

MANAGEMENT AND LEADERSHIP IN CULTURAL INSTITUTIONS

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Abstract

Management and leadership are necessary in cultural institutions just as much as in any company. Management of cultural institutions in Croatia is a complex task, since they mostly need to rely on funding from the founder, i.e. the state, a county or a city.

This paper examines possible strategies for efficient management of cultural institutions. Since cultural institutions are dependent on grants from public founders, this is frequently a challenge. The paper studies the problems that administration and management in cultural institutions are faced with, in terms of market orientation and action, on their way to efficient management. Today, efficient management requires a market-based approach because the effort and work invested, as well as the implementation of all work activities and business processes are aimed at creating income and achieving economic efficiency through planning and implementing a strategy to achieve the set and planned objectives.

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1. MANAGERS IN CULTURAL INSTITUTIONS

A manager is effective if he has a clear vision on what an effective institution is, if he is able to determine personnel to share his vision, if he manages his time as to see the mission deriving from this vision come to fruition.¹ All economic, social and political activities of the world we live in cannot be conceived in the absence of a concern for performance, achievement and success. Performance, achievement and success have become the priorities and the motivation of any cultural institution that subscribes to the economic exigencies. Irrespective of the field of activity, its legal form or size and the social and economic area in which it operates, the cultural institution has to periodically review its economic and financial achievements, to discover what lies beneath its positive or negative aspects, to correctly assess its ability to adapt to the dynamics of the environment in its field of activity as well as the development perspectives and its position on the market.²

Who are the managers in culture and what they are doing?

The real answer to this question can be found in only one way. When we managers in culture considered only those who are due to its location destined to perform some management functions, such as directors of cultural institutions, leaders of the organizations dealing with cultural programs or the artists who promote their works, we would not nearly have given the correct answer. The managers in the culture we have considered all those persons responsible for the implementation of certain cultural programs or activities, regardless of where the formal position there.³

Managers in culture have the following tasks:

- Developed plans of cultural programs and activities.
- Available fundraising plan and organize its implementation.
- Investigated and win the confidence of sponsors, donors and financiers.
- They collect funds support the budget and other sources.

¹ Ceașu, Iulian, *Cartea conducătorului*, Editura Asociația de Terotehnicăși Terotehnologie, București, 1998, p. 27. (According to Cristina Andreescu)

² Negoiaș, Octav, *Managementul performanței întreprinderii*, Editura Ex Ponto, Constanța, 2007, p. 10. (According to Cristina Andreescu)

³ Dragojević, S., Dragičević – Šešić, M. (2008). *Menadžment umjetnosti u turbulentnim vremenima*. Zagreb: Jesenski i Turk, p. 22

- Examines the cultural market.
- Developed marketing plans.
- Promote relations with the public (public).
- Provide human resources, as well as the necessary equipment for the execution of planned Affairs.
- They support and encourage the development of cultural creativity.
- Manage human resources, or employed or engaged people.
- Realize the role of leadership, especially the coordination and supervision.
- They create financial policies and manage financial resources.
- Prepare, monitor and, if necessary, revise the budget.
- Establish the necessary level of office, and administrative operations.
- Negotiates procurement of necessary goods and services, etc..⁴

For these tasks, it is evident that managers in culture have to act like any other managers in the market and the economy. The manager at the cultural institution must possess a range of management skills and the opportunity to acquire a large number of tasks and obligations aggregate it all that could effectively manage the institution.

In practice, the cultural manager intermediary between the market and art. It is not necessary to be a top expert on art, history, museology and the like. It is essential that the management of a professional support. The cultural activities that are specifically some of the following types of experts in these areas:

- Arts,
- History of Art,
- Museology and
- Curators.

A manager in the cultural institutions of course has to have some kind of sense of culture in a domain in which it operates or the primary task of managers to ensure the smooth running of all business processes in the work and activities of these institutions, so as to provide all the necessary conditions for it. The current weather and the state in which the cultural institutions activity is must provide:

- financial stability,

⁴ Antolović, J. (2009). *Menadžment u kulturi*. Zagreb: Hadrian d.o.o., p. 24

- excellent cooperation with the sources of funding,
- developed communication cultural institutions with the market,
- take care of the audience,
- take care of all the obstacles and opportunities for the institution he manages,
- constantly monitor changes and trends in activities and
- adapt an institution run by the market conditions and activities.

Only by ensuring the above, we can create and implement effective management strategies.

Professional and efficient staff is the most important factor for effective management of a cultural institution. Management should lead management and manager institutions with managerial skills to attract funding primarily, and enable the implementation of program activities with the technical processes that are part of the accompanying program of action. With them an integral part must be qualified personnel and artistic profession, curators, etc. Management must connect, integrate, but also through the articulation and division of tasks and responsibilities to lead to the same goal, which is the ultimate result of managerial and artistic activities, as well as additional activities and services that cultural institutions implemented.

2. PLANNING AND LEADERSHIP

Planning is a prerequisite thought out management that is capable of addressing needs and business decision-making process in cultural institutions. Only quality planning allows the management of the institution of effective decision-making aimed at achieving the set goals and mission. Planning is extremely challenging activity because it requires not only objectively outline the mission and goals, but also clearly defined pathways and activities to the mission and goals to achieve in real life. The planning process should be distinguished numerous concepts including mission, goals, strategies, policies, rules and programs. Mission the reason of existence and to the social and economic aspects. The objectives of the endpoint to which they are directed activities. Strategy defines the way of achieving the goals or guidelines for management that will accomplish these goals. Policies establish procedures for making decisions, and express the attitudes, principles or criteria. The rules determine how to proceed

in a given situation. The programs represent a set of objectives, policies, procedures and rules necessary to carry out the activities and their execution, as a rule supported by the budget.⁵

Type of control must be established immediately in the planning, because planning covers all segments, rules and forms of governance that factor thought out management that may result in high-quality and efficient management of a cultural institutions, which will result in specific business objectives.

Planning is a set of guidelines and factors, tools, plans, vision, mission, goals and foundation for the launch of any discussion, and then the implementation of cultural activities with all the parameters and characteristics of the possible consequences and outcomes that are possible in the evaluation and completion of certain processes and activities. Without planning it is almost impossible any idea or business solution successfully implement and lead a cultural institution in a desired state. Management of the implementation is characterized by three important elements, namely the way of change management and risk management and the method of monitoring the implementation.⁶ The planned activities is a process of change in which the goal is to achieve the planned result. In order to achieve true change in the expected goal it is necessary to manage the change.

3. STRATEGY PROGRAM - ORGANIZATIONAL DEVELOPMENT

In addition to entrepreneurial energy director, organizational arrangements and its program activities included with the resulting identity of the cultural institution. The identity of the cultural institution uniqueness and recognition of certain cultural institution by saying it stands out from the others and their different characteristics and peculiarities of attracting audiences and visitors.

Means that the new cultural institution a reality today does not only involve virtual preservation and presentation of the cultural institution but also more than that - the same one way or the practice of visits to cultural institution.⁷

⁵ Antolović, J. (2009). *Menadžment u kulturi*. Zagreb: Hadrian d.o.o., p. 69.

⁶ Ibidem, p. 100

⁷ Despotović, J. (2006). Sajber kultura - virtuelni muzej. U: *Godišnjak grada Beograda*. Jovović-Prodanović, D. (ur.). Beograd: Muzej grada Beograda, p. 399. - 407.

The first step involves a discussion of strategic planning, analysis and selection of development scenarios and the appropriate strategies. This is a key job that requires the greatest creativity and synthetic, multidimensional thinking. Advantage of its benefits, find a solution for the weaknesses and threats, requires a decision on a very precise strategic solutions that can sometimes be painful or risky for the organization, whether in terms of policy change (which can be understood as a waiver of tradition) or in terms of reducing the number of employees. It may involve a variety of analysis, discussion, controversy, brainstorming, monitoring of existing scenarios and strategies, or SWOT analyzes.

Strategic planning, as opposed to the classic plan, requires the development scenario, a vision that can and should be determined on the already defined the mission of the organization, but also to draw attention to the way that organizations will move in the next five or ten years. The vision of their own future, in terms of the development scenario, you should be realistic but ambitious, should be a noticeable step forward from the daily, current routines and also be a mobilizing and inspiring factor for the selection of a completely new, and sometimes radical and risky strategy.⁸

The vision is a goal, a desire where the organization wants to be, literally. The vision includes ambitions, desires, plans, meaning activities and all those imaginary things, processes, activities and target condition that management wants to achieve and accomplish. The vision is a guiding theme to the goal and the success of the organization. Vision is an integral part of how the mission, strategy and goals, because only together make a whole to define the institution or organization.

4. MARKETING IN CULTURAL INSTITUTIONS

Marketing management is important managerial dimension which must be continually evaluated to ensure profit.

Marketing has always been, and so in recent times of rapid change, globalization and recession, each business entity is an expense that is neces-

⁸ Dragojević, S., Dragičević – Šešić, M. (2008). *Menadžment umjetnosti u turbulentnim vremenima*. Zagreb: Jesenski i Turk, str. 137.

sary for promoting the convergence of products and services to end users.⁹ Marketing is one of the primary business functions. The task is a marketing tool that discovers and develops sources of demand. Marketing department must demonstrate understanding of the nature of the transformation process, how it affects the acquisition, which is produced can allocate specific groups of consumers, when they will be able to produce a new product.¹⁰ Marketing is the art of finding, developing and generating a profit from various opportunities. If the marketing department does not see any chance, it's time to dissolve. If managers for marketing cannot imagine new products, services, programs and systems, which are then paid?¹¹

Since cultural institutions, in Croatia and the region still characterized by a lack of financial resources, faced with the problem about attracting visitors as users of their services.

All the world's cultural institutions, and the Croatian one, have to set up employee / s in charge of marketing. Marketing in cultural institutions is still not enough clear, but without argument assumes that everyone understands the nature of the cultural institutions. Cultural institutions and other industries in the field of heritage, often in its mission and obligations only formally defined. Most experts employed at the cultural institutions are unable to clearly define the goals of the cultural institutions and role in society, by the usual formula of concern for future generations, preserving the collective memory or the production and presentation skills. On the other hand, often speaks about marketing, and thoughts on propaganda. Marketing is much more than that.

A thorough understanding of marketing will put emphasis on the importance of creating good, attractive products. If the marketing misunderstood, which is not rare, attractiveness is identified with sensationalism.¹² This is exactly the reverse of each acceptable formulation mission of the cultural institutions. Product cultural institutions regular "input" incentive, effective pulses in

⁹ Mokhtar, M. F., & Azilah, K. (2011), Motivations for visiting and not visiting museums among young adults: a case study on UUM students. *International Conference on Management (ICM 2011) Proceeding, Conference Master Resources*. No 2011-099-103

¹⁰ Barković, D. (1999). *Uvod u operacijski management*. Osijek: Ekonomski fakultet u Osijeku, p. 28

¹¹ Kotler, P. (2006). *Kotler o marketingu, Kako stvoriti, osvojiti i gospodariti tržištima*. Zagreb: Masmedia, p. 44

¹² Šola, T. (2001). *Marketing u muzejima ili o vrlini kako ju obznaniti*. Zagreb: Hrvatsko muzejsko društvo, p. 85

a community where there are and what should be served. The result of these impulses is neat, complete, creative sublimated transfer of cultural experiences, with the aim of continuation of identity regardless of the changes through which the community and its members pass. The most widely established goal of the cultural institutions, and its products, is the common good, as wisdom generated from the past.

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