaviors, but things are improving. The generation shift is changing some of this, as is more exchange of materials and lecturers and broadening areas of focus. We are always adapting to the new situation. Arts management is not new – it has a long history. But we now have comparative data and statistics and are bringing this in. And we need to keep encouraging a global focus.”
6.5 Vienna Case Study Analysis

6.5.1 Summary of Findings

This chapter has provided evidence of changing demands in the cultural sector in Vienna, has discussed change management capacities in the ways identified and assessed by key informants, and has profiled several arts administration training options. To begin a situation analysis and needs assessment on the extent to which current training in arts administration appears to be suited to meet changing demands in the cultural sector, it may be helpful to review some of the main findings from data collected through interviews, participant observation, and document analysis.

Changing demands in the cultural sector seem to often be discussed in terms of major issues currently facing policy specialists and arts administrators. Major factors to take into account are a trend toward privatization, as evident in the rise of market criteria and the Ausgliederung process; new demands for efficiency and accountability in major arts institutions; and the significant role of Austria’s cultural sector in national identity, understood as identity within the European context and as a means for supporting tourism. In general, a rather homogenous society and dominance of “high” culture in arts funding decisions characterize public preferences as they pertain to cultural policy.

Agreement seems to exist from interviewees and document sources alike that the four paradigm shifts are taking place in Vienna, and that the environmental constraints and opportunities have changed significantly over the past decade. Yet, the pace of change is comparatively slow, and its nature may best be described as evolutionary. The changing world system is somewhat evident in Vienna, and is associated with Austrians’ tendency to understand their national identity in terms of their cultural legacy. Austria is also advancing its identity as a key player in forming bridges between Eastern and Western Europe, especially as many of its neighboring countries are on the verge of EU accession. The effects of globalization in Austria
also appear to affect artistic programming through the impact of the global “star system” and through the rise of market criteria, as Europe-wide trends toward privatization in the cultural sector are felt in Austria. Highly influenced by this trend toward privatization, demands for efficiency and accountability have led to anAusgliederung, or restructuring, of many of Austria’s major arts institutions.

The changing arts system is acknowledged and discussed in principle, but not acted upon in practice. Due to Austria’s legacy of achievement in the “high arts,” an “aura of art” remains very important among artists, arts administrators, and cultural policymakers. Stark differentiation between what is generally acknowledged as “art” and what is acknowledged as for-profit enterprise provides many challenges in developing cooperative partnerships across traditional boundaries among various art forms. Moreover, even among the fine arts sector, a limited level of cooperation only seems to exist among organizations with a similar level of prestige. A ‘high culture’ – ‘low culture’ dichotomy definitely exists in Austria. Nonetheless, in the academic and public policy spheres, studies into the cultural industries – broadly defined – have been encouraged over the past few years, and an interest continues to increase in the cultural sector as a field for future employment growth.

The changing cultural policy system is the least evident of the paradigm shifts in Austria. An awareness exists among cultural policy researchers and arts administration educators of the importance of training future leaders in arts administration to be able to work effectively in organizational administration, national policy, and international diplomacy, but arts administration practitioners seem to have mixed views on involvement in these three expanding spheres of activity. Where leading arts administrators are involved in cultural policy, they do so as individual actors within the policymaking process. Organized advocacy through professional associations is virtually non-existent in the Austrian cultural sector.
The changing arts funding system was discussed as a major challenge by all interviewees. Public funding for the arts has declined significantly over the past decade, and this downturn in public support is expected to continue over the next few years. Reduced state funding and the Europe-wide trend toward privatization has led to major performing arts institutions to diversify their sources of funding and to increase earned income. Corporate sponsorship is being actively pursued, and many organizations have introduced new fundraising tools to increase income from private contributions. Further, with the Ausgliederung process, some of the major performing arts institutions are now being forced to control expenses, which was not necessarily the case prior to 1999. Funding for major flagship performing arts institutions in Austria remains quite secure, however, due to the dominance of high culture in state funding decisions and the importance of these institutions to Austria’s sense of national identity as well as to its tourism industry.

The ways in which arts administrators are coping with systemic change in the Austrian cultural sector indicate a slow but steady adaptation to changing environmental constraints. A high level of interest exists in conducting comparative research and learning from colleagues in Europe and North America. Marketing, financial management, fundraising, educational, and foreign language competencies, in particular, seem to be in high demand among professional arts administrators. However, a resistance to acquiring some of these skills is also evident, as many arts administration practitioners feel that many “American” demands (such as expectations for increasing earned income through fundraising) are now being placed on them, without these demands being adapted to the Austrian social environment.

Turning to the change management capacities (all of which were confirmed as important by interviewees), managing international cultural interactions appears to be closely tied to a policy emphasis on heritage, tradition, and preservation; development of the tourism industry, and encouragement of a European cultural exchanges. Representing cultural identity is crucial to
the cultural sector in Austria, especially among the “high arts.” This is understood as representing Austrian identity in the global tourism market, representing Austrian identity through diplomatic functions abroad, and Austria’s role in the development of EU and Central European cultural identities. Encouraging minority cultural identities within Austria is not considered an important part of cultural policy and arts administration pertaining to major classical performing arts institutions.

*Promoting innovative methods of audience development* seems to be associated with educational functions of arts organizations. Arts organizations’ educational programming and activities have expanded over the past five years, as governmental budget cuts have reduced funding for arts education in the public school system. Educational initiatives are targeted primarily toward young children. In general, however, arts administrators do not appear particularly concerned about cultivating future audiences in Vienna, due to the fact that Viennese grow up with a high level of arts participation and the fact that the classical performing arts are a key element of tourism in the city.

*Exercising effective strategic leadership* is the least evident of the change management capacities. Strategic thinking and strategic planning do not appear to be significant competencies called for in the administration of major performing arts institutions, other than in terms of artistic programming decisions. Opinions are mixed on the importance of proactive involvement in national policy and international diplomacy on the part of organizational administrators.

*Fostering a sustainable mixed funding system* is discussed by interviewees as a significant challenge. The implementation of effective financial management practices has resulted from the *Ausgliederung* process. Many arts administrators have begun to pursue corporate sponsorships and individual contributions, as well as a wide range of earned income revenues through means such as hall rentals and merchandising.
In Vienna, training in arts administration is currently provided through formal university education, professional development programs, and on-the-job practical experience. This chapter has profiled the graduate-level program at the Institute for Culture Management and Culture Studies, which was founded in 1976 as one of the first such programs in Europe. This program is in the process of changing significantly, as new curricular design and a new academic discipline – culture institutions studies – demonstrate the Institute’s response to changing demands in the cultural sector and the restructuring of the Austrian university system. Interesting professional development options are available in Vienna through programs offered through organizations such as the Institut für Kulturkonzepte, General Quality KEG, and KulturKontakt Austria. Further, arts administrators appear to be cultivating opportunities for discipline-specific professional development within European or international professional associations and networks (very few cooperative professional associations appear to exist in Austria, however). On-the-job training is strongly encouraged, and arts administrators seem to have excellent opportunities to advance internally. A particularly strong emphasis within arts organizations seems to be development of staff members’ financial management, marketing, fundraising, language, and computer skills.

It is possible to deduce a range of current barriers to arts administration training in Vienna. First and foremost, with the pace of change in the cultural sector relatively slow (as compared with that observed in other countries), arts administration practitioners do not appear to be particularly aware of what, exactly, changing demands in the cultural sector might require for future leaders in the field. In interviews, for example, arts administrators were quick to confirm the paradigm shifts and the change management capacities that might be called for, given changing environmental opportunities and constraints, but seemed to feel that these new capacities might best be learned in the same way most of them learned their skills – that is, on the job. They are also resistant toward administrative competencies “imposed” on them as
policymakers look to the United States for models of mixed funding of the arts. However, arts administration educators, cultural policy experts, and students participating in arts administration programs all appear to enthusiastically support the importance of structured arts administration education — either through formal university courses or professional development options. Interdisciplinary and multidisciplinary instructional materials are used in instruction, but a need seems to exist for more materials that synthesize current theory pertinent to cultural policy and administration and for comparative studies (especially within the European Union). A strong interest exists in advancing international cooperation and training opportunities in the field, but faculty and students alike seem to be constrained by a lack of funds and time for such activities. Despite the skepticism of professional arts administrators toward formal training in arts management, the general interest in participating in these programs seems to be very strong. One might infer that a future generational shift in leadership positions might result in more recognition and appreciation of arts administration education throughout the cultural sector.

6.5.2 Needs Assessment

The nature of systemic change in Vienna, Austria, may be described as evolutionary. Tradition and heritage – especially in the “high arts” — is central to Austrian national identity, and the high arts are expected to retain this status. Change in the cultural sector has taken place slowly and steadily over the past decade, and it is evident that Austrian arts administrators have begun to deal with managing this change over the past five years or so. At present, a shift in major performing arts institutions may be characterized by the functions of restructuring and sustaining. What might the dual functions of restructuring and sustaining mean in terms of training needs for arts administrators?
The basic operational demands of arts administration are changing due to the Ausgliederung process. Current leaders in arts administration are responding to the new demands for efficiency and accountability through learning on the job, and future leaders in arts administration are demonstrating a high level of interest and participation in formal arts administration education or professional development programs. Arts administrators in major performing arts institutions are also learning from colleagues abroad, through conferences, professional associations, and networking. The requirement for administrative skill development in major performing arts institutions seems to be increasingly recognized as important, as administrators react to new performance expectations and demands for managerial professionalization that have been (and continue to be) instigated by policymakers. Some major restructuring in the arts and culture sector has taken place – in particular, with the creation of the new Bundestheater-Holding – and many new education and fundraising programs have been introduced by the major performing arts organizations. The impetus for change, however, seems to come primarily from policymakers, as the public increasingly demands accountability in the use of public funds and major budget cuts have been imposed in virtually all areas of governmental activity (due to slow economic growth and fiscal policy criteria imposed on EU member states). The focus of Austria’s policymakers, scholars, students, and public administrators is increasingly turning outward – turning to other EU member states and the United States for learning new skills and models, and re-establishing Austria’s role as a bridge between East and West as EU accession is expected within the next several years for many of Austria’s neighbors.

This reactionary approach toward skill development for purposes of sustaining current cultural structures and practices, and for meeting the demands of restructuring in the cultural sector, seems to be working quite well for Austrians to respond to gradual systemic change. Change in the cultural sector over the past decade has perhaps not been turbulent enough to force
arts administration practitioners to significantly reconceptualize their administrative expectations and functions. But whether they like it or not, it is evident that trends in the cultural sector are moving “in the American way.” Responding, reacting, advocating, and repositioning oneself as many new functions and expectations are “borrowed” from abroad may indeed require much more than managerial professionalization. Future arts administrators might well require the capacity to build coalitions and alliances and to rally professional cooperative action in becoming much more involved in the policymaking process, both nationally and internationally. Arts administration practitioners appear to consider themselves “victims” of changes in Austrian cultural policy, yet there is still significant hesitation to become proactively involved in cultural policy formulation, implementation, and evaluation, except for the activities of a few individuals working alone in this capacity. Hence, a demand for developing future strategic leadership in the cultural sector may be seen as entering the Austrian cultural sector through two trajectories: new demands for managerial professionalization call for effective strategic thinking and strategic planning in all areas of organizational administration; and responding proactively to current and future policy demands requires the capacity for visionary leadership that is able to transcend the three spheres of activity in administration, national policy, and international diplomacy.

The “high arts” – “low arts” dichotomy remains very strong in Austria, which is probably not bad for purposes of enhancing national identity and for differentiation in the global cultural tourism market. Yet, the strength and imperviousness of the “aura of art” is making it difficult for advancement of sector-wide initiatives in support of the creative industries or cultural industries. Further, until successful long-term cooperation and partnerships are established among arts organizations in similar subsectors of the high arts, it is probably unrealistic that a significant level of cooperation among the various arts fields and disciplines might be advanced. Again, strategic leadership will be called for to establish and foster new forms of coalitions and alliances across the administrative and policy spheres to develop a more inclusive cultural sector.
Indeed, although it is not yet recognized as such – or simply dismissed as “nonexistent” in Austria – strategic leadership appears to be the crucial need in the Austrian cultural sector. In order for strategic leaders to be able to effectively address the restructuring and sustainability of the cultural sector, they will need to be involved in both national and international cultural policy advocacy. This might involve setting positive managerial examples, advocating for national cultural policy both personally and through professional associations, and being more actively involved in international diplomatic activity. It might mean encouraging cooperation among arts organizations and developing new organizational forms, as a proactive response to new policy opportunities and constraints. Increased involvement in national and international cultural policy might lead to significant legislative revisions pertaining to organizational forms, as the trend toward “privatization” leads many organizations to restructure themselves as public or private limited companies. Corporate and individual contributions and sponsorship might be encouraged through legislative revisions in tax policy. Increased interaction and exchange with other European countries also appears to be needed as Austria both develops its identity as an EU member state and leads a resurgence of a Central European cultural identity.

Restructuring and sustaining in the cultural sector in Vienna might continue to be driven by “best practices learning” in organizational models and managerial skills borrowed from other EU member states and the United States. An urgent need exists, however, for developing an effective method of filtering through these “best practices” to determine what might be adapted to implement in the Austrian context. Ongoing training, through university programs or professional development programs, may lead to positive, proactive change in the cultural policy environment as well as in the administration of arts organizations.
6.5.3 Nature of the Disconnect

Due to the evolutionary nature and slow pace of change in Austria, and the reactionary mode of change management demonstrated by arts administrators, individual awareness and response to systemic change in Austria’s cultural sector appears to be comparatively low. Although the changing cultural policy system and the change management capacity most closely associated with this paradigm shift – exercising effective strategic leadership – appear to present the most necessary capacity building challenge in Vienna, there is also the lowest level of recognition of this need. Indeed, as the demand for artistic leadership in Vienna’s major performing arts institutions becomes increasingly matched by the demand for managerial professionalization, it may be expected that cultural policymakers and arts administrators alike will need to adapt many systems and structures to meet new challenges and opportunities in the cultural sector. While the need for strategic leadership might be the most evident of the gaps that exist in proactively responding to the changing cultural sector, careful examination reveals many other gaps between changing demands, change management capacities, and training options.

The gaps in managing systemic change may be characterized as a limited ability to proactively respond to change. While recognition of the changing environment certainly exists, and arts administrators have been successful in many ways in responding to new challenges and opportunities, responses seem to be both reactionary and slow. There is no common identification of the nature and extent of new capacities needed to respond to the change. Learning-from-abroad and learning-by-doing have resulted in new organizational initiatives and programs that attempt to address the demands of the changing environment, but most of the new skill sets required appear to be applied as needed in practice, without a solid theoretical foundation or structural orientation.

A major gap exists between theory and practice in Vienna. Current leaders in major arts organizations do not yet recognize the value of the formal education and professional
development in arts administration that so many students are eagerly acquiring. Due to strong historical legacies of arts organizations and the strong tradition of the classical performing arts in Vienna, some defensiveness toward preserving current practices and some hesitation to respond to change is observed. A general recognition of the paradigm shifts and new change management capacities needed is apparent, but this recognition has not yet translated into a concentrated effort on the part of practitioners to implement change in administrative structures and competencies. Also, while the nature of change is understood as systemic, the modus for reacting to changing demands in the cultural sector is understood as an individual responsibility – reflecting the prevalence of the artistic, political, and administrative “star system” in Austria. The major challenge for all organizations providing arts administration training in Austria seems to be in bridging the divide between academics and practitioners in the field. As the administrative pressures resulting from environmental change are increasingly felt, it may be expected that the interest in and demand for a range of training options to develop change management capacities that might more proactively respond to systemic change will continue to evolve.
CHAPTER 7

BUDAPEST

7.1 Overview of the Case Study

A snapshot of the changing demands in the Hungarian cultural sector, change management capacities required to meet these new demands, and current training options in arts administration in Budapest are provided in this chapter. After an overview of the changing cultural policy and administration context in Budapest, systemic change is discussed in terms of the four paradigm shifts in the world system, the arts system, the cultural policy system, and the arts funding system. The chapter then moves to a discussion of how arts administrators in Budapest are currently coping with change. The five change management capacities are discussed as they are understood by leaders in the cultural sector in Budapest, demonstrating the scope and nature of new functions and skills that may be required. Then, an overview of arts administration education in Budapest is provided, framed by training needs identified by key informants, the current range of training options in Budapest, and profiling in detail the arts administration program at Eötvös-Loránd University. The final section of this chapter provides a critical analysis of the apparent disconnect between systemic change, change management capacities, and training options.

This chapter is created from information provided through interviews with leading classical music performing arts managers, cultural policy specialists, and arts administration educators in Budapest. Data provided through these key informants’ qualified judgments has
been further substantiated by information collected through document analysis, participant observation, and secondary analysis of statistical data. Interviewees are often cited throughout the chapter. Where no direct citation in parentheses appears after a quotation, the source cited is an interviewee identified in the text – a detailed list of interviews is included in Appendix G.

7.2 Introduction:
The Changing Cultural Policy and Administration Context in Hungary

Hungary is a country of 10.4 million people, with its capital city, Budapest, a city of roughly 2 million inhabitants. As was outlined in the profile provided in Chapter 3, Hungary is a transitional, consolidating democracy (many contend that the democratic transition in Hungary is now complete), with ongoing development of its new capitalist market economy. Hungary has a dynamic cultural sector, due to its legacy of monarchical patronage during the Habsburg empire, and the fact that Hungarian culture was strongly supported under communism (albeit to achieve Party goals and with severe limitations on freedom of expression). According to Peter Inkei, director of the Budapest Cultural Observatory, the criterion of being a postcommunist state can no longer be the key variable for comparative analysis of systemic cultural policy change in Hungary. Instead, he contends that factors such as regime type, history, location, and financial situation are far more important in examining an emerging democratic state, which is on the verge of becoming a member state of the European Union. He writes, “after the political turn of 1989-1990, the shaping of cultural policy was based on two main sources: the national traditions from before Communism and modern western examples. During the first few years this transition took place amidst great economic difficulties. Cultural policy in Hungary is now being shaped by the country’s accession to the European Union” (Inkei, 2002, p. 2). Over the past decade, and in the coming several years, Budapest serves as an exemplar of systemic change in the cultural sector in the context of fast-paced sociopolitical and economic transformation.
Further, history leading up to the collapse of communism in Hungary appears to be crucial to understanding current cultural policy issues. As Zsolt Jékely of the Hungarian Ministry for Cultural Heritage explains, the initial change to take into account actually happened in the 1970s and 1980s, when the communist regime in power began to become very involved in planning cultural activities. With the emergence of democracy in 1989, however, Hungarians’ focus turned to promoting civil society, and a need to express certain expectations and visions, through cultural policy. At that time, two major issues appeared in the cultural policy framework: (1) the need to secure freedom of expression, and the corresponding need to avoid the temptation to interfere politically; and (2) the recognition that artists and arts organizations needed to cultivate independent funding sources.

According to János Kovács, a prominent Eastern European scholar based at the Institute for Human Sciences in Vienna, the general policy context in Hungary is marked by steep marketization and liberalization. After a dismantling of state power in the early 1990s, the state is now coming back into the picture, but at a more local level. Democratic institutions were redefined in the early 1990s, leading to local authorities receiving considerable autonomy, and resulting in this general decentralized character determining cultural policy in Hungary today (Inkei, 2002, p. 5). At the same time, there are many developments in civil society and a dramatic growth in local grassroots arts organizations and initiatives. Inkei states that the cultural policy framework in Hungary is implicit, and is very much linked to party politics. For the first eight years after 1989, “cultural policy was democratic and economic policy” supporting the elimination of socialism. “The role of culture at that time was to adapt or promote democratic transition – not the creation of a new state, rather the recovering of identity.”

Identity is key to the current Hungarian cultural policy framework. According to Lilla Matos, cultural affairs specialist of the U.S. Embassy in Budapest, traditional culture is still greatly appreciated in Hungary, in terms of national cultural identity and preservation. No
nationally accepted formal definition of *culture* exists, but Hungarians naturally connect the word culture with the arts (Inkei, 2002, p. 5). Béla Ráksy, a leading scholar on Hungarian cultural policy, explains that one can understand the cultural policy context as nationally-focused (“our culture is what makes us different”), elitist (popular culture is not accepted as part of culture), and as something that is unifying rather than promoting diversity. Rásky criticizes the current policy focus on preservation. “Budapest has cultural capital and they have to do something with it,” he says, while arguing that a more positive approach is needed to support new and contemporary culture in addition to heritage. Inkei (2002) writes that pragmatism and duality are currently the key features of Hungarian cultural policy:

*Pragmatism* means the absence of basic official documents. There are few cultural laws, and practice is rarely guided by high level statements or theoretical documents guiding the development of cultural policy. *Duality* refers to the ideological divide that has characterized the period after 1990, between “right” and “left”, or “conservative-nationalist” and “socialist-liberal”. The efforts to shelter culture from political and ideological influences have not yielded lasting and overall success (Inkei, 2002, p. 5).

As Inkei explains in an interview, when a nationalistic government gained power in 1998, a very “determined” cultural policy began. Culture acquired a central role in public policy as public interest turned to renovation, institutions and preservation that marked the turn-of-the-millennium celebration of 1000 years of the Hungarian state. Inkei (2002) writes,

Since 1990, when the first free elections took place, the pendulum of cultural policy priorities swung to the right and to the left at four year intervals. Some of these correspond to the clichés associated to the political notions of “right” and “left”: rightist administrations put greater emphasis on national heritage and pride, and on the cultural links with the Hungarians in the neighboring countries. A marked re-centralisation process occurred between 1998-2002, during the “mid-right” administration. It was during this period that culture enjoyed the highest relative rank among overall priorities of the government in the past 30-40 years (p. 6).

Over the past several years, recent elections indicate a waning interest in culture – “a trend toward pragmaticism, not pomp,” as Inkei calls it – and culture is one of the losers in these shifting public priorities. Nonetheless, changes in Hungarian cultural policy over the past 10 years are nothing short of remarkable. “It is now open, public, possible to criticize, publicize,
argue, and defend one’s position,” states Rásky. But he also asserts that current cultural policy lacks vision, due to Hungary’s communist legacy. “People are afraid of cultural policy and ideology and plans. We don’t want to have an ideology (that is, cultural values) as part of policy, except for the Hungarian identity.” He contends that policy in Hungary is lacking a new cultural spirit, and that people do not yet see the connections between culture and other elements of policy.

There is a consensus that the key issue for cultural policy decisionmakers and scholars over the next five years is what EU accession will mean for Hungarian cultural policy. Jékely asserts that international cooperation within Europe will play an increasingly greater role in policy decisions. “In the EU, the important things are cultural diversity and state promotion.” And, according to Inkei (2002), “the Hungarian cultural policy objectives fully coincide with the Council of Europe principles which are: promotion of identity, creation, diversity and participation” (p. 5). Matos supports this position by stating that the changes in the next five years will have to do with political challenges and public diplomacy. “There is a greater independency and a need for more education and outreach of cultural institutions. Community levels especially need to respond to economic changes and need to become visible to society.” A simultaneous pull toward decentralization and community involvement as well as toward national centralization and EU involvement seems to characterize the cultural policy challenges anticipated over the next few years. Jékely feels that decentralization, both politically and legally, will be finished in Hungary in the next five years. But many practical problems remain since many Hungarian cultural institutions still rely on the central government. He sees a major need to strengthen arts organizations within the municipalities and to give grassroots organizations more power. Yet, it became evident in this study that Budapest’s major performing arts institutions are also facing significant challenges.
Performing arts management in Hungary, as Géza Kovács of the Hungarian National Philharmonic puts it, “has changed brutally over the past decade.” He contends that there is now a prevalent commercial view of culture due to the effects of marketization. He states that Hungary “is a concentrated version of what happened to other West European countries,” and that many changes are currently underway, but arts managers “are aware of differences within a European perspective.” In entering the competitive, Westernized arts marketplace, nonprofit professional performing arts in Budapest seem fully aware of the need for high artistic quality and effective marketing measures.

Funding is also a major concern, and all arts managers appear to be convinced that state support is crucial to the professional performing arts sector, since earned income through ticket revenues, fundraising, and sponsorship is inadequate. There is virtually no history of private philanthropy in Hungary, and as Attila Fülöp, general secretary of the Hungarian State Opera explains, “sponsorship is a problem since the tax system doesn’t encourage it; agreements with the corporate world also involve a lot of marketing and advertising.” Kalman Strem, who runs his own concert agency, states that ticket prices are increasing at a faster rate than inflation and are already two to three times the price in the mid-1990s. Yet arts administrators are also aware of the need for affordable ticket pricing in order to cultivate their largely Hungarian audiences. Seventy percent of the visitors to the renowned Budapest Spring Festival, for example, come from Hungary, which leads to the Festival’s Executive Director, Zsofia Zimanyi, stating that “we simply can’t raise the ticket price.” Arts managers are also cognizant of changing audience demographics and behaviors. As Zimanyi explains, people now have more leisure time in Hungary, but fewer people go to concerts; there is more direct competition with the hours they would prefer to spend working.

Figure 7.1 provides an overview of the factors for analysis in this case study, providing key word descriptions of the nature, extent, and pace of systemic change in the Hungarian
cultural sector according to the paradigm shifts and change management capacities introduced earlier in chapters one and two. The remainder of this chapter will provide detailed information on each of these factors, then conclude with an analysis of the case study.

7.2.1 The Changing World System
(The Impact of Globalization)

In Hungary, globalization appears to be interpreted by cultural policy scholars and arts administrators as either the pertaining to the importance of reestablishing Hungarian cultural identity, the new demands of marketization, or the challenges due to EU accession. Or it is brushed over, as the directors of major performing arts institutions state, “art was always international” (Attila Fülöp of the Hungarian State Opera) or “we are dealing with the artistic treasures of humanity” (Tamás Körner of the Budapest Festival Orchestra). János Kovács mentions that the effects of globalization on the culture are difficult to assess, since the mix of global-local factors varies by sector to sector. He explains that, while the film industry may be highly influenced by global or U.S. factors, high culture (“concert hall culture,” as he calls it) involves global influence in economic and institutional environments, but the skills, capacities, and indigenous artistic influences of the individuals involved are local. Budapest is home to several internationally-acclaimed performing arts institutions which may be viewed as “inherently global,” and these organizations appear to indeed be facing many new challenges and opportunities in the changing world system.

The effects of globalization in Hungary may be most evident in diverse reactions in the political landscape. Rásky explains that there is a gap between Hungarian conservativism and liberal social traditions. Where the right side of politics fears the attack of American popular culture and potential loss of Hungarian identity, the left side has a more pragmatic view.
<table>
<thead>
<tr>
<th>Nature of Change</th>
<th>Revolutionary</th>
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<td>Comparative Pace of Change</td>
<td>Fast</td>
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<td>Major Issues and Trends</td>
<td>Democratization and marketization, EU accession and national identity, Pragmatism and elitism</td>
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<td>World System</td>
<td>Identity, marketization, EU accession</td>
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<td>Arts System</td>
<td>Dominance of “high arts,” some blurring of boundaries, New organizational forms</td>
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<td>Policy System</td>
<td>Involvement in advocating for policy change, Strong international focus</td>
</tr>
<tr>
<td>Funding System</td>
<td>Completely new funding systems</td>
</tr>
<tr>
<td>Coping with Change</td>
<td>Learning from abroad, a focus on “survival” and “restructuring” skills, significant generational differences and conflict</td>
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<td>Change Management Capacities (CMCs)</td>
<td>Key elements of CMCs as currently identified as necessary to cope with systemic change</td>
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<td>International Cultural Interactions</td>
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<td>Cultural Identity</td>
<td>National identity, minority identities, EU identity and Eastern European identity</td>
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<td>Audience Development</td>
<td>Marketing, education programs, cooperation with tourism, crossover programming</td>
</tr>
<tr>
<td>Strategic Leadership</td>
<td>Awareness of this capacity, but “no time”</td>
</tr>
<tr>
<td>Mixed Funding</td>
<td>Constantly new and shifting arts funding systems</td>
</tr>
<tr>
<td>Training Options</td>
<td>Example and key characteristics explored in case study. <em>Note: level of demand for all training options in Budapest on the part of participants appears to be high.</em></td>
</tr>
<tr>
<td>Formal Education</td>
<td>ELTE Cultural and Arts Management Program Transfer, adoption, and adaptation of “Western” skills</td>
</tr>
<tr>
<td>Professional Development</td>
<td>Hungarian Cultural Contact Point, Focused on providing practical skills to assist cultural policymakers and arts administrators with EU accession</td>
</tr>
<tr>
<td>On-the-Job</td>
<td>Highly valued in all arts organizations</td>
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**Figure 7.1:** *Overview of Arts Administrators’ Managing Systemic Change in Budapest*
Rásky explains this pragmatic orientation in a series of questions such as: We have to open up, but what does this mean? What can we do to protect ourselves? What makes Hungarian identity special? What control mechanisms such as quality and access can we use? Questions like these demonstrate a conscious link to the new demands of marketization. Jékely notes that it is evident everywhere how the cultural environment has changed through marketization. “It is very aggressive,” he states, “and there is no resistance – a certain cultural pollution. It is not easy for people to select – not just visually but mentally as well – they need a clearer cultural environment. Efforts are required in some kind of filtering mechanism.” Fülöp states that Hungarians have begun to feel the presence of multinational corporations everywhere over the past 10 years. “This was a quick process – we have in a few years here what was experienced in Western Europe over 50 years. Folklore events are disappearing, everything is becoming international.”

According to Rásky, “after the fall of communism, the whole sector was destroyed. There was a complete collapse. What is astonishing is that almost everyone survived. They survived by going on the market – this sector has been very progressive when confronted by market demands.” Strem succinctly summarizes what the demands of globalization and marketization mean to private performing arts managers when he states, “the world is becoming smaller, information is moving faster. This, and the star system, are not good for small businesses in this field.” Further, as Inkei explains, poorer regions and actors in the nation’s cultural sector are finding it more difficult to counter market forces.

Marketization and privatization have affected different segments of the cultural sector differently. Popular culture is completely private in Hungary, but there has been a re-centralization for the “high arts” which is evident in national patterns of public cultural subsidization (discussed in detail in the funding sections later in this chapter). Yet, Zimanyi points to the importance of folk arts in programming decisions of the Budapest Festival Center.
“Culture has a key role in diversity,” she states. “This means that local things must balance sameness. Folk arts are increasing in importance. Hungary has a very strong cultural life, which we want to promote. Our first task is to show that our programs can be accepted throughout the world.” Major goals expressed by many performing arts managers include improving artistic recognition internationally and building audiences in Hungary.

International organizations played a very important role in Hungary throughout the 1990s. Jékely refers to the significance of norms (such as the instruments of conventions, resolutions) established in and communicated through the Council of Europe. He believes these were very useful in creating a new legal system in Hungary, and are significant in Hungary’s developments toward EU membership. Rásky asserts that many Western institutions provided a tremendous impact on the ways in which Hungarians learned to present themselves; Hungarians have learned how marketing and management are crucial for success. The Soros Foundation, in particular, is viewed as having played an important role in softening the transition, but Rásky feels it may also have deepened the gap between various factions in Hungary. He states that “Hungarians are fed up with the large Western influence, but at least the image of ‘bringing Western lights to Eastern European darkness’ is now changing.” He is hopeful for opportunities for international cooperation and partnership in the EU, but warns that Hungarians will still have to learn the rules for EU membership. “They think it’s still like being part of the COMECON, where ‘we’ll say one thing but do it another way’.”

EU accession is a major event in Hungary. Fülöp believes that Hungary – which has always been between Western and Eastern influence – will be closer to Western Europe than Eastern Europe in the twenty-first century. But many challenges exist in EU accession, as János Kóvacs succinctly summarizes as follows:

… As the years pass by, and the gates of the Union open up rather slowly, the countries of the former Eastern bloc have no other chance but to face global challenges in their own ways. They are making efforts to adjust to the plethora of EU requirements but also find their societies transforming to global (US?) patterns. By joining NATO, hosting
multinational companies, introducing American-style capital markets and welfare regimes, or following global trends of mass culture, etc., some of the new democracies in Eastern Europe could become, in a few important fields, different from the societal model(s) offered by Western Europe. All the more so because in the takeover of global features the danger of producing peculiar hybrids with communist legacies arises. These may, in turn, impede the accession, for the incumbents will fear too much, whilst the entrants will fear too little “diversity amidst unity” (Kóvacs, 2002, p. 2).

Hungary became a member of the Council of Europe in 1990, and has been preparing for EU membership ever since. The Hungarian Ministry of Cultural Heritage established a Cultural Contact Point (KultúrPont Iroda) in April 2000 in response to the EU’s “Culture 2000 Program”, which has provided some project-oriented funding to Hungarian arts organizations since 2001. This Cultural Contact Point was established to deal with EU-related issues and to provide information and support to arts administrators applying for Culture 2000 funding (Inkei, 2002, p. 4) The Hungarian Ministry of Cultural Heritage has been very active in bilateral and multilateral cooperation, especially within the framework of the Central European Initiative and the Viesegrad Four (sources: Ministry website and interview with Jékely).

A conference – titled bigger...better...beautiful? – on the impact of EU enlargement on cultural opportunities in Europe was held in Budapest, February 14-17, 2002. As noted in the proceedings from the conference,

The conference brought together over 150 participants from 29 countries who explored issues ranging from the prospects of expanding the cultural links and interaction amongst the proposed 25 (or even more) members of the enlarged EU to the need to support and sustain cultural diversity through fostering identity at national, regional and local levels, and the impact of the enlargement on European cultural identity, as well as on global issues (Conference Final Report, 2002, p. 2).

With this ambitious agenda, the conference sessions included an exploration of the European cultural landscape, the significance of reforming European governance to foster cultural development, EU regional policy, and cultural cooperation and mobility in an enlarged Europe. While many issues with relevance to the impact of the EU on the Hungarian cultural policy and administration context were defined and discussed, it appears in the Final Report’s “Summary of
Recommendations” that participants from across Europe saw a need for increased participation and advocacy in the EU’s cultural policy initiatives. Specific recommendations included development of an EU vision of culture; promotion of language diversity and cultural industries; improved access to and further development of the Culture 2000 program (and its successor when the program is completed in 2004) as well as Structural Funds; and more involvement in EU programs and initiatives at a local level (Conference Final Report, 2002, p. 25).

7.2.2 The Changing Arts System
(The Broadening Scope of the Cultural Sector)

Cultural policy specialists and arts administrators alike recognize that boundaries are blurring among the various arts segments in Hungary. “Artistic production is increasingly multi- and interdisciplinary,” says János Kovács. However, the arts remain highly segmented, so cooperative partnerships and innovative audience development initiatives tend to take place among arts organizations within a specific arts segment, such as the “high arts.” János Kovács explains that, while boundaries are increasingly blurred institutionally, a sociological dichotomy still exists in consumption patterns. Arts administration practitioners can cite numerous examples of cooperation among opera, operetta, orchestral, and museum organizations in terms of programming and audience development initiatives. As Géza Kovács states, “the major task is to develop a new audience. Key to this is programming and location.” Strem also points to strong connections among community centers, heritage, and the tourism sector. The Budapest Festival appears to involve numerous arts segments (fine arts, heritage arts, voluntary arts) in programming decisions, and many arts administrators mention cooperative initiatives in enhancing educational programs for children and in cultivating long-term ties to tourism.
In contrast, however, Támas Körner, executive director of the Budapest Festival Orchestra, remains skeptical about the capacities of his colleagues in Hungary to enter cooperative initiatives with his organization. “It is difficult to cooperate with other unprofessional organizations. There have been dramatic political changes, but little evidence of this in the cultural sector. It is still the same communist system, characterized by inefficiency, poor work, and low income. In contrast, we try to do everything ourselves. We only trust ourselves.” The world-renowned Budapest Festival Orchestra is unique in its private organizational structure and history in the Hungarian cultural landscape. While still under the communist regime, conductor Iván Fischer decided to set up an internationally-recognized and exclusive orchestral institution in 1983. Quality and efficiency concerns have always been the driving force of the orchestra, which was a private initiative from the start. When Körner began his position in 1992, he established a mixed funding structure through setting up a foundation and persuading the municipality of Budapest to support the orchestra. It was jointly funded and owned by the foundation and the city until 2000, when it became a 100% private organization, run “very economically” by a skeleton staff of thirteen. The Orchestra’s Website describes this development in the institutional structure as follows:

Between 1992 and 2000, extending their work to a full season, the ensemble operated under the aegis of the Budapest Municipality and the new BFO Foundation, formed by fifteen Hungarian and multinational corporations and banks. From the 2000/2001 season onwards the orchestra is operated by the BFO Foundation, which the Budapest City Council regularly supports under a contract renewable every five years (Website).

The unique institutional structure of the Budapest Festival Orchestra is fascinating due to the success achieved in establishing a foundation – the first one of its kind in Eastern Europe – early in the development of a postcommunist democracy. “The history of the BFO exemplifies the possibility to create and maintain enduring values in cultural life by joining the forces of the public and the private sector in society” (Website). The Foundation essentially functions as a Board of Directors, comprised of a diverse and distinguished group of volunteers from Budapest.
The success of the private institutional structure of the Budapest Festival Orchestra is an example of the many changes in organizational structure that are currently taking place in Hungary. Inkei tells of many public good organizations that exist in the cultural sector, and also mentions that it is possible for projects including private businesses (including sponsorship relationships) to also acquire public support. János Kóvacs explains that there is now a complex institutional infrastructure of the market, the state (now increasing in influence) and a third (nonprofit) sector. He notes evidence of hybridization of institutional structures, new forms of private-public partnerships, as well as the involvement of nonprofit organizations in tripartite structures. Inkei mentions a new organizational form that is becoming increasingly popular in the cultural sector: the “public benefit limited company,” which acts like a nonprofit. Employees of the Hungarian National Philharmonic were formerly civil servants, but as of January 1, 2002, the Philharmonic changed its organizational form to that of a limited company. Géza Kovács states the organization is now more interested in developing income and funding sources, as well as exploring possibilities for small enterprise.

While there is a general consensus that boundaries are blurring among the arts segments, and that cooperative initiatives and new institutional and organizational structures are called for in response to this trend, Rásky asserts that cultural policy is not yet responding to these needs. He states that public-private partnerships in Hungary are discussed only in terms of corporate sponsorship and that companies are only just beginning with playing an active role in citizenship, urban renovation, and other partnerships.
7.2.3 The Changing Cultural Policy System
(The Expanding Spheres of Influence)

It appears that a need exists for cultural policy to respond to the blurring boundaries of
the arts system in Hungary. The main problem, according to Rásky, is that cultural needs that are
not high culture are denounced and not addressed in Hungary; “the classical, elitarian audience is
very strong.”

Arts administration practitioners seem to be aware of the role they are able to play in
affecting the national and international cultural policy environments in which they work. Géza
Kovács, for example, is very active in professional associations and wrote the ethics code of
Hungarian Arts Agencies. He states that he is lobbying for laws under consideration which will
affect the performing arts, and he is planning diplomatic services to serve national and
international interests in coming years. Similarly, Strem feels that, while artistic excellence is
always the most important factor, it may be possible to influence policy change through
instructing students (he occasionally teaches courses in the arts administration program of
Eötvös-Lórand University), influencing artistic tastes, writing articles, and giving interviews.
Strem is also actively trying to advocate for change through his participation in the Association of
Hungarian Concert Agents and the Hungarian Music Council. Dezső Bujdosó, director of the
Eötvös-Lórand (ELTE) University Cultural and Arts Management Program feels that students of
his program may not be involved in influencing international cultural policy, but will definitely
be in influential positions to affect national cultural policy in the future. He argues that it is
“important to be able to apply theory to practice. Entrepreneurship and incubator programs are
very important.” Körner feels that the Budapest Festival Orchestra may be able to influence the
policy environment through serving as an example: “We are often referred to as an institutional
design and efficiency. We are achieving international success. Policymakers and decisionmakers
see us as a positive example. There is an agreement that development should go in this
direction.” János Kovács emphasizes that arts administrators must be aware of the increasingly global context of arts financing and organization. “This means arts administrators must be constantly attentive and entrepreneurial. External funding must be constantly cultivated, also abroad. Marketing is crucial.”

Fülöp speaks more in terms of a representative function: “The task is to have our Hungarian operas – classic and modern – in addition to the tradition of Wagner and German repertoire plus Verdi, Puccini and so on. We are also trying to include operas from other nations, for example co-productions with other companies like the Slovak Opera, the Croatian opera, or the Kiev opera.” Co-productions, artistic representation, and exchange may be facilitated through agreements through international cultural diplomacy, and, as Zimanyi states, national policy is affected through trying to realize new Hungarian works. Jékely considers it the responsibility of the Ministry for Cultural Heritage to provide free and easy access to information on bi- and multilateral agreements, as well as diverse EU and international programs and contests, to arts administrators.

7.2.4 The Changing Arts Funding System
(New Funding Models)

Arts administrators are painfully aware of the challenges of financing their organizations’ work. As Zimanyi states, “the most difficult part of the job is finding funds.” Funding for the major classical music arts organizations in Budapest seems to come currently from a combination of ticket sales, other diverse forms of earned income, the Ministry of Culture, the National Cultural Fund, the Soros Foundation, sponsors, community centers, and various other private contributors. The major national cultural institutions are in the hands of the state, but a funding model – a financial system – is slowly being created for the other organizations in this sector.
János Kovács explains that partnerships have started to dominate creative production, but state money is always involved in some way. There is still corruption in the public authorities, he says, but they have nonetheless developed a successful public bidding system. He states that the city of Budapest places culture high in its funding priorities. “The increasingly dominant form is civic and public – private money is the exception. People need to rethink the prevailing financing structure.”

As Matos points out, “fundraising is becoming more and more an important tool and an asset. The structure of institutions is changing due to different economic structures. And people are learning new concepts in funding, learning from the U.S. system.” Körner states that the “American scheme” would be optimal for the Budapest Festival Orchestra, which would like to be fully private. “We are concerned about being a victim of non-artistic influences, either political or commercial.” Their budget is currently 60% public (of which 85% comes from the city of Budapest and 10-15% comes from the Ministry of Culture) and 40% private (the orchestra’s foundation support and earned income). “We are an orchestra of top quality, among the leading institutions in our field,” says Körner. “International recognition of this is a basic condition for our work. Everything is subcontracted to quality. But Hungary is a small market – the money simply isn’t there, so finding funding is difficult.”

State expenditure for culture in 2001 amounted to HUF 71.63 thousand million (roughly 280 million Euros), comprising 1.66% of the total state budget, and which is about 0.5% of GDP. Per capita spending equates to about US$ 24.2. Figure 7.2 provides an overview of public cultural expenditures in Hungary from 1991 to 2001. It is evident that state arts funding grew steadily over the past decade, holding over the past three years at roughly 1.6% of the Hungarian central budget. The slight increase in 2000 reflects an increase in arts funding to commemorate 1,000 years of the existence of the Hungarian state. Figure 7.2 includes funding provided by the National Cultural Fund, which is the largest
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<tbody>
<tr>
<td>Central cultural expenditure, HUF 1000 million</td>
<td>10.31</td>
<td>21.57</td>
<td>56.91</td>
<td>71.28</td>
<td>71.63</td>
</tr>
<tr>
<td>Percentage of cultural expenditure in central budget, %</td>
<td>1.11</td>
<td>1.11</td>
<td>1.62</td>
<td>1.88</td>
<td>1.66</td>
</tr>
<tr>
<td>Percentage of cultural expenditure related to GDP, in %</td>
<td>0.41</td>
<td>0.38</td>
<td>0.50</td>
<td>0.55</td>
<td>0.50</td>
</tr>
<tr>
<td>Central cultural expenditure per capita, HUF</td>
<td>995</td>
<td>2,106</td>
<td>5,106</td>
<td>7,097</td>
<td>7,025</td>
</tr>
<tr>
<td>Real value of cultural expenditure (1991 = 100)</td>
<td>100</td>
<td>91.2</td>
<td>130.9</td>
<td>149.3</td>
<td>136.6</td>
</tr>
<tr>
<td>Central cultural expenditure, USD million</td>
<td>137.8</td>
<td>171.6</td>
<td>239.8</td>
<td>252.5</td>
<td>246.3</td>
</tr>
<tr>
<td>Central cultural expenditure per capita, USD</td>
<td>13.3</td>
<td>16.8</td>
<td>23.8</td>
<td>25.1</td>
<td>24.2</td>
</tr>
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</table>

**Figure 7.2: Public Funding of Culture, 1991-2001**

Source: (Tables of APEH SZTADI (Bureau for Tax and Finances Inspection), based on expenditure reports, as cited in Inkei, 2002, p. 14)

The data provided in figure 7.3 is confusing since it is not clear what kinds of cultural activities some of the areas listed as “fields” consist of (e.g., what is included in music and performing arts, and what is meant by socio-cultural activities). Nonetheless, these figures may reflect public preferences for support of certain arts disciplines and cultural activities. Heritage and Hungarian identity through museums, archives, libraries, and the performing arts appear to be rather equitably balanced in public funding, assuming that significant crossover between the

source of state arts funding via grants. This independent institution has its own headquarters and a staff of around 30 people; the Cultural Fund’s president reports to the Hungarian Cultural Minister. Funding decisions are made by 13 discipline-specific ‘expert committees,’ and the Minister has the right to personally allocate 25% of the resources. Twenty-five percent of the state cultural budget is also earmarked for local authorities to grant to cultural organizations within their jurisdictions. The total amount of local arts funding provided by municipalities and counties (HUF 51.7 thousand million in 2000) exceeds the total amount of national state arts funding (Inkei, 2002, p. 14-15; Ministry of Cultural Heritage Website). At present, the national budget does not provide a sector-by-sector breakdown of cultural funding, but this data is available at the local level as shown in figure 7.3.
### Figure 7.3: Public Local Cultural Funding by Field for the Year 2000
(Source: Tables of APEH SZTADI (Bureau for Tax and Finances Inspection), as cited in Inkei, 2002, p. 15)

<table>
<thead>
<tr>
<th>Field</th>
<th>HUF 1000 million</th>
<th>Euros million</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Museums and archives</td>
<td>7,541</td>
<td>29</td>
<td>15</td>
</tr>
<tr>
<td>Libraries</td>
<td>9,018</td>
<td>24.6</td>
<td>17</td>
</tr>
<tr>
<td>Music</td>
<td>1,275</td>
<td>4.9</td>
<td>3</td>
</tr>
<tr>
<td>Performing arts</td>
<td>14,336</td>
<td>55.1</td>
<td>28</td>
</tr>
<tr>
<td>Radio and television</td>
<td>326</td>
<td>1.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Socio-cultural activities</td>
<td>17,113</td>
<td>65.8</td>
<td>33</td>
</tr>
<tr>
<td>Other</td>
<td>2,105</td>
<td>8.1</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>51,734</strong></td>
<td><strong>198.7</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Music and performing arts activities occurs. Support of community cultural centers and folk arts may be reflected in the socio-cultural activities designation, which comprises a third of total local arts funding. It is not evident from the data what the precise art forms or projects supported are, but it is significant that funding is provided by discipline rather than by function, and that funding preferences tend to lie with traditional, identity-laden cultural forms.

It is imperative to take local cultural funding into account in Hungary, however, since the structure of state arts funding was decentralized in the early 1990s. At that time, the *Act on Local Governments* obliged county and municipal governments to take on ownership of cultural institutions and to guarantee libraries facilities and other cultural activities for the community. Only around 30 national institutions (including the Hungarian State Opera and Hungarian National Philharmonic) remain owned by the Hungarian national government. Inkei (2002) explains community responsibility for the cultural sector, stating “the performance of these tasks is assisted by the so-called *cultural capitation money*, a fixed sum calculated on the basis of the number of residents and provided to the local governments from the central budget. In reality they are free to use the money in whichever way they decide. The cultural community has been pressing to hold the local government accountable to support cultural activities” (p. 16). The
decentralization and development of community involvement demonstrates the dramatic growth in civil society in Hungary over the past decade. “During the 1990s, the third sector exploded. Several thousand foundations and associations have acquired an important role in the production, preservation and transmission of cultural values” (Inkei, 2002, p. 16).

7.3 Change Management Capacities

7.3.1 Coping with Change

Peter Inkei asserts that, in comparison with other Eastern European countries, people seem to be more realistic in Hungary. He cites evidence of many new institutions, initiatives, grassroots organizations, and community centers in the cultural sector, as well as the increasing role of sponsorship. In general, he is satisfied with how things are moving in Hungary, that “processes are keeping in line with possibilities.” He states that “very few of the major institutions have been incapacitated by their conservative past.” In contrast, Jékely argues that, “on average, people are not yet ready to change their mentality. So we create seminars and meetings to exchange best practices among institutions’ leaders. Most of the staff seems content with current behavior, but this cannot last in the long term. They need to wake up and need to adjust and adapt to new changes.”

The topic of generational differences (and also generational conflict) enters many conversations with cultural sector leaders in Budapest. The young generation, in general, seems to be comfortable in coping with change, while the older generation remains more fixed in old workplace behaviors – more influenced by the communist legacy. “The younger generation is not rigid,” says Matos. “They are restructuring institutions, involving different resources, and relying on good examples.” Rásky reinforces the importance of learning from other countries, but also emphasizes the importance of not just copying or repeating. As he phrases it, “look, and
find other answers. The basic idea is modernization of the country. One has many tools. The basic idea is to help understand the changes, not just as the aspect of imposing change.” Rásky spoke at length about dramatic change that has taken place within the past two or three years, stating that arts leaders have learned how to survive and build images. He says that they are becoming savvy to consumer interests and needs, and are cultivating marketing expertise, merchandising, PR, design, and curatorial creativity.

Some arts leaders are trying to directly transfer arts administration techniques from other countries (usually referred to as ‘the American way’ or ‘the German way’) into Hungary. As Körner says of the Budapest Festival Orchestra, “we borrowed techniques from the USA and introduced them in Hungary. We said from the start, let’s do it in the American way. Such as direct ticket sales and active Western techniques for audience development. Along with some of our own Hungarian techniques.”

János Kovács maintains that two groups of arts administrators seem to exist at present. “One group is sticking to its old habits, pleasing the state, keeping bureaucratic relationships that are close to political leaders, are bargaining in corruption networks, and are not market-oriented or risk-takers. They are characterized by branch favoritism and branch nepotism. The other group features small, independent, alternative ‘cellar theatres,’ as we call them. These are basically private and involve voluntary sector activity.” Findings from this study disagree with this viewpoint, however, as ample evidence exists as to the extent of awareness and interest arts administrators of major music institutions in Budapest have with regard to needing to adapt their skills to meet the changing environment. A strict dichotomy of management behaviors assumed in major arts organizations as opposed with those assumed to exist in grassroots organizations was not demonstrated.

Findings from interviews, document analysis, and participant observation confirm that the five change management capacities identified in this dissertation are important in Budapest.
While agreement exists as to the importance of these functions, the relative importance of the five capacities varies from source to source. While funding and audience development concerns may be considered to be of the most pressing operational urgency, the significance of international work in terms of tourism, identity, and diplomacy appear to be recognized as crucial to development of the cultural sector. Strategic leadership seems to be viewed as a capacity that is imperative for advancement of all strategic and operational functions of major performing arts institutions.

7.3.2 International Cultural Interactions

Arts administration practitioners in Budapest appear to be highly committed to developing international cultural interactions. Close ties are being cultivated to cultural tourism agencies and initiatives, and opportunities for international touring and presenting are being fostered. The Hungarian State Opera, for example, travels to Japan for a one-month tour every second year, as well as touring to various European cities on a regular basis. Similarly, the Hungarian National Philharmonic will be touring the United States, Japan, and the United Kingdom for 16 weeks in the 2003-2004 season. The Opera cultivates touring and exchange opportunities resulting from bilateral activities of cultural diplomacy, such as the 2002-2003 season being the “Hungarian Year in Italy.” The company also runs activities such as auditions and competitions that include Europe-wide participation. As János Kóvacs notes, all governmental leaders “are now preoccupied with selling Hungary abroad, but this needs a long-term import and export strategy in order to increase foreign awareness of the Hungarian cultural identity.”

Heritage is central to Hungarian cultural life, and a key component of the nation’s tourism promotion. While this recognition exists, the capacity to support interlinkages between tourism and major performing arts organizations still appears to be inadequate. “The tourism
board says that the Festival is important, but they don’t support it with PR,” says Zimanyi.

Smaller organizations may be having more success with institutional cooperation pertaining to tourism. The Strem Concert Agency, for example, works closely with travel and tourism agencies to promote the Esterhazy festival programs. Strem mentions that it is very important to invite representatives from the tourism industry to participate in meetings and press conferences.

A strong cultural policy focus on heritage also reflects the significance of cultural tradition and preservation as national priorities support re-establishment of Hungarian identity. Inkei (2002) writes that the most important development and task over the past few years has been to “reintegrate the protection of monuments back into the cultural sector, following several decades of artificial separation” (p. 9). This focus on Hungarian monuments is mirrored in strong state subsidization of national performing arts institutions such as the Hungarian State Opera and the Hungarian National Philharmonic. A further debate has involved the building of a “House of Traditions” which would be responsible for preservation and revitalization of intangible Hungarian heritage. This new organization is to be part of a new cultural complex – to include a new National Theatre and a new concert hall – being built in a newly identified cultural quarter in the southern side of Budapest. The importance of cultural heritage to Hungarians is also reflected in the new Act on the Protection of Cultural Heritage passed in 2001.

7.3.3 Representing Cultural Identity

As mentioned earlier, identity is key to Hungarian cultural policy and appears to be the major concept behind developing performing arts institutions’ international cultural interactions. Through a wide range of activities, identity seems to influence programming, audience development, and diplomatic functions of these organizations. Hungarian arts administrators are dedicated to promoting Hungarian musical talent, composers, and heritage. As Zimanyi states,
"Programming must include the important Hungarian arts and folk arts." Géza Kovács reiterates this view, in explaining that the Hungarian National Philharmonic is associated with performing Hungarian music in the Hungarian style at the source. "We play Hungarian pieces in the best way. We also encourage new composers." The Strem Concert Agency attempts to promote the identity of Hungarian music as an East-West bridge, making connections to the traces of Habsburg history through energetically promoting performances of works by composers like Haydn.

Arts administrators also see the role of their organizations in diplomatic functions. For example, Fülöp considers the international affairs activities of the Opera to be very good, with ambassadors and foreign dignitaries attending performances, celebrations, and international gala events on a regular basis. Fülöp is also personally connected to at least ten embassies in Budapest, and maintains close relations to several foreign cultural institutes.

But the concept of Hungarian cultural identity, which seems to very uniformly represented outside the country, may be conceived of much differently within the nation. At the opening plenary of the bigger...better...beautiful? conference held in February 2002, Béla Szombati said:

Ours is a strong identity but by no means a homogenous identity. Hungarian identity is actually a diverse identity of several cultures and in the best periods of our history, of our cultural and historic development, we have been able to make the most of these various cultures and their contributions to our culture and identity. And this is, I think, the greatest contribution that we can make and that we want to make to a truly united Europe. What makes it very natural and very easy for us to join the EU is that we find there the same diverse culture and the same richness and the same strength in diversity that we can find in our own culture (Conference Final Report, 2002, p. 12).

Advancing local cultural identities through the classical performing arts appears to offer more of a challenge and more uncertainty in a course of action. As Géza Kovács states, it is "a colorful task in the local environment." The Hungarian National Philharmonic has established a
membership program (a friends association) to provide feedback on programming and to share information. The majority (70-95%) of audiences of the major classical performing arts institutions in Budapest are Hungarian; arts managers seem to be looking for ways to address the artistic needs of diverse local audience groups. Some arts administrators appear to be particularly committed to minority cultures. Fülöp, for example, spoke at length about his good relationship with minority groups such as Slovaks, Romanians, and Serbs – he is a member of the Serb Friends Association – due to his personal awareness of minority needs (his mother is Slovakian). The Opera holds a “gypsy concert” every year, and also cultivates strong connections to the Jewish community.

In Hungary, twelve national minority cultural groups (Armenians, Bulgarians, Croatians, Germans, Greeks, Poles, Romanians, Ruthenians, Serbians, Slovakians, Slovenians, and Ukrainians) as well as one ethnic minority group (the Roma people) are formally recognized. National minorities account for somewhere between three to eight percent of the population (this percentage varies from survey to survey), and the country is concerned about cultural assimilation of the two to three million ethnic Hungarians living in neighboring countries. Minority rights are of major debate and concern in the Hungarian population; Hungary was among the first to sign and ratify the framework agreement of the Council of Europe on the protection of national minorities, and Hungary passed a national act on the rights of national and ethnic minorities in 1993. But, as Inkei (2002) writes, “assimilation has gone very far and it is feared to continue and the existing sociological and ethnographic specialities of minorities could melt into nostalgic monuments of culture” (p. 6).

Hungarian cultural policy specialists appear to be very interested in issues pertaining to Hungarian cultural identity and the advancement of international cultural interactions. As Inkei explains, identity involves differentiation from Western Europeans as well as from other regions. Globalization involves the role, mission, and creation of a new “Eastern” identity. “Identity
issues, especially in the new states of Eastern Europe, reflect how these countries are very much immersed in their own problems. We need to communicate commonalities. We need to learn from the world and filter.”

The ministers of culture in the Visegrád Four countries (Hungary, Poland, Czech Republic, Slovakia) met in Budapest in spring 2000 to discuss the “impact of cultural globalisation and the possibilities of defense by the means of cultural policy… The ministers of culture agreed that cultural globalisation may be a challenge for the cultural lives of the nations, unless the disadvantageous effects are decreased and the advantageous ones are made use of, by effective means of cultural policy” (Source: Ministry of Cultural Heritage Website). Although some initiatives were discussed in areas such as ‘means and methods in international cultural relations’ and ‘joint cultural manifestations of the Visegrád Four countries,’ it appears that the main purpose of the meeting held in 2000 was to lay the groundwork for future dialogue on issues pertaining to cultural globalization, integration, identity, and cultural diplomacy.

“The concept here is integration based on your own traditions,” says Matos. “Hungary is responding to multiculturalism, viewing ‘American diversity’ as a magic word. There are more and different cultural heritages in Hungary, though. Cultural variety can be seen as a value and an asset to a nation’s life – especially in Central Europe. People here are using the United States as an example of how a big country can be even bigger if it is diverse.” Jékely states that the Ministry for Cultural Heritage is very much in line with UNESCO and Council of Europe ideas pertaining to cultural identity. Rásky explains that cultural diversity is being promoted by the Council of Europe. He argues that “representing cultural identity could be a trap, if a nation is only concentrating on this. Hungary is sticking too much to identity – we have to accept and deal with all aspects of society and history. Identity comes automatically. You don’t need to promote it.”
7.3.4 Audience Development

Audience development initiatives in Budapest appear to be closely connected with promoting Hungarian cultural identity. Encouraging new forms of public-private institutional partnerships also play a major role in these efforts. The main problem, according to Rásky, is that no one is asking the question of how cultural policy can facilitate cooperation. “The arts need to find earned income opportunities and the potential for cooperation. There is a big tie to tourism – it is the only commercial activity that fosters this. We also need to listen to new audiences instead of ‘leading them to high culture.’ We need to recognize and accept that there are different cultural needs.”

Matos asserts that arts leaders in Budapest are learning lessons from the United States, resulting in many new methods and programs to develop audiences. Jékely states that the goal is to develop long-lasting institutional partnerships, and that there is an urgent need to encourage local and international networks and to promote a large number of projects requiring institutional cooperation. Audience development in Budapest seems to involve the arts organizations’ marketing and education functions. Children are consistently identified as the audience of the future, and many organizations encourage family concert programming and workshops that consist of interactive activities between artists and children.

The new membership program initiated by the Hungarian National Philharmonic is designed to lay the groundwork for developing future audiences. The Philharmonic, however, is currently in the perhaps enviable situation of not being able to accommodate the demand for tickets that exists. Kovács explains that there is not currently a large concert hall in Budapest (the Academy of Music only has 950 seats), and the orchestra’s subscriptions are completely sold out within one week. However, Budapest is building a new national theatre with 1700 seats in a new location slightly south of the city. As soon as this facility is in use, the Philharmonic will need to double the size of its audience.
Glancing through current season brochures and programs published by major performing arts institutions gives an idea of how audience development initiatives may be influencing programming decisions. Both the Budapest Festival Orchestra and the Hungarian National Philharmonic tend to program standard orchestral repertoire, straying occasionally into lesser-known works, and emphasizing Hungarian artists (conductors, instrumental soloists, and vocal soloists) in addition to several international stars. The Budapest Festival Orchestra also markets one “surprise concert” each season (this apparently has become a hit with audience members). The Hungarian National Philharmonic has a series of summer Beethoven concerts at a castle park outside Budapest each year, and the Strem Concert Agency promotes an annual 10-day Haydn festival in conjunction with the Hungarian Haydn Society at the Esterházy Palace close to the Austrian border. These initiatives demonstrate some ways in which performing arts management is fostering bridges between the East and West through promoting performances by composers such as Beethoven and Haydn at venues located in heritage sites which have now become cultural tourist destinations.

The Budapest Spring Festival also appeals to the international cultural tourist, offering a wide range of programmatic events for the second half of March each year. Festival offerings in 2003 include orchestral concerts, chamber music concerts, church concerts, opera, dance, folk music, folk dance, a music theatre festival, and theatre evenings as well as various other events and celebrations. Orchestral concerts feature well-known ensembles and artists from both Eastern and Western Europe (with an emphasis on Hungarian artists), and four operas promoted by the Spring Festival take place at the Hungarian State Opera House. The Opera is a repertoire company, with its annual season extending from September through June, performances taking place at both the opera house and the Erkel Theater. Standard opera repertoire is supplemented

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by lesser-known works (primarily by Hungarian composers), ballet performances, orchestral performances, and occasional solo recitals and gala events. All major performing arts organizations appear to offer subscription series.

7.3.5 Strategic Leadership

The demands for strategic leadership in the cultural sector were most clearly discussed by cultural policy specialists rather than by arts administration practitioners, who often seemed at a loss when speaking about vision, mission, and leadership issues. It may be that daily operational and functional responsibilities placed on practitioners in major performing arts organizations are so demanding at present that little time is left for strategic thinking. As Strem once exclaimed in an interview, “survival is a great strategy!” He mentions that ideas for business strategy are ad hoc, but must come from constant awareness of the changing environment and constant interaction with people in the field. Bujdosó explains that the term “strategic leadership” is not really known in Hungary. He stresses that it is important to have a balance between vision and practical skills, because “one who does not have a vision cannot be effective.”

Matos states that strategic leadership is something new in Hungary, and that “it must be delicately approached, with gradual development.” She contends that leadership depends on background and expertise, and that a strategic leader must have both a professional and a human quality. Rásky reinforces this viewpoint by stressing that one needs to lead through example. He asserts that leaders with strategy and vision could change the cultural policy environment, and could have a tremendous influence on national policy. Inkei similarly contends that leaders in the cultural sector must become more conscious in terms of external analysis of internationalization, the market economy, and democracy. He is highly concerned about the findings of a recent mini-survey conducted by the Budapest Cultural Observatory, in which it has become evident that, as the Soros Foundation closes its operations, organizations are beginning to act as they did in
former times. He feels that one of the largest challenges for organizational leaders is to find ways in which the organization can become more autonomous and decentralized, and less hierarchical.

Géza Kovács discusses a major challenge facing arts administration practitioners as in “keeping a good relationship with the government, which still thinks it’s in control. This involves some wrestling with dealings and negotiations, and in changing the way of thinking in the government.” János Kovács asserts that “patterns of strategic leadership are obsolete in Hungary,” and contends that strategic leadership may be correlated with institution building and the establishment of a sustainable mixed funding system. A consensus seemed to exist among interviewees that effective means of strategic leadership are lacking in Budapest’s cultural sector, even if a ‘deficit in strategic leadership’ is not the way in which this challenge is typically expressed. An awareness seems to exist that there is an urgent need for leaders in the cultural sector to provide vision and long-term strategic direction for arts organizations. Further, interviewees were aware that influence and interaction among the spheres of administration, policy, and diplomacy are important for securing the future of the cultural sector in Budapest.

7.3.6 New Funding Models

Arts funding is consistently referred to as a major challenge in Budapest. While the major national cultural institutions are relatively strongly supported by the state, new funding channels and models are being created for and by arts organizations. Even in the largest of the national cultural institutions, however, there is a growing awareness of the need to diversify funding sources in order to ensure long-term institutional advancement. An interesting case is the Hungarian National Philharmonic, as explained by Géza Kóvacs. Two years ago, state support of the organization increased by 300%, reflecting the Cultural Minister’s preference for support of major national cultural institutions. In the meantime, however, the Philharmonic had increased its relative proportion of earned income to 35%. As a result of the sudden increase in state funding,
the orchestra’s earned income share was reduced to 10%, and the organization is now in a paradoxical situation of sponsors saying to them “you are so rich, why should we pay for you?”

But Kóvacs emphasizes that the Philharmonic is moving more in the way of the market. They are actively trying to cultivate the “new rich,” which involves educating both this group and their children. The organization is also waiting for the economy to improve in Hungary.

Public funding for the arts is provided through the budgets of various ministries. Grants provided by the Ministry of Culture, for example, include funding for cultural programs and events; support for museums, libraries, and archives; technological advancement of public collections; and for preservation of monuments. The largest source of state funding, however, is the National Cultural Fund, which “was created with the aim of redistributing excise taxes imposed on culture related goods and services through a democratic system and so assuring resources for various cultural activities” (Source: Ministry of Cultural Heritage Website). In addition to institutional or project funding provided through these major channels, support for artists is provided through the Hungarian Public Foundation for Creative Arts, which had a budget of HUF 720 million in 2000. Further, private foundations – most significantly, the Soros Foundation – play an active role in arts funding. In 2000, the Soros Foundation’s budget for the arts was HUF 360 million (Inkei, 2002, p. 18).

But as Bujdosó states, the main arts funder in Hungary is still the state, and that there have been no drastic changes in state funding recently. “Fundraising is both a personality and an art,” he says. “There are some things that you can’t learn in class – such as intuition and disposition – but studying helps.” Strem mentions that fundraising is now very different in Hungary. “Professional fundraising methods and applying for sponsorship are very different from begging.”
An example of the direct transplantation of American-style fundraising techniques can be seen on the Budapest Festival Orchestra’s Website, in which individual giving is cultivated through phrases, categories, and benefits that are very familiar to the avid American concert-goer:

The Budapest Festival Orchestra is the orchestra of the music-loving public, with the support of private enterprise. Its operation would not be possible without the sponsorship and support of business and private individuals. If you consider us worthy of your support and would like to join as an individual member of the BFO Supporters’ Club, you can do so in any of the following membership categories… (Website)

The categories of individual giving are named bronze, silver, gold, and patron, and Supporters’ Club members receive benefits such as subscription priority, listing of their names in concert programs, and an annual dinner at the Patron level of support.

This new interest in developing fundraising skills demonstrates the growth in corporate and individual support for the arts. “Business at the moment plays a relatively small part in financing culture, but it is growing. Mostly, big multinational corporations – and perhaps some national ones as well – increasingly realize the importance of sponsoring culture as a way of improving their prestige” (Source: Ministry of Cultural Heritage Website). Hungary does not have a tradition of corporate or private philanthropy, and the terms sponsorship, giving, supporting, and funding seem to be used interchangeably in everyday conversation. Nevertheless, an awareness exists that sponsorship is a marketing activity, and major arts organizations appear to be successfully building up their marketing capacities in the process of trying to tap into this potential funding source. Further, current Hungarian law does not identify sponsorship, so funding of this nature must be categorized as either advertisement or a donation.

Institutional structural changes are also important to take into account when examining new models of arts funding. Legislation was passed in the mid-1990s that has had considerable impact on the capacity of nonprofits to raise funds. As Inkei (2000) writes, “privatization in the strict sense was undertaken in the cultural industries in the early 1990s. Now the soft version of privatization, or rather désétatisation, is taking place by transforming public – central or
municipal – cultural institutions into public benefit companies” (p. 16). These public benefit companies, identified by the abbreviation kht, are benefiting from new legislation designed to encourage private support of culture and the arts. As of 1997, for example, citizens were able to allocate one percent of their personal income tax to support any cultural foundation or cultural institution they wish (Source: Ministry of Cultural Heritage Website). On the corporate side, Inkei explains that the value of a donation can be deducted at up to 150% its value from a company’s pre-tax income as follows: 150% can be deducted if the recipient is an organization having priority non-profit status; 100% can be deducted if the donation is made to an organization categorized as a public benefit company; and the total deduction after donations cannot exceed 25% of pre-tax revenues. Further, another 20% can be deducted from the second year on if the donor has made multi-year pledges (defined as at least four years in a row). Donations to nonprofit organizations which have not yet changed their organizational form to that of a kht are not deductible. It is certainly understandable why so many major cultural institutions have recently changed their organizational form.

In sum, it appears as if the arts funding model in Hungary is adapting to the changing environmental demands in the cultural sector by both holding on to the tradition of state arts funding, albeit in a new, decentralized system, as well as by improving capacities to increase earned income. Stark economic necessity in the early 1990s led to a series of legislation introducing and supporting a new nonprofit sector in the mid-90s. In the meantime, civil society and community involvement in the cultural sector have skyrocketed. “Western” arts management techniques have been adapted and implemented, resulting in improved marketing and fundraising capacities in arts organizations. However, while it seems that much has improved over the past decade in response to the turbulent early years of the democratic transition, many challenges still
exist in developing and securing a new sustainable arts funding system. Developing a sustainable system for funding the arts is still identified by policy analysts and arts administration practitioners alike as an ongoing struggle.

7.4 Arts Administration Education

7.4.1 Overview of Arts Administration Training in Budapest

As Peter Inkei explains, an old, strong tradition of arts management training exists in Hungary. In the communist regime, individuals formally trained in “public education” for purposes of “the cultivating of the people” (the Hungarian word for this is közművelődés) then entered leadership positions in the “houses of culture,” directing community cultural activities that conformed with communist doctrine. Training programs for these kinds of cultural administrators began in Debrecen in 1956 and in Budapest in 1961 (Bujdosó, 1998, p. 127). The “houses of culture,” however, entered a crisis of legitimacy 10 to 15 years ago, as they were discredited as part of the communist regime. Individuals who held leadership positions in these community centers began to refer to themselves as “arts managers,” but were continuing to perform many of the same functions in community arts programming. Inkei asserts that a systemic change in training approaches in this field has not yet taken place in Hungary. Two different approaches to arts administration education seem to exist at present: the historical social and folk movement, and “Americanized” new skills. Inkei believes that neither of these approaches suits the current environment. “Transplantation of Western skills doesn’t work, so modern training doesn’t really match the needs of the Hungarian cultural sector. And in the community arts movement, the important task now is managing the democratic transformation – how to advise and influence community cultural policies and activities.”
Arts administration practitioners in major classical music organizations in Budapest seem to have developed their skills through practical experience. Resourcefulness, ambition, dedication, energy, determination, and a willingness to learn got them through the transition successfully. While everyone values on-the-job experience in this field, opinions differ when it comes to the value of formal arts administration education. Körner, for example, is highly critical of formal training in cultural management because he is concerned that this training in Hungary is focused on trying to “improve bad structures.” As such, he does not recruit from formal education in the field, preferring to look for people “who have the capacity to be a driving force – characteristics like efficiency and hard work.” He states that he is developing in his organization “a group of entrepreneurs” and a matrix organizational structure that allows teams to work on various functional areas.

However, a general consensus seems to exist that some kind of combination of theory, practice, and professional development might be best. A distinction is also often made between developing skills in young arts administrators and in the older generation. Strem, for example, says that young people need more formal education and theory, whereas older staff members might gain more from practical experience acquired in daily life. Fülöp refers proudly to the many young staff members in the Hungarian State Opera’s public relations department, stating that “they are at home using their most modern skills here.” He also mentions that there is considerable tension and conflict with the older generation, although they are trying to encourage the exchange of skills and abilities between the generations.

Several arts administrators in leadership positions mention the significance of their having learned “Western” management skills at some point during their employment experience. Géza Kovács completed university studies in music education and cultural management, and had experience in event organization, orchestra management, and as a chorus master and television director prior to beginning his position as executive director of the Hungarian National
Philharmonic seven years ago, at age 40. He credits a seminar hosted by the London Symphony Orchestra in 1993, which “taught Eastern European orchestra managers how to swim.” Strem developed his skills through 50 years of on-the-job practical experience, after having studied Hungarian literature, history, and sociology. He acquired international cultural management experience while still working with the National Filharmonia (the national presenting organization under communism). He traveled during this time to the United States and the United Kingdom, and was able to participate in internship-like experiences at festivals. After actively developing “Western” skills during his tenure with Filharmonia, he decided to start his own concert agency in the mid-1990s because he was “ready to work in another way.”

A risk-taking spirit and ability to learn from one’s mistakes seems to characterize today’s successful arts administration leaders in Budapest. Fülöp, who moved from the Opera’s artistic side to the management side in 1989/90, states that “this involved risk-taking and sometimes needing to make a revolution.” Géza Kovács says that, at the time of the change in 1989, “hungry wolves and slave traders were looking for East European victims.” His main challenge at that time was learning new skills in marketing, public relations, and international affairs. “I’ve learned the hard way sometimes.”

A strong interest exists in developing arts administration skills in staff members. Some organizations offer special training programs for employees (such as computer skills and English skills at the Opera). Some offer opportunities for employees to participate in professional development activities abroad, such as the Budapest Festival Center’s support of staff to see performances and learn about the management of other major festivals, or to participate in professional development seminars given by the International Festival Association in Geneva. Learning from colleagues and supervisors on a day-to-day basis is also a crucial component of training. Géza Kovács mentions the Philharmonic’s open management style where everyone
speaks up at weekly staff meetings and feedback is provided on a continual basis, as well as their in-house professional development programs that focus on developing nonprofit management and foreign language skills.

The mix of formal university education and practical experience also appears to be valued by individuals in leading arts management positions. As Zimanyi states, “when you have the university degree you are ready to begin to work. Training through internships is also very important in universities.” Géza Kovács explicitly describes his ideal arts administration training system as follows:

The basis should be built up when young. A foundation for cultural knowledge can be provided by formal university education. They also need to learn the basic way of thinking in our profession. Practical questions can then be addressed on the job: supervisors and colleagues are then responsible. After one or two years on the job, then it is time for professional development. Week-long training possibilities might be ideal. We need to build up this kind of system.

Both Kalman Strem and Géza Kovács are very interested in educating future leaders in arts administration. They both instruct occasionally as adjunct faculty in the arts administration program at ELTE University, and both have strong views on skills that are needed to be successful as a Hungarian arts administrator. “Theory and practice are both important,” says Strem, “but you need practical experience before starting this kind of business” (referring to his own concert agency). “You also need a lot of capital, knowledge of languages, musical experience, and a huge capacity for work. You need to know the history and structure of institutions – what to find where. You need basic skills in economics, planning, marketing, pricing, advertising, public relations, press relations.” Géza Kovács asserts that individuals need skills in areas such as music literature and history, international affairs, legal issues, logistics for tours, negotiation – and the integration of all these skill areas.
7.4.1 Current Arts Administration Training Options

According to Bujdosó (1998), two types of formal education programs are currently being developed in Hungary: 8-10 semester-long university programs, or 2-4 semester-long graduate level university programs (these programs are typically referred to as “postgraduate” in Europe). Attila Zongor is a young Hungarian arts administrator who is currently the director of the Hungarian Cultural Contact Point, a Ph.D. student in cultural policy at the University of Economics and Public Administration in Budapest, and a frequent lecturer in many university level and professional development courses in cultural policy and administration. As such, he has a unique overview of the range of arts administration training options that currently exist in Budapest. He states that there are four university (graduate level) programs, the most significant of which are at Eötvös Loránd (ELTE) University, and at the University of Applied Arts. A program at the undergraduate level, titled Pragmatische Kulturmanagement (pragmatic cultural management), was started in fall 2002 at the German Studies Institute of the Philosophy Department at the Catholic Péter-Pázmányi-University located on the outskirts of Budapest. In addition, elective courses in cultural policy and cultural diplomacy are offered at the University of Economics and Public Administration.

A progressive state-run professional development system exists in Hungary. As Zongor explains it, all Hungarians are offered the opportunity to participate in 120 hours of professional development courses over a seven-year period of time. The courses and programs are accredited by a national oversight agency. The Hungarian Cultural Contact Point is currently introducing two new general courses through this system: a course on the European Union for cultural administrators, and a course on grant-writing for the EU. The targeted participants for these courses are individuals in cultural institutions involved in EU affairs, the employees of local authorities involved in culture, and anyone else with a strong interest in EU cultural policy.
Additional forms of professional development are offered occasionally through international nonprofits such as KulturKontakt Austria and the Open Society Institute (OSI) of the Soros Foundation. KulturKontakt Austria is a nonprofit organization with considerable state funding from Austrian as well as European Union sources. In building on Austria’s lengthy history as a bridge between East and West (discussed in detail in chapter six), this organization supports projects that promote cultural dialogue in and with Central, Eastern, and Southeastern Europe and Austria. Numerous conferences, workshops, and other educational projects focused on training arts administrators in Hungary have been hosted and supported by KulturKontakt over the past decade (Source: website and organizational brochures). Similarly, the OSI has played an active role in West-East and East-East knowledge transfer in cultural policy and administration through its *Arts & Culture Network Program*. The main task of this program is identified as “to assist in the transformation of cultural structures and contribute toward structural change and autonomy of the arts field. The Arts & Culture Network Program should work to strengthen cultural policy, which enables pluralism, diversity, independence, and freedom of the arts and artists” (website). Four specific program initiatives are named: (1) Cultural Link Program; (2) Cultural Policy Program; (3) Bridge of Understanding Program; and (4) Looking Inside Program. Specific projects under the cultural policy program, in particular, are identified as having contributed greatly toward developing institutional and leadership capacities in Eastern Europe. The director of the *Arts and Culture Network Program*, Lidia Varbanova, is based at the Open Society Institute in Budapest, Hungary, and several interviewees expressed their sadness that the important work of the OSI will disappear in the coming several years as the Soros Foundation is phased out of operation.

The most well-established arts administration education program in Budapest is the ELTE Cultural and Arts Management Program, directed by Dr. Dezső Bujdosó since its founding
in 1992. The major role of West-East knowledge transfer is evident in the program’s historical
description available on the website:

The idea of having a Cultural and Arts Management Program at the Eötvös Loránd
University arose in the late 1980s. The impetus to launch the program grew out of
conference held in Vienna in 1991. At this conference, the Institut für
Kulturmanagement offered their program and other western models to former socialist
countries attending the conference…. Our efforts in adapting West-European
management models to our cultural milieu could not have taken place without the
intellectual, moral and financial support of others… (Source: Program Website)

As Bujdosó explains, there was a change in teaching at the university in 1989, when
students revolted because they felt too many politics were involved in education. At that time,
Bujdosó was sent to Vienna to learn about initiating a new arts administration program, and the
Institut für Kulturmanagement in Vienna, as well as programs in London and Hamburg, served as
models for the new Hungarian program. Financial support (which never arrived) was promised
from Vienna, but the Hungarian ministry supported the program for one year. In 1993, a tuition
fee was introduced, but Bujdosó notes that a major problem is that funding is still not provided by
the university. The postgraduate program offers a diploma, but is a supplementary advanced
degree, which means that students need another formal university degree. The program attracts
students who are already in the workforce as well as current ELTE university students.
Participants include many artists (for self-management of their careers), people returning for
further education, individuals from community cultural centers, educators (who require these
skills for competing for students), and regular university students. The program has an area of
emphasis on community cultural centers and publishes its own annual journal called Kultúra es
Közösség (Culture and Community). A brief description of the “postgraduate course” is given in
English on the Website as shown in figure 7.4.
Since October 1993, we offer a postgraduate cultural and arts management course at the ELTE. The main aim of this course is to provide up-to-date and practical application skills for those working in any area of culture (educational, public-collection and arts institutions; cultural businesses; local authorities).

The course teaches the type of knowledge that allows cultural institutions easier adaptation to market economy. Lectures and seminars focus on the following topics:

- Marketing, cultural marketing, advertising, public relations (marketing communication),
- Sponsorship, fundraising experiences in Hungary and in other countries,
- General and cultural management,
- The questions of cultural law,
- Economic and financial survey of the nonprofit sector,
- Profit-oriented and nonprofit cultural businesses, the potential of cultural services,
- Image, design,
- Economic and financial aspects of cultural institutes and businesses.

… At the end of two semesters the students take a comprehensive exam and receive a postgraduate arts manager certificate. Having this, students with a diploma other than of public education can successfully apply for positions that require higher degree qualification.

**Figure 7.4:** Brief Description of the ELTE Cultural and Arts Management Program  
(Source: Program Website)

Three faculty members currently instruct in the program. Main areas of instruction are in cultural theory, cultural policy, and cultural economics. Bujdosó mentions that curricular design came from Western models, and that it has not changed much over the past decade. He does not expect to formally change the curriculum over the next five years, but stresses that the context keeps changing: “the context has changed, not the courses.” By context, he refers to the transition to democracy which is now complete in Hungary, and that the faculty are now teaching what they learned from this experience. However, as Bujdosó puts it, “coursework depends greatly on the instructor and subject. Everything is constantly changing.” In other words, while curricular design has remained (and will continue to remain) stable, curricular content is in a continual state of flux.
Lecture formal is most commonly used “because there are so many students, and to provide a theoretical basis.” Bujdosó notes that management/administration is a different process from theory, instruction, and teaching. The program offers 12 subjects in diverse fields and is “very functionally oriented.” Courses also include involvement in visiting in visiting theatres in the evening and in associations with artists. Faculty often utilize guest speakers in many classes. As Bujdosó states, “a big strength of the program is connecting theory with practice with artistry.”

Yet the ELTE program’s emphasis is on theory, and Bujdosó is frustrated by the lack of instructional materials in this field. He states that most information comes from instructors, but information provided by international guest instructors has to be adapted considerably to the Hungarian environment. “Some standard references and subjects are used everywhere. These basics are provided to students, along with the local realities for Hungary. Especially in areas such as fundraising and heritage management.” Program faculty recommend new books to students on a regular basis, and students decide for themselves which materials to buy. In general, however, Bujdosó sums up the challenges pertaining to instructional materials by stating that “the content is constantly changing, so instructional materials are constantly changing.”

Zongor reiterates this frustration with the lack of instructional materials in courses he instructs by stating, “zero exists on cultural diplomacy. All curricula need more information on EU integration. We are now creating and printing our own materials, like an EU booklet. We need more available on fundraising skills. We need more on cultural economics.” Zongor mentions that he adapts his training methods according to the course participants. He typically presents a lecture, but would like to introduce more in terms of case studies, examples of best practices, communication training, and hands-on grantwriting. He appears to be eager to find
better ways to apply theory to practice, and to train people in response to the changing environment. “Training right now is focused on general functions,” he says. “it is difficult to try to define what the system is, but we are trying to respond.”

7.5 Budapest Case Study Analysis

7.5.1 Summary of Findings

This chapter has provided evidence of changing demands in the cultural sector in Budapest, has discussed change management capacities in the ways identified and assessed by key informants, and has profiled several arts administration training options. To begin a situation analysis and needs assessment for the extent to which current training in arts administration appears to be suited to meet changing demands in the cultural sector, it may be helpful to review some of the main findings from data collected through interviews, participant observation, and document analysis.

*Changing demands in the cultural sector* seem to often be discussed in terms of major issues currently facing policy specialists and arts administrators. Major factors to take into account are the emergence and consolidation of a new democracy and a new market economy in Hungary, as well as dramatic growth in civil society over the past decade. The economy is improving steadily in Hungary, but numerous political and economic challenges exist due to the nation’s plans to join the European Union in the next few years. In general, public preferences as they pertain to cultural policy may best be expressed as pragmatism and elitism (i.e., a preference for supporting the “high” arts).

Agreement seemed to exist from interviewees and document sources alike that the four paradigm shifts are taking place in Budapest, and that the nature of change taking place in the cultural sector is turbulent, fast-paced, and systemic. The changing world system is dramatically
evident in Budapest, and is associated with a need to reaffirm Hungarian cultural identity, to respond to new demands of marketization, and to address new requirements for EU accession. The changing arts system is less visible, since a ‘high culture’ – ‘low culture’ dichotomy still seems to exist and most public funding at present is provided to the ‘high arts’. Nonetheless, a recognition exists that boundaries are blurring among the various arts segments, and specific areas of involvement (such as institutional cooperation with folk arts, community arts, and the cultivation of close ties to cultural tourism) characterize some trends that are developing in response to this paradigm shift. In addition, new organizational forms such as the public benefit limited company are being encouraged through legislation passed in the mid-1990s to foster development of public-private partnerships and the growth of the nonprofit sector.

The changing cultural policy system seems to be closely connected with the changing arts system, and the least amount of evidence exists as to the nature and extent of this shifting paradigm. Dramatic changes have taken place in Hungarian cultural policy over the past decade, reflecting new needs of an emerging democracy and an emerging market economy. While it is difficult to determine at present what the precise constellation of elements in the emerging cultural policy paradigm might be, it is significant to note that a major focus of Hungarian cultural policy remains internationally-focused. Further, arts administration practitioners seem to be highly aware of the necessity of their playing an active role in proactively affecting policy change on national and international levels. It was thus confirmed that the three spheres of activity – organizational administration, national policy, and international diplomacy – are recognized as important to cultural policy specialists, arts administrators, and arts administration educators.

The changing arts funding system was discussed as a major challenge by all interviewees. At present, the majority of funding for major Hungarian performing arts institutions is provided by the state; private contributions and earned revenues appear to be growing slowly but surely,
but remain very uncertain. The classical music and opera institutions included in this case study benefit from the Hungarian cultural policy emphasis on the “high arts” that reflect Hungarian heritage and cultural identity. In general, a dual push toward decentralization and centralization of state funding seems to be taking place. Cultural policymakers and administrators appear to be actively learning fundraising means and tools from North America and Europe.

The ways in which arts administrators are *coping with systemic change* in the Hungarian cultural sector reflect an intense interest in learning from abroad. Individuals seem to be developing their own techniques for filtering, adjusting, adapting, and adopting “Western” approaches, and have built up “survival skills” in marketing, fundraising, languages, and computers at a very impressive pace. Generational conflict seems to still be a major issue in managing organizational change.

Turning to the *change management capacities* (which were all confirmed as important by interviewees), *managing international cultural interactions* appears to be closely tied to the current policy emphasis on heritage, tradition, and preservation; development of the tourism industry; and encouragement of bi- and multi-lateral cultural partnerships and exchanges. *Representing cultural identity* is viewed as a tremendously important capacity in Hungary. This is understood as representing Hungarian identity abroad, encouraging minority cultural identities within Hungary, and developing a new “Eastern European” collective cultural identity.

*Promoting innovative methods of audience development* seems to be associated with marketing and education functions of arts organizations. Educational initiatives are targeted primarily toward children, and programming initiatives reflect a growing interest in “crossover” arts that may draw new and larger audiences. An interest exists in fostering strong ties to the tourism industry in order to target the cultural tourist.

*Exercising effective strategic leadership* is the least evident of the change management capacities. Survival tactics and an overload of operational responsibilities seem to best

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characterize the organizational environment in which arts administrators are currently working. However, an awareness exists that proactive involvement in national policy and international diplomacy in addition to improving organizational administration are vital to successful visionary leadership.

_Fostering a sustainable mixed funding system_ is identified by many interviewees as the most pressing need. The new funding model seems to be unclear and constantly shifting in the mix of public vs. private and earned vs. contributed income. Most funding for major performing arts institutions is provided by the Ministry of Culture and the National Cultural Fund. With recent nonprofit legislation to encourage development of the nonprofit sector, tax incentives have begun to encourage foundation, business, and private giving. Earned income through ticket sales and merchandising is still limited by pricing considerations, but is increasing considerably. Corporate sponsorship has only recently begun in Hungary, and is not yet recognized in the legal system.

In Budapest, _training in arts administration_ is currently provided through formal university education, professional development programs, and on-the-job practical experience. This chapter has profiled the graduate-level ELTE Cultural and Arts Management Program, which was founded in the early 1990s. This program exemplifies the influence of Western European and American knowledge transfer in the academic environment. Interesting professional development options are available in Budapest through programs offered by organizations such as the Hungarian Cultural Contact Point, KulturKontakt Austria, and the Soros Foundation’s Open Society Institute. Further, arts administrators appear to be cultivating opportunities for discipline-specific professional development within their own professional associations and networks. On-the-job training appears to be encouraged in most places, with arts administrators learning by doing, learning from colleagues, and learning from reading.
particularly strong emphasis within arts organizations seems to be development of staff members’
language skills (English), computer skills, marketing and communications skills, and fundraising
skills.

It is possible to deduce a range of current barriers to arts administration training in
Budapest. First, with rapid and turbulent environmental change, content needs are constantly
changing and current information on new cultural policy demands is virtually impossible to
acquire. There is a dearth of formal educational materials in cultural policy, cultural economics,
and arts administration. Use of international materials is limited by language barriers and the
need to adapt academic instructional materials to the Hungarian context. An urgent need exists
for materials that focus on new cultural policy and administration requirements as Hungary
accedes to the European Union. Additional barriers to acquiring training in arts administration
may be due to program costs and lack of time due to other managerial responsibilities. Yet, the
interest in formal education and professional development in cultural policy and arts
administration appears to be strong.

7.5.2 Needs Assessment

The nature of systemic change in Budapest, Hungary, may be described as revolutionary.
Rapid and turbulent change in the cultural sector reflects high-speed changes that have taken
place – and continue to take place – affecting all aspects of Hungarian society. In general, arts
organizations in Budapest have moved from the function of surviving to the function of
restructuring over the past decade. At present, a shift in major performing arts institutions may be
characterized by the introduction of new functions such as developing and sustaining. What
might the functions of surviving, restructuring, developing, and sustaining mean in terms of
training needs for arts administrators?
It appears that urgent operational needs have been addressed through skill development in fundraising and financial management. Communications training, foreign languages, and skill development in marketing communications seems to also be underway to address growth in the tourism sector and Hungary’s focus on EU accession. Learning-from-abroad may have been very helpful over the past decade in learning sets of skills, pre-packaged in “Western” formats, that arts administrators have been able to plug-and-play in the Hungarian context.

This reactionary, survival-oriented approach toward skill development may have proven very helpful during the past decade of Hungarian arts organizations’ functional focus on surviving and restructuring, but the functions of developing and sustaining may require the cultivation of a proactive Hungarian approach toward strategic leadership. Indeed, systemic change taking place in the cultural sector in Budapest may only now be triggering a new focus on developing strategic leadership capacities. In general terms, it appears that the four paradigm shifts may not have taken place concurrently in Hungary in the timeline of how they have been addressed by arts administrators. With the collapse of communism, the shift in the funding system was immediately evident and needed an urgent response. This shift may have led to an increased focus on promoting Hungarian cultural identity and adapting to the new demands of marketization. A resultant strong state funding emphasis on “high” culture may have reinforced the high-low dichotomy over the past decade, but recently, much attention has been given to the blurring boundaries among the various arts segments and the need for cultivating partnerships and new organizational forms within the cultural sector. Now, a growing awareness exists pertaining to a shift in the cultural policy system in which the spheres of activity are expanding from the organizational sphere to also include national policy and international diplomacy. Negotiating these three spheres of activity requires a visionary form of effective strategic leadership, which inherently requires the ability to negotiate the other three paradigm shifts as well as the other four change management capacities.
So if strategic leadership now appears to be a crucial need in the cultural sector, how might this capacity reflect the current state of cultural policy and arts administration in Budapest? In order for strategic leaders to be able to effectively address development and sustainability of the cultural sector, they would need to be involved in both national and international cultural policy advocacy. This might involve setting positive managerial examples, advocating for national cultural policy both personally and through professional associations, and being actively involved in international activity. It could mean encouraging cooperation among arts organizations and developing new organizational forms, which would require skill in building coalitions and alliances.

Involvement in national and international cultural policy which would have a direct impact on arts organizations might include balancing the funding priorities on heritage, tradition and preservation with a more forward-looking focus on creativity and international awareness. Significant legislative revisions and additions pertaining to organizational forms, tax policy, and sponsorship might be formulated and introduced through policy advocacy coalitions. Enhancing cooperation with the Hungarian tourism sector appears to be needed, as does interaction and exchange with neighboring countries in developing a new Eastern European identity.

Restructuring, developing, and sustaining the cultural sector in Budapest might, over the next few years, continue to be driven by learning “Western” cultural policy frameworks and arts administration skills. However, an urgent need seems to exist in developing an effective system for filtering through information available from abroad and adapting this information to the Hungarian context. Ongoing training, especially through professional development programs, might be very helpful in affecting positive, proactive change in the cultural policy environment as well as in the arts organization.
7.5.3 Nature of the Disconnect

As discussed above, the “newest” of the paradigm shifts in Budapest appears to be the changing cultural policy system, and the change management capacity most closely associated with this paradigm shift – exercising effective strategic leadership – seems to present the “newest” capacity-building challenge in the cultural sector. While this might be the most evident of the gaps that exist in proactively responding to the changing cultural sector, careful examination reveals many other gaps between changing demands, change management capacities, and training options.

In sum, the gaps in managing systemic change in the Hungarian cultural sector may be characterized as a limited ability to proactively respond to change. While recognition of the changing environment certainly exists, and arts administrators have been successful in many ways in responding to new challenges, responses seem to be highly reactionary in nature. Indeed, learning-from-abroad and learning-by-doing seem to have resulted in a patchwork of skills and theoretical approaches that are currently being applied as bandages whenever required. In Hungary, awareness of systemic change and the capacity to manage change seem to be interrelated, and the five change management capacities outlined in this chapter correspond with all four of the paradigm shifts. The time seems to be ripe for providing a range of training options to develop change management capacities that might allow arts administrators to more proactively respond to systemic change.
8.1 Summary of the Study

This dissertation has explored the extent to which current training in arts administration is suited to meet changing demands in the cultural sector in North America and Europe. Case studies of Columbus, Vienna, and Budapest provide deep description of paradigm shifts in the cultural sector, change management capacities identified as necessary to meet changing demands, and training options available to current and future leaders in arts administration. In each representative case study, evidence is provided of the disconnect between new demands in the cultural sector and the current focus of arts administration training. This gap would suggest that new competencies and skills may be required to manage change taking place in the cultural sector.

Through close examination of the classical performing arts sector within each distinct sociopolitical and economic environment illustrated in the case studies, it is possible to support the main proposition of this study as well as to develop and refine hypotheses pertinent to the problem. It is not possible to generalize from these three distinct case studies, but findings may be externalized (Schriewer, 1988) through further exploration of generated hypotheses as well as through the formulation of an educational approach that might merit further exploration.

This final chapter of the dissertation begins with a summary of key findings from each case study, comparing and contrasting this evidence in a discussion of the ways in which each
case study was particularly instructive. After this comparative analysis of key findings, the chapter turns to an analysis of the nature of the disconnect between changing demands in the cultural sector and current educational approaches in arts administration, culminating in a needs assessment for future education in the field. The chapter turns to specific educational implications of the study. A new systemic capacity building educational model is proposed that would address the paradigm shifts and change management capacities that the field appears to require.

Then, the chapter returns to the main proposition of the dissertation, outlining distinct conclusions that might be made from data collected on the major research questions. These conclusions lead to a reassessment of the hypotheses proposed in chapter three, as well as the generation of several new hypotheses that may deserve future study. The chapter concludes with an overview of avenues for future research.

8.2 Comparative Analysis of Key Findings in the Cases

The interplay among the global paradigm shifts introduced in chapter one with the diverse sociopolitical and economic environments of various nations and communities leads to distinct challenges and opportunities for the arts and culture sector, as demonstrated through the three representative case studies. Columbus, a referential case study, illustrates innovative initiatives in cultural policy and arts administration within a typical American city. The analytical lens in which Vienna was explored was that of the city’s role as a nexus of East-West transfer. Budapest was viewed in the analytical context of a city as an exemplar of fast-paced, evident transformation. While the main focus of the investigation was Vienna and Budapest, comparative research in these cities was often informed by findings in Columbus, since key
informants in both European cities often referred to the increasing dominance of “American” models of cultural policy and arts administration in each of their environments.

In addition to direct transfer, adoption, or adaptation of “American” managerial and policy models in the European context, international influences affecting development of the field in Europe include the impact of European Union membership on the cultural sector. Information exchange provided among member programs of ENCATC and AAAE also appears to have a significant impact on the development of educational models in the nations of North America and Europe. Throughout the study, a great deal of evidence was provided of constant transnational policy and knowledge transfer, as facilitated through the ease of information exchange, technological advancements, and individual travel. The role of international organizations on transnational policy and knowledge transfer affecting the cultural sector is an area that would merit considerable research.

Despite the numerous similarities among the cases as influenced by transnational policy and knowledge transfer, the nature, pace, issues, and scope of change varies significantly among the three cases. In the United States, the nature of change has to do with the development of a new conceptual framework (i.e., paradigmatic change) as cultural policy and arts administration practice shifts from a focus from NEA-era emphasis on institutional professionalization and supply-side economics to more of a focus on increasing demand through participatory experiences and community-building. In contrast, the nature of change in Austria may be described as evolutionary, due to the nation being mired in its traditions in the “high arts” and the historical legacy of the arts in Austrian society. The nature of change in Hungary may be considered as revolutionary, with fast-paced change affecting all sectors of society, culture, politics, and the economy. It follows that, in this comparative analysis, the pace of change in Hungary is fast. Change is taking place at a significantly slower pace in the United States, and at an even slower pace in Austria.

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It is particularly instructive to examine the major issues and trends affecting each nation-state’s cultural sector. At precisely the time that European nations such as Austria and Hungary are looking to American models to deal with privatization and the rise of market criteria in their economies, Americans are increasingly focusing on the public value and community-building role of the cultural sector. Hence, while European nations are trying to develop the “private” side of the arts and culture sector, Americans are trying to develop the “public” side. Further, while European cultural policymakers and arts administrators are attempting to adopt and adapt American marketing and fundraising tools to support their work in their changing arts funding system, Americans are finding that an unsustainable arts funding system is forcing new approaches and increased collaboration among cultural organizations. One wonders about the wisdom of European policymakers turning to the American arts funding model for inspiration, when that very model has been found to not be sustainable.

The importance of collaboration among diverse members of the arts and culture sector appears to be driving the development of a more inclusive and broader concept of culture in American society. This trend is not as evident in European nations, where the legacy and national significance of the high arts sector (i.e., elitism, and a distinct high-low arts dichotomy) may make development of a broad cultural sector more challenging. A final broad comparative issue is that the role of the arts and culture sector in representing cultural identity appears to be much more important to European nations than in the United States. It follows that supranational issues (such as EU accession and membership as well as cultural diplomacy) are much more significant in the European context.

The key characteristics of the four paradigm shifts differ dramatically among the three cases. In Columbus, the world system is conceptualized as the importance of fostering diversity and community, whereas in Vienna and Budapest, it is understood as the importance of expressing cultural identity abroad as well as the impact of transnational influences such as the
demand for market criteria and efficiency. While key informants in all the case studies recognize
that boundaries are blurring in the arts system, the “high arts” remain much more dominant in
Vienna and Budapest than in Columbus. All three case studies show a low level of coordination
and a disconnect between theorists, policymakers, and practitioners in organizational
administration, national policy, and international diplomacy. Similarly, the funding system is a
major challenge in all three cases, although Viennese informants characterize the challenge as a
decrease in state funding. Budapest informants characterize the situation as the implementation of
completely new funding systems, and Columbus informants speak of an unsustainable arts
funding system in a time of economic crisis.

The recognition that NEA-era policies and the American arts funding system are
unsustainable appears to be prompting leaders in cultural policy and arts administration in Ohio to
develop new approaches to strategic thinking and to promote active collaboration among diverse
arts organizations. While Americans are “reconceptualizing” their work, Hungarians are focused
on “surviving and restructuring” and Austrians are focused on “restructuring and sustaining.”
The European cases illustrate some ways in which “learning from abroad” is being facilitated and
promoted, and goals toward managerial professionalization, accountability, and efficiency have
become crucial toward work in the field.

Diverse training options in formal education, professional development, and on-the-job
training are available to practitioners in all three cases, and are profiled in detail in the individual
case studies. While interest in formal professional development programs and university arts
administration programs in all three cases appears to be high on the part of participants (i.e.,
future leaders in the field), arts administrators interviewed only fully agree that on-the-job
training is crucial to success in the field. In all three cases, there appeared to be a direct
correlation between the interviewee’s own educational background and the extent and nature of
training they consider important to future leaders in the field. This tendency in interview
responses may be explained by the human tendency to look for characteristics similar to one’s own in others, a form of personal isomorphism as it relates to professional advancement in the field.

All five change management capacities proposed in chapter one were shown to be important in all three case studies, albeit interpreted differently and at varying levels of significance depending on local influences. *International cultural interactions* are of great importance to Austrians and Hungarians, and understood in terms of heritage, tourism, and cultural exchanges. Austrians have extensive experience in negotiating international cultural interactions, as do Hungarians – but they are currently reconceptualizing this capacity in the context of great change in the national political, economic, and social environment. In Columbus, involvement in international cultural interactions is limited to some international artist exchange, and some international touring and presenting. Similarly, *representing cultural identity* abroad is much more important to Hungarians and Austrians than Ohioans. Cultural identity in Columbus is understood with respect to increasing programmatic diversity and providing community outreach to minority audience groups. *Audience development* in all three case studies primarily involves performing arts institutions’ educational programs for children. Audience development in Vienna and Budapest also seems to be closely tied to new marketing imperatives and the need to increase earned income. Only in Columbus do practitioners seem to make a strong connection between audience development initiatives and collaboration among arts organizations.

Data pertaining to the change management capacity *exercising effective strategic leadership* appeared to be the most illuminating in all three cases. In Columbus, the strategic leadership focus and approach being developed by the Ohio Arts Council is particularly instructive and demonstrates the level of interest and involvement in developing new visionary forms of strategic thinking in the cultural sector. The model of strategic leadership provided by the Ohio Arts Council also offers a new approach toward structurally and systematically
connecting diverse public, private, and non-profit influences in the areas of organizational administration, state and national policy, and international diplomacy. Indeed, strategic thinking and strategic leadership seem to be gathering significant attention of scholars and professional development programs in the cultural sector in the United States. In contrast, discussions pertaining to strategic leadership in the two European case studies are very limited. In Austria and Hungary, awareness of the strategic leadership function in arts organizations and cultural policy seems to be comparatively low, and focused primarily on strategic planning operations of various kinds.

In Austria and Hungary, changes in the arts funding system are requiring that arts administration practitioners utilize dramatically new means and tools of increasing both earned and contributed revenues. Fundraising and marketing techniques borrowed from the United States are being implemented in a “plug and play” mode. Where Hungarians are dealing with constantly new and shifting arts funding systems, the Austrian arts funding system seems to be changing more gradually due to increasing demands for efficiency and accountability throughout the public sector. The arts funding system is as much a focus – and constant source of frustration – of policymakers and practitioners in the United States as it is in Europe. However, where Europeans are looking across the Atlantic for “new solutions,” Americans seem to be just “tweaking the current system.” Similar to other performing arts organizations across the country, the opera and symphony in Columbus are adapting themselves to become “revenue-driven organizations” and are attempting to build cash reserves and endowments whenever possible.

While evidence of the dynamics of change and the connection between all the factors under investigation in the case studies provides rich material for comparative analysis, one discovery made in each of the cases proves particularly instructive in its implications for future education in the field. In Columbus, the visionary strategic leadership model being developed by the Ohio Arts Council may provide an innovative approach in meaningfully connecting public
value with private mission in the cultural sector. In Vienna, the *Culture Institutions Studies* interdisciplinary educational approach to the field being developed by the Institute of Culture Management and Culture Studies may offer a theoretical construct that would be able to adapt to varying disciplinary contexts as well as diverse sociopolitical and cultural environments. In Budapest, the rapid and turbulent nature of change – which Hungarians are attempting to both mold and respond to on an ongoing basis – provides fertile ground for inferring models and frameworks for policy and knowledge transfer. While much of this approach at present is unsystematic and not founded in theory, field research provides extensive praxis of successful adaptation to dramatic changes in environmental opportunities and constraints.

### 8.3 Analysis of the Disconnect

This dissertation provides evidence of a disconnect between changing demands in the cultural sector and the current focus of formal arts administration education. Indeed, as illustrated in figure 4.1, two major gaps exist: one between changing demands and current training options, and one between training options and new capacities and skills that may be required to manage change. Findings from each of the case studies support the proposition that change management capacities are required in response to changing demands, and it was confirmed by key informants that the five functions studied in this research are important to current and future leaders in arts administration. *Managing international cultural interactions, representing cultural identity, promoting innovative methods of audience development, exercising effective strategic leadership,* and *fostering a sustainable mixed funding system* are all considered to be crucial functions that translate across national and local environments in North America and Europe. It may be
suggested that these functions be viewed as “global” capacities. It follows that “local skill sets”
are required by arts administrators to respond to specific environmental influences in their
communities.

If these five change management capacities (CMCs) are required in addition to the
traditional managerial model of arts administration education – as profiled in detail in chapter two
– then what might close the gap between CMCs and arts administration training options? In all
three cases, evidence of barriers to arts administration training exists. The learning of new skills
and capacities to cope with ongoing change tends to be reactionary and focused on learning-by-
doing. Often a patchwork of “band-aid” skills are applied to crises and challenges, rather than
developing a systematic way of addressing new challenges and opportunities. In Europe, a trend
toward learning from abroad (in many cases, from the “American way”) often leads to direct
transfer of models and methods of cultural policy and arts administration, without making
necessary adjustments to the local environment. Further, in all cases, key informants express
frustration with the lack of suitable instructional materials.

Findings from the research suggest that improved coordination among formal education,
professional development, and on-the-job training may help address this gap. Enhanced
programmatic coordination and more fruitful information exchange among theorists,
policymakers, and practitioners would help to improve the relationship between the profession
and the academy, and could potentially lead to more proactive involvement in influencing the
cultural policy environment.

The mismatch between changing demands in the cultural sector and the current focus of
arts administration education merits close scrutiny. The case studies suggest that arts
administration practitioners are currently coping with environmental change by, in many
European organizations, “surviving and restructuring” or, in some cases, “developing and
sustaining.” American arts administrators seem to similarly be surviving, restructuring, and
trying to sustain operations, but evidence suggests that there is an additional dimension of "reconceptualizing" the paradigm in which they are functioning. Dramatic changes in the arts funding system appear to be the impetus for Europeans in the field to increasingly be learning and applying tools from abroad. In the United States, however, a collapsing arts funding system is leading to a reassessment of paradigms such as the arts system and the cultural policy system.

It may be inferred from the research that the dynamics for a causal chain affecting the four paradigm shifts proposed in this dissertation differ in the three cases explored. In Hungary, a changed world system has led to drastic changes in the arts funding system, which is leading to dramatic changes in the arts system and the cultural policy system. In Austria, gradual change in the arts funding system (one might deduce that this is partly due to the influences of transnational policy and knowledge transfer) is leading to arts administrators’ increased attention on the changing world system, which is leading to slow but steady changes in the arts system and the cultural policy system. However, in the United States, an unsustainable arts funding system seems to be prompting a reconceptualization of the arts system, with potentially dramatic influences on both the world system and the cultural policy system. These three differing causal chains are illustrated in figure 8.1 for clarity.

In all three cases explored in this dissertation, the paradigm shift at the “end” of the causal chain appears to be that of a changing cultural policy system. In chapter one it was suggested that this is the newest of the paradigm shifts, and that this nascent paradigm seems to call for competencies to interlink organizational administration with national policy and international diplomacy. It was also suggested by the cases that the CMC closely associated with this paradigm shift – *exercising effective strategic leadership* – is becoming increasingly important to proactively respond to change in the cultural sector. While strategic leadership may be closely linked with the changing cultural policy system, it may be argued that effective visionary leadership would also require successful negotiation of the other three paradigm shifts.
Hence, it is a major conclusion of this study that developing new approaches to strategic leadership in the cultural sector would constitute an imperative element of education in the field.

**United States**

United States

- Funding System → Arts System → World System → Cultural Policy System

**Austria**

Austria

- Funding System → World System → Arts System → Cultural Policy System

**Hungary**

Hungary

- World System → Funding System → Arts System → Cultural Policy System

**Figure 8.1: General Causal Chain of Paradigm Shifts in the Three Case Studies**

In sum, arts administrators on both sides of the Atlantic appear to have distinct needs that might be categorized as *operational* needs, *leadership* needs, public *policy* needs, and *sustainability* or *development* needs. The competency to manage operations of non-profit professional performing arts continues to be of importance, and is currently being quite successfully addressed by the managerial model of formal arts administration training. The other “needs” categories, however, may require a changed approach to formal education. Findings suggest that the mismatch between changing demands, training options, and new skills required to manage change require a focus on developing arts administration professional capacity in North America and in Europe in four major interrelated areas: strategic leadership, cultural
policy, revenue generation, and audience development. Increasing professional capacity in these areas would require enhancement of individual and institutional competencies in organizational administration, national policy and international diplomacy. Implications of this needs assessment are discussed in detail in the following section.

**8.4 The Need for a New Systemic Capacity Building Approach**

Evidence from the dissertation’s theoretical construct, review of literature, as well as the needs assessment from the comparative case studies suggest that a new training approach to arts administration may be required in response to changing demands in the cultural sector. Such an approach would need to address arts policymaking and management capacities and skills in international, national, and organizational spheres. In response to ongoing change, ongoing training would need to be provided through multiple *instructional venues* included in the categories of formal education, professional development, and on-the-job training. *Instructional goals* may need to be adapted to address the trend toward harmonization of educational outcomes in the field, as well as to perhaps introduce more of a “meta-skill” approach toward education. *Instructional content* would need to be carefully developed to address the match between changing demands and change management capacities required at international, national, and local levels. Means and tools of better informing *instructional processes* and content through transnational policy and knowledge transfer would need to be developed and implemented. As illustrated in figure 8.2, taken all together, these new training needs in arts administration in North America and Europe appear to call for a new *Systemic Capacity Building* educational approach. This section addresses this significant need inferred from research findings by developing such a heuristic educational model.
8.4.1 Instructional Venues

The evolution of arts administration education in North America and Europe is provided in chapter two, and figure 2.3 presents a continuum of arts management training options, or instructional venues, that currently exist in the United States. A glance at this figure gives the reader an idea of the range of on-the-job, professional development, and formal degree-granting training programs that exist in the field, and the types of trainers who are involved in education at the varying levels. Further research into professional development in the cultural sector would enhance the present state of research in formal arts administration education, and could provide a base for developing closer cooperation between the academy and the profession. University programs currently focus primarily on organizational administration, with only limited
educational content in the areas of national policy and international diplomacy. Further, the focus on national policy and international diplomacy tends to be concerned with contextual analysis—certainly an important skill, but it misses the proactive goal of developing the capacity to affect positive change in a cultural policy environment. An initial impression of professional development and on-the-job opportunities similarly focus on organizational administration, unless an individual’s position is directly involved in national policy or international diplomacy.

8.4.2 Instructional Content

As discussed throughout this study, the three spheres of activity involved in a nascent cultural policy paradigm include organizational administration, national policy, and international diplomacy. While there is significant crossover in the capacities and skills required by actors in these three spheres, each sphere of activity would also require specialized expertise in distinct functional areas. It may be argued that the emerging cultural policy paradigm, in any national or local environment, can only be as strong as the individuals and institutions active in each sphere and the scope and extent of coordination among the spheres. The problem lies in that current training in arts administration tends to focus on organizational administration, leading to deficiencies in developing proactive interlinkages with national policy formulation and implementation as well as active involvement in international diplomacy. In a systemic capacity building approach, instructional content would need to be developed to address this deficiency.

Further, systemic capacity building would require development of instructional content to develop change management capacity in the five areas discussed throughout this dissertation. In addition to strong managerial skills currently provided through the focus of most formal education in the field, developing “global capacities” in managing international cultural interactions, representing cultural identity, promoting innovative methods of audience development, exercising effective strategic leadership, and fostering a sustainable mixed funding
system would be crucial to this new educational approach. Although these five areas are considered to be universal in their importance to cultural administrators, instructional content would need to be adapted in varying contexts to develop specific skill sets required in that particular environment. This match between global capacities and specific skills sets would require further exploration and development.

8.4.3 Instructional Goals

Introduced in chapter two, Sikes’ (2000) metaphorical system may offer an excellent approach to match instructional goals with instructional content that might transfer across the three spheres of activity in the cultural policy system and be applicable in any policy environment. Sikes (2000) introduces three metaphors: warrior, explorer, and architect. The warrior metaphor is closely associated with leadership, strategic planning, visionary, and cross-disciplinary skills required in the “exercising effective strategic leadership” CMC. The explorer metaphor is oriented toward interpersonal and multicultural management skills so critical to the “promoting innovative methods of audience development” CMC. The architect metaphor might be closely associated with influencing and understanding the policymaking process, the outcome of which may be most evident in governmental patronage and legal systems affecting the cultural sector, for which the “fostering a sustainable mixed funding system” CMC becomes critical.

While these three metaphors seem to be well-suited toward describing the instructional goals of a new systemic capacity building approach, a metaphorical role appears to be missing which would be important to address the two remaining CMCs: “managing international cultural interactions” and “representing cultural identity.” A diplomat metaphor might be appropriate for addressing challenges, opportunities and constraints of domestic and international cultural policy environments, around which the other functions of professional arts administrators revolve. All
four metaphorical roles might be conceived as being interrelated and interdependent; significant crossover would also be found among the metaphorical approaches.

When viewed as instructional goals, the metaphors of warrior, explorer, architect, and diplomat might be inspirational as “meta-functions” – the hoped-for functional outcomes of training in the field. Understanding instructional goals as the attempt to develop these four roles in future leaders of the field might help in designing educational content and structure throughout North America and Europe. These four metaphorical roles are positioned in figure 8.3 as they might most closely correspond with development of the five change management capacities proposed in this dissertation.

8.4.4 Instructional Motivators and Processes

Having profiled the composite instructional venues, instructional content, and instructional goals of a systemic capacity building approach, the discussion now turns to instructional motivators and processes. A major finding from this study is that many cultural policymakers and arts administrators are learning from abroad. However, a significant problem exists in that many policies, models, tools, and practices are directly transferred from one nation to another, without an appropriate system in place for assessing the practices under consideration for adoption and a systematic process for adapting such processes to a new environment. It would thus be important to conduct future research into opportunities, challenges, and applications of transnational policy and knowledge transfer in the cultural sector.

For purposes of the systemic capacity building approach, recognition of the levels, actors, aspects, and processes of policy and knowledge transfer may suffice. Professional associations such as the AAAE and ENCATC, or international organizations like the EU or UNESCO, or diverse international communities of scholars, policymakers, and practitioners provide multiple channels for information exchange that may affect changing demands in the cultural sector in any
Figure 8.3: Metaphorical Instructional Functional Goals and Change Management Capacities (CMCs) for a Systemic Capacity Building Approach
given environment. It is critical for the field to take processes involved in the ongoing search for “best practices” around the globe into account in developing instructional content and materials.

According to Dolowitz and Marsh (2000), the field of policy transfer as a whole is concerned with a “process in which knowledge about policies, administrative arrangements, institutions and ideas in one political setting (past or present) is used in the development of policies, administrative arrangements, institutions and ideas in another political setting.” Policy transfer may occur voluntarily or through coercion, and may consist of processes such as lesson-drawing, policy convergence, or policy diffusion. It may be posited that transfer lies along a continuum that runs from lesson-drawing to the direct imposition of a program policy or institutional arrangement on one political system by another. In the process of policy transfer, policymakers can look to three levels of governance: the international, national and the local.

Many categories of political actors, scholars, and practitioners are directly or indirectly engaged in policy and knowledge transfer processes, or motivate these processes through political activity and decisions.

Dolowitz and Marsh (2000, p. 8-11) point out that eight aspects of policy transfer may occur: policy goals, policy content, policy instruments, policy programs, institutions, ideologies, ideas and attitudes, and negative lessons. They explain that policy transfer may take place through copying (direct and complete transfer), emulation (transfer of the ideas behind the policy or program), combinations (mixtures of several different policies), and inspiration (policy outcomes are inspired by, but are not actually based on, the original). The process of policy transfer will be highly influenced by the coercive or voluntary nature of the policy transfer or learning option in play. Figure 8.4 illustrates the potential governmental levels, actors, aspect, options, and processes that are involved in policy transfer. In devising an analytical framework for policy transfer, it is crucial to take into account the dimensions of level, on one hand, and the interplay of structure and agency, on the other hand.
The element of *intentionality* may be seen as a key criterion for determining that policy or knowledge transfer has actually taken place. The understanding of intentionality in policy transfer “makes an agent essential to both voluntary and coercive processes. Intentionality may be ascribed to the originating state/institution/actor, to the transferee state/institution/actor, to both, or to a third party state/institution/actor” (Evans & Davies, 1999, p. 368). In beginning to construct an analytical framework, then, it is important to treat policy transfer as “action-oriented intentional learning – that which takes place consciously and results in policy action” (p. 368). *Transnational policy transfer* may thus be considered analytically as action-oriented intentional policy learning whereby it can be determined that an aspect of policy has actually been adopted by the transferee state.

As shown in figure 8.4, a wide range of individual and institutional actors may motivate theorists, policymakers, and practitioners to adopt or adapt policies and knowledge from abroad into their own environments. Influences from abroad affect the context in which arts administrators operate and the educational options and content that they are provided. One might expect that, as the ease of information exchange continues through information technology and individual travel in the future, the scope and extent of transnational policy and knowledge transfer will both broaden and deepen in North America and Europe, with potentially significant effects on instructional goals, venues, and content.
Figure 8.4: Policy Transfer: Levels, Actors, Aspects, Options, and Processes
8.5 The Systemic Capacity Building Educational Model

With this brief introduction to instructional goals, venues, content, and motivators – all areas requiring ongoing research – it is now possible to formulate a heuristic model of systemic capacity building in arts administration. From the systemic capacity building model provided in figure 8.5, it can be gleaned that competency in all three spheres of organizational administration, national policy, and international diplomacy would contribute to advancement of the field. Strategic leadership – interlinked among these three spheres – may be considered the most important capacity to develop. Integration of leadership would ideally extend across divides, as environmental factors force a balance between globalization (standardization, generalization, harmonization, convergence) and glocalization (customization, particularization). The identification of a common set of “global capacities” – illustrated here as the change management capacities matched with the metaphorical functional goals – would need to be matched by the adaptation of skill sets, policy, and management techniques to the local environment – as listed in the content chart at the bottom of the figure. Figure 8.5 shows the way in which instructional content as informed by instructional motivators, as provided through the main instructional venues, might lead to attainment of the metaphorical instructional goals.

This Systemic Capacity Building educational approach is to be considered as a heuristic model. All areas of the model would require future research, testing, development, and refinement.
### Changing Educational Demands

Due to paradigm shifts and as informed and influenced by Transnational Policy and Knowledge Transfer

### Metaphorical Roles

<table>
<thead>
<tr>
<th>Sphere</th>
<th>Strategic Leadership in Diplomacy</th>
<th>Strategic Leadership in Policy</th>
<th>Strategic Leadership in Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Competency</strong></td>
<td>International relations, Comparative politics, Cultural diplomacy, Global heritage &amp; patrimony, Global popular culture, Transnational policy transfer</td>
<td>Public purposes and goals, Policy transfer options, Legal environment, Financing strategy, Policy means and tools, Expressing cultural identity, Cultural exchange</td>
<td>Management of arts organizations, Visual, performing, media, literary arts, heritage sector, community arts, Cultural management, Artistry / aesthetics / criticism, Discipline histories / content, Cultural production infrastructure, Audience development &amp; marketing, Revenue generation, International touring &amp; presenting</td>
</tr>
</tbody>
</table>

### Representative Coursework Content

- **Cultural diplomacy**
- **Comparative analysis**
- **Theory building**
- **Theory analysis**
- **Negotiation**
- **Intercultural understanding**

### Representative Skill Sets

- **Policy entrepreneurship**
- **Research methods**
- **Problem identification**
- **Advocacy, mobilization**
- **Theory analysis**
- **Theory synthesis**
- **Program design**
- **Policy formulation, implementation, evaluation**

### Representative Actors

- **Politicians/policymakers**
- **Individuals in formal or informal diplomatic functions**
- **Individuals in international organizations**
- **Policy administrators**
- **Researchers and analysis**
- **Arts service and support organizations**
- **Arts councils and agencies**
- **Advocacy groups**
- **Think tanks**
- **Domestic and international arts administrators**
- **Arts administration and policy educators**
- **Arts councils, agencies, support, and service organizations**
- **Consultants**

**Figure 8.5:** Systemic Capacity Building in Arts Administration
8.6 Conclusions from the Study

Chapter eight has so far summarized key findings from the study, provided a comparative analysis of the major factors under investigation in each of the case studies, offered an analysis of the disconnect between changing demands in the cultural sector and the current focus of formal arts administration education, and presented a new systemic capacity building approach to arts administration education. The discussion now turns to formulation of major conclusions from the study, through revisiting the research questions posed in chapter two and the preliminary proposition and expectations presented in chapter three.

8.6.1 Answers to Main Research Questions
(please refer to section 2.6)

Main Research Question:

To what extent is current training in arts administration suited to meet changing demands in the cultural sector in North America and Europe?

Evidence from this study demonstrates that a mismatch exists between changing demands in the cultural sector and the current focus of arts administration education. It follows that, at present, current training in arts administration is not very well-suited to providing future leaders in the field with the competencies to proactively respond to systemic change. The managerial model of arts administration education has been successful in training organizational administrators, but there is a dearth of proactive leadership in the spheres of national cultural policy and international policy/diplomacy. Developing a visionary style of strategic leadership that is able to negotiate all three spheres of activity in nascent cultural policy paradigms may be considered to be the most pressing educational need. The other four seemingly necessary change management capacities could be negotiated as composite elements of the strategic leadership capacity.
While research findings support the proposition that a mismatch exists between current training in arts administration and changing demands in the cultural sector, it is important to note the multiple examples of innovative educational tools and approaches that exist and are being developed by diverse arts administration training programs in each of the case studies. Professional development and on-the-job training options appear to be growing in number and impact, and university degree-granting programs are adapting curricula, coursework, and instructional materials in response to changing needs in the field. The new *Culture Institutions Studies* approach being developed in Vienna, the development of cultural policy specialists and arts administrators capable of negotiating the public sector in Columbus, and the processes being developed and implemented in learning from abroad to quickly adapt to changing environmental demands in Budapest all demonstrate valuable educational approaches and important contributions to the field.

The disconnect seems to be exacerbated by the focus of educational programs on developing reactionary individual skills and competencies in particular channels, rather than a focus on developing proactive capacity in cultural sector as a whole. It is hoped that future exploration of the systemic capacity building approach in response to systemic change in the cultural sector may lead to the development of systemic strategic approaches and tools across the arts and culture sector in North America and Europe.

**Sub-Research Questions**

Four main explorative sub-questions were posed to professional arts administrators, researchers, instructors, and students. Interview responses were triangulated with data from participant observation and document analysis.

The first sub-question aimed to discover basic information on the ways in which current professional arts managers acquired their skills and practices, and how they have needed to adapt
or augment their skills since they had been working professionally in the field. It was found that arts administration practitioners in all three case studies have a wide range of educational and professional backgrounds. An ideal career preparation and career track could not be generalized. Most practitioners in the field have adapted and augmented their skills over the years primarily in managerial areas such as marketing, financial management, and fundraising.

The second explorative sub-question focused on assessing the state of practitioners’ adaptation to changing demands in the cultural sector. The question investigated what current leaders’ knowledge base is comprised of, and whether this knowledge may be suited to address the paradigm shifts these individuals are experiencing in their local contexts. It also explored the level of awareness practitioners have of the paradigm shifts taking place and the new challenges these shifts pose for arts administrators. In interviews, policy specialists in all three cases demonstrated extensive awareness and concern about the paradigm shifts identified in this study; practitioners tended to express general agreement on recognition of the paradigm shifts taking place. While practitioners were worried about finding ways to continue to do what they had been doing, but better, arts administration educators were concerned about finding ways to respond to the need to train future leaders in the field, leaders who will need to be able to proactively function in a significantly different context.

The third explorative sub-question was focused on examining the nature of change in each of the cases and what skills and capacities might be required in response to change. The question explored what functions or capacities the paradigm shifts in the cultural sector call for, and what blend of “global” capacities and “local” skill sets might be appropriate. All data sources confirmed that the five change management capacities investigated in this study were important in each of the case studies. Comparative analysis of the cases led to the conclusion that “exercising effective strategic leadership” be considered the most crucial of the CMCs. While the five CMCs may be “global” in their functional application in North America and Europe, it was
proven nonetheless to be imperative to develop local skill sets in response to local opportunities, influences, and constraints. Developing an educational model to address the match between global capacities and local skill sets in arts administration was beyond the extent of this study, but will be an area for future research.

The fourth explorative sub-question focused on examining current and anticipated access to training to respond to systemic change in the cultural sector. This question assessed what mix of formal education, professional development, and on-the-job training might best address the perceived need for new capacities and skills, as well as how changing demands in the cultural sector are currently being met. Key informants acknowledged the general value of formal education in the field, but asserted that capacity in the field could only really be acquired on the job. Practitioners’ new skills are currently being acquired in a reactionary mode, either through learning-by-doing, learning from abroad, or learning from professional development programs of various kinds. A major conclusion from this study is the potential for enhanced cooperation among instructional venues in the field; significant barriers due to gaps between academics, other instructors and consultants, policy specialists and researchers, and arts managers still exist.

8.6.2 Preliminary Proposition and Expectations
(please refer to figure 3.1)

The main proposition of this study, that a mismatch exists between changing demands in the cultural sector and the current focus of formal arts administration education in North America and Europe, has been substantiated by evidence collected in case studies of Columbus, Vienna, and Budapest. Evidence of the extent and nature of this mismatch has been provided throughout this dissertation.

Three preliminary expectations were tested throughout this study. The first expectation suggested that differences in historical legacies, traditions, and public preferences would result in
a different nature, pace, scope, and pattern of change in each city’s cultural sector. This expectation was supported by the significant differences in deep description of each case study according to parallel factors of analysis and investigation. Evidence is provided throughout this dissertation that the global paradigm shifts introduced in chapter one are mediated by local influences, resulting in particular challenges and opportunities in any given environment.

The second preliminary expectation suggested that, while the management model of arts administration education is institutionalized in the United States, the more recent development of arts administration education in Europe – as many systemic changes were already occurring – would lead to a more “natural” tendency to employ other models and assumptions in arts administration education. This hypothesis was not supported through the dissertation research; it was also found to be impossible to generalize in this area since the educational approaches vary dramatically in both North America and Europe. Indeed, the formal arts administration education programs profiled in this dissertation each present innovative methods of a more holistic approach to training leaders in the field – educational models that are not mainstream in the membership of AAAE and ENCATC. Further, excellent examples of educational approaches abound in a wide array of arts administration training options that currently exist in each of the cases. Also, systemic change currently taking place in Europe is forcing many practitioners and scholars to look abroad for models and skills in arts administration, seemingly leading to a new European emphasis on the American management model in arts administration.

The third preliminary expectation stated that the impact of international organizations, technology, travel, and information transfer would result in a convergence of cultural policies, institutions, and administrative operations in North America and Europe. Abundant evidence was found that supports this hypothesis. Evidence of institutional isomorphism and personal professional isomorphism exists through comparative profiles of cultural policies, institutional structures and operations, and professional behavior provided in the three case studies. It may be
deduced that, while local influences will always mediate environmental opportunities, constraints, and expectations, the international tendency is to develop similar policies and practices.

8.7 Propositions for Further Exploration

Revisiting the research questions, proposition, and preliminary expectations formulated at the outset of this study presents a framework for drawing conclusions and generating new propositions for further exploration. In this section, new propositions are formulated, each with a brief explanation of conclusions from the study that led to the proposition.

Proposition 1: In North America and in Europe, a shift is taking place from arts management to cultural administration.

Evidence of the four paradigm shifts and changing demands explored in this dissertation all suggest that a shift is taking place from the profession of “arts management” to the profession of “cultural administration.” New demands due to the force of globalization call for expanded capacities in representing cultural identity abroad, cultural diplomacy, and managing international touring and presenting. These broader functions require negotiation across the spheres of organizational administration, national policy, and international diplomacy, and the coordination and implementation of effective processes of glocalization and global interculturalism. Further, a shift in the arts system is resulting in growing awareness of blurred boundaries among the fine, commercial, applied, heritage and amateur arts segments. And changing assumptions, demands and structures of arts funding systems require new tools and approaches in sustaining and increasing revenues in the cultural sector.

Systemic change in and across the four paradigms presented in chapter one ultimately calls for strategic leadership that is able to coordinate coalitions and alliances across organizational and political spheres of activity, both domestically and internationally. Systemic
change in the cultural sector thus makes arts management skills necessary but insufficient. The term cultural administration implies a broader and more inclusive set of organizational and policy functions potentially better suited to ongoing change taking place in the world system, the arts system, the cultural policy system, and the arts funding system.

**Proposition 2:** *Implementation of a systemic capacity building approach in the cultural sector will lead to enhanced individual and institutional capacity to proactively respond to systemic change.*

With reference to figure 8.5, this proposition seeks to investigate the efficacy and validity of a new systemic capacity building approach to arts administration. Systemic change may be assessed at any given time according to the changing educational demands taking place in any given environment as profiled according to the four paradigms explored in this dissertation and as influenced by transnational policy and knowledge transfer. Enhanced individual and institutional capacity might be assessed according to the four metaphorical roles of warrior, explorer, diplomat and architect, along with the extent and nature of capacity in the five change management capacities. This proposition is thus concerned with measuring and evaluating the instructional motivators and processes as well as the instructional goals of the systemic capacity building model.

It may be inferred from research findings that a new educational approach is required in response to changing demands in the cultural sector. The *Systemic Capacity Building* model has been formulated as a heuristic educational model that would potentially have the capacity to meet this need. Ultimately, however, any educational approach must be evaluated according to its educational outcomes. Proposition 2, implicit throughout much of the dissertation study, requires significant attention in future research on content, implementation, and effectiveness on instructional content, venues, goals, and motivators/processes.
Proposition 3: Transnational policy and knowledge transfer significantly influences institutional and professional isomorphism in cultural policy and arts administration.

A major finding from the dissertation research is the importance currently placed on learning-from-abroad, especially in Europe. This proposition implies two channels for further exploration: transnational policy and knowledge transfer as they influence change toward isomorphism according to the four paradigm shifts; and transnational policy and knowledge transfer as they influence the development of professional competencies in response to systemic change.

Proposition 3 is concerned with describing the relationship between the process of transnational policy and knowledge transfer and the trend toward institutional and professional isomorphism, of which abundant evidence exists. This dynamic was expressed as a preliminary expectation for this dissertation study, and research findings suggest the importance of further investigation into transnational policy and knowledge transfer in the cultural sector.

Proposition 4: Global change management capacities will need to be matched with local skill sets to proactively respond to systemic change in any environment.

A major goal of this study was to explore, describe, assess, and conceptualize functions or capacities that might be applicable and significant to cultural policy and arts administration throughout North America and Europe. The five change management capacities (CMCs) investigated throughout the dissertation structured this research. All five CMCs were proven to be of importance in the three case studies.

However, deriving a method for formulating and assessing the composite and corresponding skill sets necessary for arts administrators to proactively respond to the distinct constellation of influences in the local environment was beyond the extent of this study, and would merit future research. With reference to figure 8.5, this proposition calls for assessing and
evaluating the match between instructional content and instructional goals in diverse national and local environments. Exploration of this proposition will require formulation of a conceptual framework and process for matching the CMCs with metaphorical roles and specific instructional content to address distinct environmental opportunities and constraints.

**Proposition 5:** Systemic capacity building in the cultural sector will require development of formal education, professional development, and on-the-job training options in cultural administration.

With reference to figure 8.5 and figure 2.3, this proposition will involve investigation into the types of programs, types of instructors, and types of participants taking place in formal education, professional development, and on-the-job training options. It will also require investigation into the intensity of training being provided through these diverse options throughout the participant’s career and as aligned with that individual’s occupational position in organizational administration, national policy, or international diplomacy. Proposition 5 is concerned with exploring, assessing, and evaluating educational processes and outcomes in the three main instructional venues.

Evidence of many diverse training options in arts administration existed in all three case studies. What remains unclear from the research findings is an assessment of what an ideal constellation and intensity of training options might be for arts administrators and arts policymakers. Implicit in proposition 5 is that implementation of a systemic capacity building model, through the diverse instructional venues, would lead to enhanced capacity to proactively respond to systemic change (proposition 2).
8.8. Avenues for Future Research

This dissertation has explored the extent to which current training in arts administration is suited to meet changing demands in the cultural sector in North America and Europe, and has aimed to develop both a theoretical construct and an educational model to enhance cultural policymakers’ and arts administrators’ capacities to manage systemic change. Recognizing that environmental change in the cultural sector will be an ongoing phenomenon, and that the nature, pace, and scope of change will differ dramatically from community to community, this study has intended to develop conceptual frameworks and approaches that might allow for a more proactive response throughout the sector. Evidence from the three comparative case studies suggests that the concepts and approaches developed within the context of this dissertation study are on the right track, but much additional research would need to be conducted to refine and confirm the proposed theoretical constructs and to test the proposed educational approach.

The main focus of the study has been on understanding and describing the interconnections between systemic change in the cultural sector, capacities that might be required to manage these changing demands, and training options to develop changing skills and competencies. While the focus has been on understanding the processes and dynamics of managing systemic change in the cultural sector, virtually all areas identified in the conceptual frameworks of this study would merit further exploration. The four paradigm shifts in the world system, the arts system, the cultural policy system, and the arts funding system vary dramatically from context to context, and are instructive in both a case-by-case and comparative analysis. The change management capacities explored as factors in this research all require additional analysis into the composite skill sets needed to perform these functions in diverse environments. The main conclusion from the study is that a new systemic capacity building approach to education in the cultural sector is required. All elements of the Systemic Capacity Building model, however, will require further assessment and refinement.
Extensive evidence has been provided in support of the proposition that a mismatch exists between systemic change in the cultural sector and the current focus of arts administration education. With the scope and nature of this problem confirmed and substantiated, it is now possible to begin formulating and testing potential solutions. This final section of the dissertation outlines specific avenues for future research based on the theoretical constructs and research findings provided throughout the dissertation in general, and the propositions generated in section 8.7 in particular.

8.8.1 Future Research on Systemic Change in the Cultural Sector

With reference to figure 1.2 and the literature review provided in chapter one, the nature, scope, pace, and extent of change in diverse additional communities would merit further exploration in accordance with the four paradigm shifts. With additional research, it may be possible to begin to develop theories on the tendencies toward distinct constellations of paradigm structures that correspond with diverse sociopolitical, economic, and cultural factors. The nature of each set of demands would also require refinement and clarification, as well as deep description in diverse environments and in further comparative analysis.

A major research question in this area might be: *To what extent is a shift taking place from arts management to cultural administration in North America and Europe?*

Potential Sub-Questions in this Area

- What are the causes, nature, and outcomes of the shift from arts management to cultural administration?
- What specific effects do the forces of globalization have on the cultural administration?
- What are the international issue areas affecting all three spheres in cultural administration (i.e., organizational, national, international)?
In what ways and to what extent are processes of transnational policy and knowledge transfer influencing systemic change in the cultural sector?

How are international organizations involved as a vehicle for transnational policy and knowledge transfer in the cultural sector?

What might be the nature and approaches utilized in a local filter to global forces in the cultural sector?

What is the relationship between the increasing policy focus on the cultural industries or creative industries on the development of cultural administration?

How might the nascent cultural policy system be defined and explained in diverse environmental contexts?

What is the precise nature of change in the arts funding system in diverse environmental contexts, and in what patterns of new funding models is this resulting?

8.8.2 Future Research on Systemic Capacity Building

As described in detail in prior sections of this chapter, all elements of the heuristic Systemic Capacity Building Model (see figure 8.5) require extensive further research.

A major research question in this area might be: How might implementation of a systemic capacity building approach in the cultural sector lead to enhanced individual and institutional capacity to proactively respond to systemic change?

Potential Sub-Questions on Instructional Motivators/Processes

- How do variables and factors in systemic change lead to changing educational needs in arts administration?

- How does transnational policy and knowledge transfer inform and influence changing educational demands in arts administration?
Potential Sub-Questions on Instructional Goals

- What are the capacities that are called for in diverse changing environmental contexts?
- To what extent and in what ways might the change management capacities be universal in their application?
- What is the necessary instructional content to be included in each of the change management capacities?
- To what extent are the metaphorical roles of warrior, explorer, diplomat, and architect suited to meet changing educational demands in the cultural sector?
- How might the metaphorical roles be operationalized and implemented in educational programs?
- How might the “global” change management capacities be matched with “local” skill sets distinct to diverse environmental conditions?

Potential Sub-Questions on Instructional Venues

- What is the range and intensity of diverse training options in arts administration in North America and Europe?
- How might these training options be categorized in terms of instructors, programs, and participants?
- What is the instructional content and methods are included in these diverse programs?
- What are the current outcomes of these programs, and what might “ideal” outcomes be?
- What potential exists for cooperation between the academy and the profession in developing diverse training options?
- How might formal education, professional development, and on-the-job training options in arts administration be developed?
Potential Sub-Questions on Instructional Content

• Are international, national, and organizational the three main spheres of activity in the emerging cultural policy system, and should instructional content focus on these three spheres?

• Does strategic leadership in diplomacy, policy, and administration suitably correspond with the spheres of activity in the emerging cultural policy system?

• How and in what ways to strategic capacities and competencies in these three spheres intersect?

• What are the major cultural policy areas affecting the three spheres, and how do these issue areas vary across the three spheres?

• What are the change management capacities and skill sets required in each sphere?

• How might instructional materials and teaching methods be developed to correspond with the CMCs and skill sets required in each sphere?

• Who are the main actors in each sphere of activity, and how might individuals and institutions be targeted for participation in various training options?

The dissertation thus concludes with detailing the preliminary propositions and research questions resulting from the study. It is hoped that ongoing research on the training of arts administrators to manage systemic change will make a significant contribution to sustaining and developing the cultural sector in North America and Europe in the years to come.
APPENDIX A

AAAE OUTCOME STANDARDS

Association of Arts Administration Educators

Outcome Standards for Programs in Arts Administration  (Document dated November 29, 2000)

Graduates of degree programs in Arts Administration are entitled to certain outcomes from their education. The purpose of this document is to outline those outcome standards to which the AAAE believes such programs should aspire and endeavor to achieve, regardless of the specific emphasis of the program. The programs that comprise AAAE are diverse in nature, for example some focus on profit-making industries, some focus on nonprofit arts organizations, some on both the for-profit and nonprofit aspects of the business. Some graduate programs are discipline specific, dedicated to theater or visual arts management, for instance; some offer a more eclectic approach. Nonetheless, similar academic objectives may be achieved through curricula with different structures and approaches.

Therefore, many different degrees are available in the study of arts administration, given that such degrees are offered and housed in different schools within a college or university. In some programs, there is a collaboration, for example, between the arts and business schools; others work with schools as diverse as education or architecture.

These outcome standards are intended for those courses of study which are educating administrators for the arts field as practitioners. Programs with a research and policy focus are necessarily and appropriately guided by other outcomes. Equally, those that stress arts administration within an arts education or higher education context necessarily aspire to attain objectives which have less an emphasis on the conduct and practices within the arts field per se. Rather, along with policy and research, the application of theoretical knowledge builds responses and an understanding of arts administration which recognizes the need for resource and academic development.

Undergraduate curricula provide a broad context within which coursework in arts administration is set. These curricula combine general education and basic study of the practice of arts administration. Graduate curricula provide a distinctly professional perspective. Masters degree programs prepare students with a general managerial orientation and a specialization in arts administration.

Fundamentals: The Context in Which Arts Organizations Exist

Both undergraduate and graduate curricula should provide an understanding of the context for managing arts and cultural organizations:
• The nature of the creative process; how art and the artist function in society
• The economic, political and social environment for the arts
• The local arenas in which arts organizations exist
• The arts’ capacities within an international environment
• The importance and potential of technology
• The impact of demographic diversity and multiculturalism
• The ethical issues confronting arts managers

Undergraduate Programs: The Priorities

Each undergraduate curriculum should have a general education component that normally comprises at least 50 percent of the student’s four-year program. Undergraduate students should be educated in oral and written communication, critical thinking, an appreciation of team work and group dynamics, and a broad liberal arts or arts perspective in addition to their specialized education in arts administration.

When completing an undergraduate degree, one should possess foundation knowledge for arts administration in the following areas:

• Basic business skills: accounting, financial management, organizational theory and practice
• The financial and legal needs and realities of arts organizations
• The producing and presenting of art
• Marketing strategies and outreach programming for the arts
• Resource development for the arts

Graduate Programs: The Competencies

When completing a graduate degree one should possess specific core competencies in certain areas such as:

• Financial, audience development and strategic analysis and planning
• The dynamics and logistics of institutional development in how art gets presented and produced
• The legal, ethical and policy environments for the arts
• Leadership in complex organizational environments including the dynamics of working with boards, structuring and staffing, and working with artists and other constituencies
• The international environment for the arts and the impact of the global economy
• The application of research methodologies to the field including the ability to conceptualize, analyze, synthesize and evaluate data

An undergraduate degree in arts administration is certainly not a necessary prerequisite for graduate study. A liberal arts or a strictly arts background is an appropriate context for the successful completion of a graduate degree. An individual’s general arts knowledge or study of a specific art form, for example, studio art or music theory, actually may significantly contribute to one’s success and accomplishments as an arts administrator.
APPENDIX B

SURVEY DETAILS

Survey of International Content in Arts Administration Training Programs
Spring/Summer 2001: Details Regarding Survey Content, Process, and Respondents

In spring 2001, 29 questionnaires were sent by email or regular mail to selected directors of arts administration training programs around the world, requesting information about coursework specific to globalization and the arts, as well as the international elements of other curricular content. Respondents were asked to assess the importance of, need for and obstacles to future international training in cultural management.

The sample group of key informants has a broad artistic focus, provides a variety of emphases on the high arts and popular culture (media), and offers a range in the academic anchoring of the program. Programs in the United States were selected to provide a wide geographic dispersion. Main sources for the identification of the sample group were the AAAE Guide to Arts Administration Training and Research and the on-line directory of training programs on www.artsmanagement.net

Of the 29 questionnaire forms, 22 responses were received (76% response rate), representing 23 university arts administration training programs. Half of the responses came from North American training programs; half came from training programs in other geographic regions.

The chart on the next page lists the educational institution and location of all respondents to this survey.
<table>
<thead>
<tr>
<th>Training Institution</th>
<th>City</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carnegie Mellon University</td>
<td>Pittsburgh</td>
<td>USA</td>
</tr>
<tr>
<td>Columbia College Chicago</td>
<td>Chicago</td>
<td>USA</td>
</tr>
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<td>École des Hautes Études de Montréal</td>
<td>Montréal</td>
<td>Canada</td>
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<tr>
<td>Eötvös Loránd University</td>
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<td>Hungary</td>
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<tr>
<td>Hamburg Academy for Music and Drama</td>
<td>Hamburg</td>
<td>Germany</td>
</tr>
<tr>
<td>Institute for Cultural Management</td>
<td>Vienna</td>
<td>Austria</td>
</tr>
<tr>
<td>International Center for Culture and Management</td>
<td>Salzburg</td>
<td>Austria</td>
</tr>
<tr>
<td>Jagiellonen University</td>
<td>Krakow</td>
<td>Poland</td>
</tr>
<tr>
<td>Nan Hua University</td>
<td>Chiayi Shih</td>
<td>Taiwan</td>
</tr>
<tr>
<td>New York University (Performing Arts Administration)</td>
<td>New York City</td>
<td>USA</td>
</tr>
<tr>
<td>New York University (Visual Arts Administration)</td>
<td>New York City</td>
<td>USA</td>
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<td>Queensland University of Technology</td>
<td>Brisbane</td>
<td>Australia</td>
</tr>
<tr>
<td>Southern Methodist University</td>
<td>Dallas</td>
<td>USA</td>
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<tr>
<td>Teachers College Columbia University</td>
<td>New York City</td>
<td>USA</td>
</tr>
<tr>
<td>The Ohio State University</td>
<td>Columbus</td>
<td>USA</td>
</tr>
<tr>
<td>Universidad de Chile, Facultad de Artes</td>
<td>Santiago</td>
<td>Chile</td>
</tr>
<tr>
<td>Université de Bourgogne</td>
<td>Dijon</td>
<td>France</td>
</tr>
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<td>Germany</td>
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<td>University of Barcelona</td>
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<tr>
<td>University of Wisconsin - Madison</td>
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</tr>
<tr>
<td>York University, Schulich School of Business</td>
<td>Toronto</td>
<td>Canada</td>
</tr>
</tbody>
</table>
APPENDIX C

INTERVIEW CONSENT FORM

Protocol # 02E0229

Consent for Participation in Research

I consent to participating in the following study:

*Training Arts Administrators to Manage Systemic Change*
A Dissertation Research Project
Conducted by Patricia Dewey, Doctoral Candidate
Dr. Margaret J. Wyszomirski, Principal Investigator

Patricia Dewey has explained the purpose of the study, the procedures to be followed, and the expected duration of my participation. I agree to the following:

- [ ] I consent to the use of audiotapes and note-taking during my interview.
- [ ] I consent to my identification as an informant in the dissertation.
- [ ] I consent to the potential use of quotations from the interview.
- [ ] I consent to the use of information I provide regarding the organization(s) with which I am associated.
- [ ] I wish to have the opportunity to review and possibly revise my comments and the information that I provide prior to this data appearing in the final version of the dissertation.

I acknowledge that I have had the opportunity to obtain additional information regarding the study and that any questions I have raised have been answered to my full satisfaction. Furthermore, I understand that I am free to withdraw consent at any time and to discontinue participation in the study, and there will be no penalty.

Finally, I acknowledge that I have read and fully understand the consent form. I sign it freely and voluntarily. A copy has been given to me.

(Signed and dated by the interviewee and Patricia Dewey)
APPENDIX D

INTERVIEW PROTOCOLS

Case Study:  

Key Descriptor:  

Date:  

Interview Location:  

Interviewee Details:  

Consent:  

____ Oral  

____ Written (form)  

____ Audio Recording  

____ OK to Quote  

Notes on Interview Context:  

Key Points:  

CODING  

INFORMATION  

NOTES
Interview Protocol for Arts Administration Educators and Students

*Semi-Structured Interview Questions:*

**Part 1: About the Training Program**

1. Why did you decide to instruct / study arts administration?
2. What areas of arts administration are of most interest to you, and why?
3. What are your career goals? (students)
4. What are your main research and teaching interests? (faculty)
5. What training options does this program offer (diploma, professional development)?
6. Who are the targeted participants for the program? And future participants?
7. What, if anything, would you like to change in the program offerings of your institute?

**Part 2: About Curricular Design, Instructional Materials, and Teaching Methods**

**Faculty:**

1. How has the curricular design of your program changed over the past five to ten years?
2. How do you expect the curriculum to change over the next five years?
3. What are some of the strengths and weaknesses of the instructional materials with which you are teaching your courses?
4. What changes are most urgently needed in the instructional materials?
5. What changes do you foresee making in your course syllabi over the next five years?
6. What methods are you using to respond to training needs demonstrated by arts administration practitioners?
7. What teaching methods do you find to be particularly useful?
8. Do you agree that current training in arts administration tends to focus on the domestic environment, the fine arts sector, organizational administration, and outdated arts funding models? If not, why? How does your program correspond/differ from this orientation?

**Students:**

1. What do you like most and least about the curricular design of this program and why?
2. What changes would you like to see in the curriculum?
3. What strengths and weaknesses do you see in the instructional materials you are using?
4. What teaching methods do you find to be particularly useful?

**Part 3: About Changing Demands**

1. How do you see “globalization” (force evoking a tension between the global and the local) affecting the training needs for arts administrators?
2. In what ways do you see the various segments of the cultural sector working together, and how can arts administration training facilitate this cooperation?
3. How might arts administration training affect professional arts managers’ capacity to influence the local, national, and international arts policy environment?
4. What new skills are called for in changing arts funding systems?
Part 4: About Change Management Capacities

Open Discussion of:
1. Managing international cultural interactions
2. Representing cultural identity
3. Promoting innovative methods of audience development
4. Exercising effective strategic leadership
5. Fostering a sustainable mixed funding system

Part 5: Additional Comments

Discussion of the scale, penetration, impact, and consequences of the four paradigm shifts.
Discussion of relative importance of change management capacities.
Discussion of mix of “global” capacities and “local” skill sets.

Interview Protocol for Arts Administration Practitioners

Semi-Structured Interview Questions:

Part 1: About the Arts Administrator’s Responsibilities within the Organization

1. Could you please tell me a little about your organization’s size, budget, structure, and staff?
2. What are your areas of responsibility within this organization? How does this fit in with your organization’s mission and vision?
3. How do you think performing arts management has changed over the past decade? And when did it change the most during this time period?
4. How do you expect your organization and your position to change within the next three to five years?

Part 2: About the Arts Administrator’s Training

1. How did you develop your skills for your present job in arts administration?
2. What are the skills required for this position?
3. What types of formal training and coursework have you found to be particularly valuable?
4. How have you needed to adapt or augment your skills since working professionally in the field?
5. How have you gained / are you acquiring the additional skills and knowledge you now find you need?
6. How are you encouraging your staff members to acquire the skills they need?
7. What mix of formal education, professional development, and on-the-job training might be optimal to meet the current needs of arts managers in your organization?
Part 3: About Changing Demands

1. How do you see “globalization” (force producing tension between the global and the local) affecting your work?
2. Do you see a growing influence of marketization (market criteria)?
3. In what ways are you working with other members of the arts and culture community? How is this driven (internal/external/mandate from funders)?
4. Do you feel you have any influence (either directly or indirectly through an association – or are you operating as an island) over local, national, and international arts policy environment in which you are working? If so, how? (Interrelationships?)
5. What challenges are you facing in funding your organization?

Part 4: About Change Management Capacities

1. How much and in what ways are you involved in international touring and presenting (versus producing!) and in attracting cultural tourism?
2. How and to what extent do you see your organization involved as an element of foreign policy, diplomacy, and/or intercultural exchange?
3. In what way are you involved in maintaining or balancing local cultural identities, pluralism, and diversity?
4. How are you trying to develop audiences of the future? Who is the audience of the future?
5. What approaches do you use for your organization’s business strategy?
6. What mix of earned and contributed revenues are you attempting to attain for your organization?

Part 5: Additional Comments

Discussion of the scale, penetration, impact, and consequences of the four paradigm shifts.
Discussion of relative importance of change management capacities.
Discussion of mix of “global” capacities and “local” skill sets.

Interview Protocol for Cultural Policy Specialists

Semi-structured Interview Questions:

Part 1: About the Interviewee’s Work

1. Could you please tell me a little about your responsibilities and the organization(s) with which you are associated?
2. What is your general educational and employment background?
3. How has demand for cultural policy research/diplomacy changed over the past ten years?
4. How do you expect cultural policy research/diplomacy to change in the coming five years?
Part 2: About Arts and Cultural Policy

1. What do you see as the cultural policy framework/context of your nation (or community)?
2. How has this context changed over the past ten years?
3. How do you expect it to change in the coming five years?

Part 3: About Changing Demands

1. How has globalization (force producing tension between the global and the local) affected cultural policy in your nation/local community?
2. What is the extent and magnitude of policy changes pertaining to marketization, decentralization, deregulation, privatization, and nonprofitization?
3. What influence have international organizations had on cultural policy?
4. Do you see boundaries blurring among the fine, commercial, applied, and amateur arts?
5. What kinds of public-private partnerships, or collaborative efforts in the creative industries are you aware of?
6. What changes in national and international policy do you feel practicing arts administrators must be particularly aware of?
7. How are the economics of the cultural sector shifting?
8. What changes are taking place in national and local arts funding systems?

Part 4: About Change Management Capacities

1. How do you see your work/the field of cultural policy responding to the demands of globalization and global cultural diversity?
2. In what ways is cultural policy facilitating cooperation among the various members of the cultural sector and encouraging audience development in your nation/city?
3. How might strategic leadership in arts organizations respond to and influence the national and international cultural policy environment?
4. Could you please describe how the arts funding system is changing in your nation/city?
5. In what ways are arts administrators coping with change in your country/city?

Part 5: Additional Comments

Discussion of the scale, penetration, impact, and consequences of the four paradigm shifts.
Discussion of relative importance of change management capacities.
Discussion of mix of “global” capacities and “local” skill sets.
APPENDIX E

DOCUMENT ANALYSIS FORM

Data Collection Sheet for Document Analysis

Case Study: Data ID:

Key Descriptor:

Date: Document Location:

Document Type: Report, Article, Book etc Government Document, Public Policy
Arts Management Instructional Materials Cultural Statistics
Arts Organizations’ Written Materials Job Descriptions
Online Information Notes Other:

Reference Citation:

CODING INFORMATION NOTES

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APPENDIX F

PARTICIPANT OBSERVATION FORM

Data Collection Sheet for Participant Observation

Case Study:  
Key Descriptor:  
Date:  
Activity Location:  

Activity:  
   ____ Teaching  
   ____ Consulting  
   ____ Arts Management  
   ____ Student  
   ____ Participant in Workshop, Panel, or Forum  
   ____ Research Project  

Details:  

CODING | OBSERVATION | NOTES
APPENDIX G

LIST OF INTERVIEWS

(Information also provided through printed materials and websites for the organizations listed below).

Dr. Rainer Bischof, General Secretary, Vienna Symphony Orchestra. January 8, 2003. www.wiener-symphoniker.at

Dr. Dezső Bujdosó, Director, Cultural and Arts Management Program, Eötvös-Loránd University. November 6, 2002. www.btk.elte.hu/kultman/

Philip Dobard, General Director, Opera Columbus. February 14, 2003. www.operacols.org

Attila Fülöp, General Secretary, Hungarian State Opera. November 14, 2002. www.opera.hu


Peter Inkei, Director, Budapest Cultural Observatory. November 12, 2002. www.budobs.org


Mag. Andreas Lang, Dramaturgist, Vienna State Opera. December 27, 2002. www.staatsoper.at

Dr. Wayne Lawson, Executive Director, Ohio Arts Council. February 14, 2003. www.oac.state.oh.us

Christoph Lieben-Seutter, General Secretary, Konzerthaus. January 22, 2003. www.konzerthaus.at


Dr. Monika Mokre, Research Fellow, Austrian Academy of Sciences; President, Austrian Society for Research in Cultural Policy and Economics (FOKUS). December 30, 2002. www.fokus.or.at


Dr. Margaret Wyszomirski, Director, Arts Policy and Administration Program, The Ohio State University. February 3, 2003. www.arts.ohio-state.edu/ArtEducation/APA

Zsófia Zimanyi, Managing Director, Budapest Festival Center. November 8, 2002. www.fesztivalvaros.hu

Attila Zongor, Director, Cultural Contact Point Hungary. November 6, 2002. www.kulturpont.hu
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(AAAE) The Association of Arts Administration Educators. Website: www.artsnet.org/aaae/


American Symphony Orchestra League. Website: www.symphony.org


“The Arts Mean Business” (Fall 2002). Article in Portfolio, a periodical of the Business/Arts Partnership Program. Columbus, Ohio: Greater Columbus Arts Council.

Austrian Federal Ministry of Art. www.austria.gv.at

Austrian Federal Ministry of Foreign Affairs. www.bmaa.gv.at


Columbus Arts. Website: www.columbusarts.com


(ELIA) European League of Institutes of the Arts. Website: www.elia.ahk.nl

(ENCATC) European Network of Cultural Administration Training Centres. Website: www.encatc.org

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The Jefferson Center: Academy for Leadership and Governance. Website: www.thejeffersoncenter.org/alg/


KulturKontakt Austria. www.kulturkontakt.at


National Arts Stabilization (now National Arts Strategies). Website: www.artstrategies.org

National Performing Arts Convention (Pittsburgh, June 2004). Website: www.nationalperformingartsconvention.org/

Open Society Institute (OSI), Budapest. Website: www.osi.hu

Opera America. Website: www.operaam.org


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UNESCO Information and Publications:

Program information available online: www.unesco.org/culture/development


