

# Theatre management: models and strategies for cultural venues

Lluís Bonet  
Héctor Schargorodsky

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kontakt@kunnskapsverket.org

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**Authors:** Lluís Bonet & Héctor Schargorodsky

**Foreword by:** Milena Dragičević Šešić

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To the memory of Carlos M. M. Elia

To Roxana Meygide and Joan Fonollosa

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# Foreword

## Questioning Theatre Management: Southern (Contextual) Perspective

**Dr. Milena Dragičević Šešić**

The diversity of theatre systems in the world is impressive, in spite of the fact that the Western science (mostly its Anglo-Saxon approach) is permanently writing its own theatre history as the world history, and suggesting its own theatre practice as the universal model of theatre management and drama arts production and transmission. The academia had formed numerous theatre research centres, drama education colleges, academic journals and conferences so that the transfer of knowledge could be codified and easily achieved globally. However, most of the books and research published in this area deal with theatre history and theory, while it is only since the sixties of the 20th century that theatre management and theatre policy became subjects of academic investigations and education. In France, this started with two key books -*L'entreprise théâtre* by Raymond Temkine, and Jack Lang's *L'État et le théâtre*- and numerous short texts about precarity of actors and other employees in the theatre field (Dumur, 1978, 1979; Ferenczi, 1977; Badeyan, 1976). That led to very active theatre policies culminating in the period of 1982-1985 with the designation of Jack Lang as Minister of Culture.

At the same time in the US, William Baumol and William Bowen (1966) and Stephen Langley (1974) have written books devoted to the economy of the performing arts and theatre management, taking into account mostly the situation in the US performing arts market. Later, these two very different books (the former a research study and the other a manual) were followed by some others made for theatre entrepreneurs and producers, mostly designed as toolkits. In comparison with other areas of knowledge, the management and the scenic policies have not had a large number of analytical books dedicated to it (as can be seen in the bibliography at the end of the book).

These two approaches have been very different, as the French one started with understanding of social and policy context while the American one took as the only reality that of theatre market and economic relations in the performing arts sphere. Both can be criticised from the standpoint of methodological nationalism as the majority of concepts and data derive from the French and US contexts.

Since that time until today, numerous books have appeared to teach and train theatre professionals how to be successful and make money doing theatre in the Western world, having, on one side, Broadway as a paradigm and, on the other, national theatres and the city repertory theatres of Central Europe. These two contradictory and in a certain way complementary forms of theatre are not covering the rich and diversified theatre world even in the Western sphere. Usually, writers were omitting independent groups and stages, private commercial and noncommercial initiatives, amateur theatre movements, activism, community theatre and numerous applied theatre forms (Prentki and Preston 2008), such as theatres in prison. Even public cultural policies usually were defined in a very narrow sense, starting with theatre production policies and institutions, such as national and city theatres, leaving small percentage of budgets for independent endeavours of civil society. From Burghtheatre in Vienna to its multiple replicas throughout Central Europe, national repertoires became pillars of national identity building, keeping collective memories and developing national aesthetical expression, thus still today receiving major support from public authorities (Balme, 2008; Wilmer, 2008).

The respect that theatre receives in different cultures is directly proportional to the level of public subsidies that are invested in its productions and dissemination. As Klaić stated, on average more than 80% of theatre subsidies in Europe comes from public funds (Klaić, 2012: 23). The major role of theatre, in relation to other art disciplines, can be easily seen by the fact that even policies which should have larger cultural impact, such as decentralisation, usually start with theatre decentralisation. That was the case in France, since Jeanne Laurent attempted to decentralise French culture in the fifties of the 20th century. It was continued by the politics of André Malraux in the sixties (Houses of culture had to have one permanent performing arts company), and in the eighties were followed by Jack Lang's creation of numerous *scènes nationales* for theatre and contemporary dance throughout France.

On the other side, neoliberal “new public management” introduced other voices into the cultural public realm, asking for cutting off public funds for culture, for more effectiveness and efficiency in public spending, and more transparency in decision-making within cultural policy. Thus, public theatres (especially those with stable permanent companies) have been the first institutions to be pointed as organisations without strategic plans and evaluations (in the meantime, the use

of strategic planning became a norm in all public sectors). Slowly, the language of neoliberal public management entered the cultural policy sphere, provoking debates and conflicts, used and misused when public authorities wanted to get rid of some theatre manager (although the real reasons for dismissal were always more political than economical).

The book *Kulturinfarkt* (Haselbach et al., 2012) derived from these questions, generating a “cultural earthquake” by questioning the need of having such a “sclerotic”, but financially extremely important theatre system in Germany. It raised a cultural debate as until that moment there have not been any discussions concerning its high public expenditure. The authors used numerous arguments related to theatre management, wanting to show its inefficiency and discrepancy in regard to new public management demands. They suggested a huge theatrical reform that would remove from the permanent public budget at least 30% of city theatres in Germany. Their proposal was publicly rejected and the authors were accused of not understanding the theatrical ecosystem that have been developed through the centuries. The same ecosystem that introduced right in Germany new theatre professions such as the theatre director (*metteur-en-scene*) and the dramaturg, leaving a large corpus of theatre works that are a crucial part of German identity.

At the same time, with similar intentions, Dragan Klaić (2012) published his book *Re-setting the Stage: Public Theatre Between the Market and Democracy*, aiming to question the “sclerotised” European theatrical public infrastructure and its high cost, both in its east<sup>1</sup> and west sides. His death prevented him to engage in wider policy debates, although the book was translated and published in many languages. However, both books had succeeded in shaking, at least temporarily, the Western theatre’s cultural policy but the models of public repertory theatres and the demand for high budgetary investment were never radically put into question.

Meanwhile, outside Europe and the Western world, different theatrical traditions have been flourishing, incorporating rural theatre forms, traditional aristocratic genres, commercial bourgeois traditions, contemporary experimental expressions, political engaged street actions, and all hybrid and interdisciplinary forms that range from musical to digital theatres of the 21<sup>st</sup> century. In spite of that, in many countries of Africa and Asia there are rare models of public support to theatre institutions and companies. In most of the cases, there are no legal systems to define the status of performing artists and enable them to work

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1     Fifteen years before, he already engaged in the analysis of theatre systems in former Eastern Europe, reflecting upon contemporary performing arts and questioning the effects of its reform during the transition.

in decent conditions. Usually, precarity is the basic characteristic of the situation of artists in Global South. The state of the art would be similar in Global North, if it were not for public grants that enable the majority of actors and other artists to survive, as well as excessively commercialised creative industries (but there is also a market of side jobs outside the cultural field).

In Latin America, theatre had multiple functions as well as in “Latin” European countries such as Italy, Spain or France. Its cultural, political and social roles (Fischer Lichte, 2005) have always been intertwined and relations with daily political events evident, since Victor Hugo performance of the *Hernani* in 1830, until the Avignon riots<sup>2</sup> in 1968 (Jouve, 2018) and, more recently (2006), the Handke’s case at the Comédie-Française that forced its director Bozonnet to resignation. On the one hand, theatre was nourishing the “culture of dissent”, on the other hand it was politically controlled, as the authors of this book are also underlying. Thus, they are showing how performing arts management is pressured by political, administrative, artistic, and public and community logics, and how these different demands might influence both the artistic and management projects of the organisation.

Theatre had been also a major vehicle of different sociopolitical and economical changes, often included even in precise advocacy actions that were raising certain issues on the public agenda. In one of the most prominent cases, the efforts of the Birmingham Repertory Theatre to introduce a new programming policy of inclusiveness (using words from this book, it would be the “territorial development project”) ended badly. The experiment failed when the play Behzti, written by Sikh author Gurpreet Khaur Bhatt and selected in a public competition to improve the multicultural programming of the theatre, was “censored” by Sikh local community, judged as a blasphemy towards Sikh religion (Balta and Dragičević, 2017: 169).

In this respect, the most powerful example of theatre in a “territorial development project” is not only the theatre of the oppressed of Augusto Boal but his latest “method” - *legislative theatre* in Brazil. This method, pioneered during his tenure as a member of the Rio local parliament, introduced more than 40 issues

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2 The rebellion of the performing arts world in the sixties was strong not only because l’esprit du temps was asking for that, as it was generally a period of rebellion and counterculture. At the same time, it was the time of Cold War, and nationalisation of culture (under the name of politics of democratisation). Few examples from André Malraux’s theatre policies, imposed to French public theatres, clearly show the “inner” reasons for dissent and rebellion. Precise instructions were given to the Comédie-Française during a press conference on 9 April 1959, when Jean-Louis Barrault was put in charge of the Odéon Theatre and imposed to release 10 premieres per year, out of whom 5 had to be announced in detail prior to rehearsals to the Minister himself for approval, etc. Thus, for Malraux was logical to dismiss Jean-Louis Barrault for “disobedience”, as he had not turned off the electricity in the theatre, thus preventing student protests in May 1968 to happen there (Boyer, 1968).

in the parliament, out of whom 13 were approved. Theatricalising politics have been usual practice not only in Latin American theatre but also around the world, as numerous groups inspired by Boal applied his different methods in practice but also created their own methods and practices, from Jana Natya Mach and Studio Safdar in Delhi (Deshpande, 2015) to Janakaraliya Makkal Kalari (Theatre Of the People - TOP) in Sri Lanka (Jayaratne, n.d.).

In the global world of today, in spite of academically embedded methodological nationalism, there are more and more efforts to reconsider theatrical practices as international – open to different experiences from the world's peripheries and semi-peripheries. The efforts of Nicola Savareze and Eugenio Barba, in the realm of practice as research, show to what extent all these experiences are necessary for contemporary theatre development. These efforts are different from the new managerial tasks to make European university “global” (part of the process of corporatisation of higher education), competing with American and British academia which are developed within the framework of neoliberal university (Bala et al., 2017: 3). However, one of the most innovative Erasmus Mundus projects, the *Master in international performance research* (MAIPR), had to be closed due to its non-profitability (Bala et al., 2017), in spite of the fact that it involved 130 students coming from 49 countries and 48 scholars and practitioners from five continents. Its purpose was to enable understanding of theatre and performativity across different borders: borders of disciplines (including divisions between academic and practice-based research, between management and curatorship<sup>3</sup>), borders of states, ethnic groups, gender, sexuality, race, cast and class divisions, personal identities and urban-rural divisions. Such pedagogical experiment included, besides a core teaching group of Western scholars, also professors, practitioners and students from the world's margins. It also focused attention on peer knowledge creation in a real dialogue and innovative pedagogical practice, that went much beyond usual co-creation as planned in projects for EU Creative Europe or Erasmus+ calls.

These efforts tried to make the world of theatre and, rarely, academia truly international by involving knowledge produced in various corners of the world and outside the national ideologies and capitalist logic of production. But these efforts are often doomed in spite of networking, coalitions and partnerships that are advocating for multiple voices and cultural diversities in contemporary world. Several examples are showing the importance of networking for theatre art produced at the world's margins. International

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3 Students could realise their Master thesis as academic research papers, artistic practice-based research and curatorial or theatre management projects. This possibility is very rare as most of the programmes in the world are accredited as research or as practice-based in one area only.

network of women in theatre “Magdalena” (Fry, 2007) had shown solidarity across the globe, helping vulnerable feminist theatre groups to survive. Indian theatre forum is struggling to survive with its authentic programme SMART (*Strategic Management in the Art of Theatre*), aiming to develop capacities of emerging theatre groups around India belonging to different casts, ethnic and tribal communities<sup>4</sup>.

However, when the word “theatre” is used in contemporary discourse, it refers mostly to institutional systems that encompass a variety of theatrical practices (Klaić, 2012). This book of Lluís Bonet and Héctor Schargorodsky is offering their important contribution, by conceptualising “universal” issues in theatrical practice, practice issues that are relevant in a Global North and in a Global South, in different theatrical cultures, in their centres but also in their peripheries.

Lluís Bonet, professor of Applied Economics and director of the Cultural Management Program at the University of Barcelona, a specialist in cultural economics, cultural policies and arts management, had developed numerous important research projects that, in an innovative and creative way, have explored controversial and contested issues of cultural policy and management. Participating in numerous European, American and World research and teaching networks, he got an opportunity to widen his insights in both global and local cultural processes, that are influenced as much from the policy level as from different market vectors. Traveling from his native Catalonia through the edges of Europe (Serbia) until Asia, Australia, North and especially Central and South America, he directly experienced not only art practices but also models and methods of art management that are implemented around the world.

Dr. Héctor Schargorodsky is director of the Cultural Observatory and of the Master in Administration of Organisations in the Creative and Cultural Sector at the University of Buenos Aires. He works, as well, as a UNESCO expert in cultural policy and development topics. He has been theatre player, administrator of the Cervantes National Theatre and has assumed directive roles in different cultural state organisations in Argentina.

Both authors, as practitioners and academics, are aware of the training needs and the lack of literature that could be really useful for a new generation of art and theatre managers wanting to act beyond the walls of their theatre venues and beyond their national and even regional borders (often demanded from

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4 <http://www.indiaifa.org/platforms/smart.html> visited 23rd June 2018.

Western donors stimulating international cultural relations)<sup>5</sup>. Together they have already produced a book devoted to performing arts festivals (Bonet and Schargorodsky, 2011) and to creative and cultural industry strategies (Cano et al., 2010).

They know that practitioners and policy-makers need texts that are food for thoughts, enabling reflection and inner dialogue, comparing their own reality with different examples from around the world. In this respect, this book offers to theatre managers much more than usual knowledge that will be outdated soon, but instead presents contextual interpretations of different models and practices, thus helping the reader to develop abilities and capacities to explore, understand and respect different cultural policy and management phenomena in their own context. At the same time, it inspires the reader to rethink the possible use of different management methods in their own cultural world.

The book is composed of nine chapters, that are following the logic of understanding of the theatre institution in its social, political and economic context. In the first chapter, *The performing arts production and presentation system*, authors debate diversity of theatrical structures that resulted from centuries-long interactions of aesthetic currents, inclusion of different social groups, economic influences, political uses and misuses and mutual acculturation processes. Local habits, customs and values on one side and new technologies that brought new forms of entertainment also impacted on performing arts fields. The authors applied a larger version of the so-called performing arts value chain (that in the Anglo-Saxon literature starts with production), integrating education and even heritage conservation in its sociocultural cycle. Their analytical model departed from the structure-strategies-result interpretation diagram (Throsby and Withers, 1979), that was adapted to the Spanish context by Bonet and Villarroja (2008), enabling excellent understanding of all the vectors that influence contemporary art development. It incorporates cultural policy instruments and other public intervention mechanisms (legal and constitutional framework) on one side, market forces on another side, and the cultural context (audiences, local cultural offering, etc.) on another one. Thus, they are overcoming the typical approach that situates performing arts only in different markets (consumption, production, labour and rights) showing how all of them are interconnected and contributing to the creation of different formats of performing arts organisations and performing

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5 Personally, being from the former Yugoslavia (Serbia), notions like Western Balkans, Eastern Europe, Southeast Europe, Danube region, etc. were always limiting and narrowing the scope of the envisaged projects and their partners. A contemporary art manager, even if s/he is coming from one place that the world wants to see collaborating only “regionally”, has to go much beyond according to its own interest and thus find possible partners, as I did, as far as Tamilnadu in India or Ratana-kiri in Cambodia, etc.



arts systems, always integrating education, training, research and preservation to usual units of analysis of the theatre field (theatres, auditoriums, production enterprises and companies, festivals, etc.). That helped them to develop the typologies of theatre venue's that go beyond the specificities of different countries and regions, as it is based on several criteria: juridical personality of the owner; production capacity; content profile; and its goals.

Eleven typologies of theatres are presented. For readers, it might be challenging and inspiring to rethink them according to models that exist in their own context. Reading this, I looked for examples from two different world regions - Serbia and India - and classification worked for both, although it was always necessary to add some more specifications or even sub-models. For example, the university theatre might be of several types: belonging to the drama school (but sometimes, as in Ninasam in India, acting as a touring company of the drama school) or belonging to the student (university) cultural centres, and thus acting as production houses or open venues to welcome guest performances.

The second chapter deals with *Governance and Organisational Structure*, focusing on relations between political, strategic and operational levels. It is exactly the study of these dynamics that makes this book different from many theatre management manuals, that are more toolboxes with instructions for operational level management. Specific attention is given to governance of public theatres, due to the fact that here the political level might be extremely influential. Even in democratic countries, these tensions might be very present as both boards and managing directors might be politically appointed and thus responsible for (subordinated to) the adequate level of public governance. The authors stress important factors that influence and have an impact on theatre management. Performing arts institution have to behave differently than other public institutions and the private sector management. For example, when programming has been decided, in a selection process for an artist, public competition procedures (tenders) cannot be used. It has to be an author's decision that of who might be engaged as composers or actors in the future performance. The same goes for material resources and technological equipment. As the authors claim: "the demand for artistic quality requires discretionality"; hence often the labour law cannot be completely followed, as activities are usually carried out during weekends and night hours<sup>6</sup>. These are few of the many reasons why new public management procedures cannot be applied in the performing arts sectors.

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6 That is why since the 19th century in many countries specific laws on theatres with paragraphs relating to labour law of artists have been created (including the right to refuse the proposed role in theatres with a permanent company, etc.).

An important part of this chapter concerns stakeholders, understanding many different layers of community ranging from political class to public administration, media, donors and sponsors, audience representatives, community institutions, other professionals of the performing arts sector, as well as trade unions and different professional organisations representing artists employed. The authors of the book underline different logics and objectives that might influence the relationship with different stakeholders. From political logic, that is crucial in the relationship between political class and public organisations, to artistic logic, that is absolutely crucial for performing arts organisations in all dialogues with stakeholders, often in conflict with a social integration logic that would rather support programmes that are actively asked by audiences not taking artistic excellence into account, etc. In figure 5, authors show how general management is pressured by political, administrative, artistic, and public and community logics (I would add also the logic of market that is present in sponsors' demands – to make attractive, star-based performances) and how difficult is to keep its artistic integrity (excellence and quality, reputation, creative satisfaction) but also good relations with community and public in its widest sense. Thus, new typologies are derived: theatres with an artistic vocation and theatres with a commercial vocation, obviously having different strategies and methods of mediation.

In the third chapter, *Management Projects*, comes another original contribution of this book, by explicitly saying that the principal strategic obligation of the management of a cultural organisation “consists of transforming the mandate received”. The authors pose this question: what does it mean real leadership, one that is changing mission according to the vision and values? Thus, the comprehensive management project becomes crucial, integrating: the artistic project (repertory); the production project (technical and logistics aspects); and the territorial development project (linking theatre with spatial, virtual and/or social realms). It is exactly in this third element that new dimensions are introduced in cultural and theatre management: it is not enough anymore just to be a good administrator and to have excellent artistic projects (usually proposed by the artistic director or board) but it is important that theatre starts to resonate in its community and in its development. Thus, the authors insist that “it is important for creativity to emerge in all sectors of the organisation”, incorporating creativity as an important part of organisational culture. Of course, the development of a theatre organisation from scratch to a fully developed organisation, centre of excellence, demands at least few strategic cycles. The nucleus of creativity, that usually starts with a small group who found the organisation, should be dispersed as much as possible, creating a “radiant focus of creativity in large arts organisations” (Dragičević Šešić and Dragojević, 2005: 181).

Bonet and Schargorodsky underline that social, artistic and symbolic territories of a committed theatre have to be defined together with its mission and values. Physical territory is always easier to define, although in many cases it also opens questions of belonging and identity (i.e. Roma minority theatre that is covering spatially very dispersed communities often excluded from the cultural territory where are based; touring theatres that are created for serving diasporas, etc.). Symbolic territory might often go across borders (linking social groups who share the same values and interests; linking divided ethnic groups; connecting with a cultural memory that is relevant for both communities, etc.). Thus, Zoukak theatre from Beirut might find its symbolic territory in working with Syrian refugees in Belgrade, as Gorki Theatre from Berlin might have all Europe and especially its non-EU parts as its symbolic territory. Europe as a symbolic territory could best be seen in theatres whose artistic project (as demanded by this book) is based on strong moral codex, exploring and questioning European negative past (Gluhovic, 2013).

To achieve coherence of all three projects –artistic, production and territorial development projects– it is also necessary to relate to the outside world and develop interinstitutional cooperation strategies on three levels: a) with cultural, educational and social institutions on the territory; b) with the professional milieu (theatres, festivals, professional associations, drama schools, etc.), and c) on an international scale (theatre networks, festivals, markets, etc.). The authors suggest four types of cooperation combined on all three levels, from one-off agreements, through latent and associative networks, to the real programme partnership. All of these give to performing arts organisations and to cultural operators the possibility to rethink and re-conceptualise their way of operation locally and internationally.

The fourth and fifth chapters deal with resources management, underlying the crucial importance of human resource management in performing arts organisations, focusing on staff potential and motivations but not neglecting the external (employment regimes) and internal (organisational culture) factors that are influencing methods and ways of solving different controversies such as the necessity of public theatre to negotiate with trade unions, etc. The book links financial management with human resource management, showing to what extent individual artistic contracts represent the core of budgetary planning and why author's rights are at the heart of the performing arts organisation's financial plan. But the book does not neglect other financial issues, from philanthropic patronage and business sponsorship to income generation through pricing policy, advertising, shop and catering, rental of production equipment, spaces, etc. Cases of public and private organisations are debated in different frameworks, as their legal status has a crucial impact on managerial models.

Chapter six deals with crucial marketing and communication issues, starting with motivations and barriers to access, and taking into account different audience typologies. As in other chapters, here we also have the voice of practitioners, mostly from Spain and different countries of Latin America, that debate or give their opinion on certain controversial issues such as free admission or quest to secure sponsorship. Besides the traditional channels of advertising and promotion, the authors emphasise the role of social media networks and the establishment of a direct relationship with audiences.

In the seventh chapter, the authors address issues related to infrastructure, building management, technological modernisation needs, implementation of digitalisation that is now opening new possibilities in different operating systems, from accounts and administration to the control of lighting and air conditioning, general safety and security. Safety regulations are definitely a new theme of cultural management, as well as regulations and usage manuals for each technical task or professional occupation such as backstage, box office, treasury, etc. As new public management advice, outsourcing might contribute to cost reduction and efficiency of services and thus, in many public theatres in Argentina, “outsourcing means making a political decision, it is no longer a mere question of management”. In general, practitioners are more satisfied with “committed staff” than with outsourced personnel who need training and to be motivated to achieve successful results.

The evaluation chapter underlines its importance for achieving quality in the artistic as well as management and community projects. When questioning evaluation criteria regarding quality measurement, especially as it has both tangible and intangible attributes, authors quote as tangible ones opportunity, accessibility, precision, continuity, comfort, courteous treatment or price. As intangible, they cite prestige, associated social status or the sensation derived by the acquired experience. Here obviously every culture and every theatre context can add its own criteria, especially those that are directly deriving from the performing organisation goals. Thus, this book can be read as an “open work”.

In the conclusions, the authors give reasoning why they have written this book. Showing how theatre management is becoming a more and more complex affair and to what extent it requires professionals with extensive knowledge, a variety of skills but also numerous qualities, such as attitudes and behaviors that demand stronger ethical stands than those of managers of other business service organisations. They have offered in a very systemic manner an overview of issues that are representing crucial challenges for the manager of a performing arts organisation across the globe. Everyone can find information, ideas and advices, but more than that, stimuli for self-reflection and learning. The book

offers an opportunity to readers to situate models, methods and techniques in contexts in which they (theatre operators) are working, or in which students of theatre management and production are learning.

This book asks many important questions to performing arts policy-makers and practitioners. It approaches the world of theatre organisations from multiple perspectives: from cultural studies, theatre sociology, economy of culture, organisational sciences, public policy...

It is a comprehensive, well-written book that represents a critical account of all substantial issues of theatre policy and management and every theatre professional should consider it a new source of knowledge, be it a director of a city theatre in the Western world, or a theatre entrepreneur in Sri Lanka or Nigeria. But even more important, this book is for academics who are teaching in the area of cultural management and cultural policy, as they could use it in their teaching, but also for widening research perspectives towards transdisciplinarity. Yes, this book is the seminal work in the world of theatre production and management that boldly addresses issues of management, financing, fundraising, audience development, but above all, issues of excellence, quality, and evaluation. By addressing these crucial challenges, showing their complexities, it is a very useful learning tool when discussed in class, but also in a theatre organisation or within an informal theatre group.

Contemporary world and theatre practitioners of today need the insights coming from around the world, as the art scene is becoming more and more global, and at the same time very specific, as embedded in local traditions. Festivals, tours, residencies, and mobility programs – all of that is making theatre value chain intertwined and interwoven. Inuit performance is and will be validated in Bogota and Paris, as much as in its own community, while Latin American shows will be assessed in Japan, Kenya or Warsaw. Thus, theatre operators have to be aware of policies and processes that might be relevant elsewhere, as the whole globe is now the new cultural territory of creativity and exchange.

To conclude, this book offers a platform for critical reflection, comparison and verification of policies and practices that are relevant from Canada to Australia, from Finland to South Africa, from Nigeria to Vietnam. Excellent and useful resource, it will be used in continuous professional development as well as in academic research and teaching, as an “open text”, open work that each of us can complement with personal experiences.



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# Preface



## Contribution and structure of the book

Theatre management is an exciting adventure. Firstly, because working with artists to help realise their projects is something intrinsically motivating. Moreover, because it is about reaching audiences with a set of proposals that will make them get emotional, dream, think, suffer or laugh; and that contribute to increasing the cultural capital and social bonds of a community. And finally, because managing a theatre or an auditorium means solving new challenges everyday, using a scorecard system with several intangible qualitative indicators, a common feature of the cultural sector as a whole. All that requires a great deal of professionalism, but also of flexibility and leadership.

This is a work aiming to provide a comprehensive and analytical perspective on managing performing arts venues, be they theatres, auditoriums, alternative venues or any other space adapted for presenting live performance. It combines contributions from cultural economics, cultural politics and strategic planning in order to propose, from a critical perspective, a management model easily adaptable to diverse realities.

There are few books that address this subject from this point of view. Strategic design or planning count on some reference works focused on the cultural field, but very few specifically geared towards how to globally manage theatres. Most of the publications concern the reality of a single country or take as a reference the English-speaking world. The book presented here embeds the experience of many typologies of theatres and of a large number of directors, with a broad diversity of nuances. It recollects the perspectives of about 30 professionals from seven different countries, mostly from the Latin countries of America and Europe. Moreover, the method used to collect their visions – with interviews, open debates and reviews – enables the nourishment of the authors' conceptual contributions with concrete experience derived from exercising the profession.

Care has been taken to avoid the classic textbook, as well as case analysis, but it is evident that, given the thematic ambition of the work and the specific profile of the authors, the intention is to support the process of education and professional reflection of those people working in cultural management. Perhaps for this reason, several diagrams and examples have been used. The presented models are not intended to be universal, since each context requires its own solutions. The designations employed could be different in other parts of the world or institutional contexts, however the essence of managing a theatre venue will be the same. As Guillermo Heras, coordinator of Iberescena Ibero-American cooperation program comments, *“I have seen many models being duplicated and failing miserably when transposed to different socio-cultural contexts. Therefore a deep analysis of the space where developing a cultural project is crucial to define the parameters on which we will build the project”* (Heras, 2012, p.41). It is from this philosophy that the book shares models and recommendations.

Anyway, the criteria enabling to manage performing arts venues constitute an excellent paradigm for managing other artistic or heritage projects. Within these venues prototypes are created, since each show is different, strategies for communication are designed to capture the attention of audiences with diverse motivations and the work is carried out by thinking not only about audiences, but also about the growth of the community as a whole.

Throughout Western history, theatre management has been an eminently empirical activity, beyond its longlasting tenure and its relevant social value. Knowledge transfer in this field was limited to the description of steps and activities involved. In some cases with a humorous and ironic tone, like in the text of Benedetto Marcello as early as 1720, or in an encyclopedic way in the handbook by Conte and Langley (2007). With the development of academic education in the field of cultural management and administration, a growing number of works started to appear, being the marketing perspective the most extensive, with classical texts such as the ones by Colbert (1994) or Kotler and Scheff (1997). Nevertheless, a plural view based on the experience of theatres in Latin countries of America and Europe was missing.

The work is nourished by the professional and academic experience of the authors, complemented with a number of professionals' quotes from different Latin countries, both of America and Europe. In the foreword, Milena Dragičević Šešić, UNESCO Chair in cultural policy and management and former rector of the University of Arts of Belgrade, situates the Latin experience in the international context. She claims the need to take into account different perspectives, beyond the Anglophone literature, that enable to manage artistic production and presentation from a local viewpoint while considering the wealth of experiences and existing management models at the international level.

The qualitative leap proposed in this book consists of structuring and systematising, from a holistic perspective, theatre management as the synthesis of three complementary projects: the artistic proposal, the production project and the strategy for community territorial development. In the second part of the book, these three projects engage in dialogue with traditional management strategies: human resources, funding and costs, marketing and communication, material resources and services, as well as evaluation models. All this nurtured with conceptual models, quotes, critical reflections and examples.

In the first part of the book, each one of these projects and the respective strategies are presented, preceded by two key theoretical reflections: the first places theatres as part of a production and presentation system, its markets and respective governmental supporting policies. The second one analyses in depth the governance system, the relationships between political, strategic and operational levels, as well as the profile and functions of the direction and the organisational structure of theatre, among other aspects.

The second part is dedicated, from a strategic perspective, to the management of different resources needed for a good implementation of the three main theatre projects: artistic, production and territorial development. The first area analysed is human resources management, core element in any organisation, but a great challenge when it comes to harmonise the artistic personnel with the technical and administrative ones. Issues like organisational culture, personnel profile, selection process or motivations, as well as labour system and salaries are the cornerstones of said area. The second strategy analysed is related to costs and financial resources: from strategies for budgeting and cost planning, to different sources of funding (pricing policies, patronage and sponsorship or advertising, among others). It includes a reflection on determinants and effects of public contribution.

Marketing, communication and institutional relations make up the third area. Starting from a reflection on how these are embedded in the performing arts system, different strategies for the media and social networks are analysed, as well as available tools (distribution, pricing, promotions, advertising or customer care). Furthermore, the specificities of institutional relations and protocol are considered.

The fourth strategy integrates the issue of managing infrastructures and suppliers. It examines the consequences of technological challenges, and includes the analysis of investment strategies, maintenance issues and other topics related to prevention and security control. Finally, the second part of the book concludes with the processes of management evaluation and control, with a debate on the issue of quality and a proposal of scoreboard and evaluation indicators.

A final chapter, by way of an epilogue, presents the conclusions disseminated through the writing process of the book, with the aim of raising more questions than clear answers. The qualities of a theatre manager are further explored, in order to highlight the need for leadership and a holistic approach for leading venues that are positioned at the crossroads of artistic, social, economic and political logics.

Finally, the contribution of the book's bibliography is not less important, since it includes a selection of reference works, at international level and in particular from the Latin world, of great utility for those who desire to expand their readings. As Milena Dragičević Šešić states in her introductory text, there is a remarkable scarcity of analytical books dedicated specifically to performing arts management and policy.

## Genesis of the project

The idea of writing this book emerged over the course of different seminars and projects of inter-university cooperation jointly organised by the directors and professors of the masters and postgraduate courses in culture administration of the universities of Barcelona and Buenos Aires. At each meeting, information was shared on different aspects, both practical and theoretical, related to contents of the core subject areas of the respective educational programmes. On another note, the review of the existing specific literature, relatively scarce, did not meet the concerns of professors and students regarding the conceptual keys governing the functioning of cultural spaces and projects in our regions.

At the same time, Latin American and European realities showed us different evolutionary processes: conflicts, reconversions and effects of the economic crisis, but also innovation projects, others highly socially involved or pursuing excellence in order to compete internally and internationally. Moreover, the generational turnover, with young people better prepared than their predecessors, was extending the results of many projects. All this needed to be told and conceptualised, overcoming case analysis or best practice approaches. Hence, the attempt to write a book on theatre management that started from listening to its management teams. Thanks to the initial support of the Inter-University Cooperation Programme "Professional management in organisations of the cultural sector", funded by the Spanish Agency for International Development Cooperation (AECID), we were able to gather directors from Río de la Plata, Spain and France during different seminal key seminars. At the same time, the enthusiasm, vision, determination and insightful analysis of Carlos Elia were fundamental. His conviction about the need to share the experience of

professionals, with a scientific yet understandable focus, nurtures the present work from the beginning. Starting from these stimuli, the book gradually emerged during regular stays of the authors in both sides of the Atlantic.

It is worth stressing that without the quotes and comments of a good wealth of directors of public, commercial and independent theatres, as well as experts of the performing arts market from different countries, the result here presented could not have been reached. We would have liked to have more women among the directors invited to take part in the debates, but similarly to what happens in many other organisational realities, those in charge of the vast majority of cultural venues are men.

## Acknowledgements

Firstly, we would like to highlight our debt of gratitude to Carlos María Manuel Elia, first director of the degree in Administration of Performing Arts of the Faculty of Economic Sciences of the University of Buenos Aires and director of the Complejo Teatral de Buenos Aires. Thanks also to Milena Dragičević Šešić, who accepted to write the foreword of the English version of the book, contextualising her contribution in the international arena.

Secondly, we want to thank all the theatre directors, members of the management teams and experts of the performing arts sector who have taken part in the seminars organised by the authors or who have been interviewed during the drafting of the book. Their generosity in providing valuable contributions and creating a climate of openness and freedom during the dialogue has been fundamental. Even if the list is long, we sincerely want to thank: Antonio Álamo, Julio Baccaro, Juan Calzada, Francesc Casadesús, Gonzalo Centeno, Jaume Colomer, Rubens Correa, Fernando De Rito, Alfred Fort, Ariel Goldemberg, Gerardo Grieco, Mercedes Guillamón, Guillermo Heras, Leandro Iglesias, Doménec Reixach, Andrés Rodríguez, Carlos Rottemberg, Salvador Sunyer, Kive Staiff, Ricardo Szwarczer, Toni Tarrida and Margarida Troguet.

Moreover, this work would not have been possible without the critical reading and accurate comments to the Spanish version of the book by Tino Carreño, Jaume Colomer, Leandro Iglesias and Ariel Stoler, and for the English version the coordination work of Giada Calvano and the translation by Debbie Smirthwhite. Thanks also to the wholehearted support of other colleagues of the respective educational programmes, who regularly join us in our reflections on cultural management and its contexts. On the Catalan side, the connection and support to the project given by Albert de Gregorio, Àngel Mestres, Emmanuel Négrier, Pep Salazar and Jordi Tresserras. On the Buenos Aires side, Cecilia Báez, Bruno Maccari, Graciana Maro and Carlos Moneta. Thank you all very much!

From an institutional perspective, our respective universities and the Complejo Teatral de Buenos Aires have given us the chance to devote time, use their facilities and services, and count on this great community of professionals, professors and students who, year after year, have listened to partial versions of the book and improved our thinking with their contributions. We want to thank also the Inter-University Cooperation Programme of the Spanish Agency for International Development Cooperation (AECID), without whose help we would have not been able to cross the Atlantic so many times, gather professors and professionals of the sector around us and publish the original version of the book in Spanish. Finally, thanks to Kunnskapsverket, Knowledge Works - Norwegian Knowledge Centre for Cultural Industries for agreeing to publish this work in English.

***Lluís Bonet and Héctor Schargorodsky***  
*Barcelona and Buenos Aires, 2018*



# Part one



ph: Halejandro Cortés

# Performing arts system and management models



1.

# The performing arts production and presentation system

## 1.1 The social role of live performance

The essence of theatre, music and dance performances in the West has not varied substantially over the last 2500 years, since the live show is, ultimately, a direct encounter that transmits and generates emotions between the performing artists and the audience. From this viewpoint, the functions at theatres in Ancient Greece had many aspects in common with performances today. The **θέατρον** or Greek theatron was, and continues to be, a “place for contemplation” where comedy, tragedy, dance and music reflect the spiritual mood, concerns, conflicts and interests of society.

What have changed, beyond the obvious differences in the ideological, aesthetic, social, political and religious perspectives that separate us from that era, are the creative and social perspectives, as well as the management processes and the technology necessary for constructing shows and sharing them with the audience. Firstly, creators and actors alike have refined their languages, methods and techniques. Secondly, the inter-relation with audiences has been markedly transformed over the course of time. In recent years, for example, there has been a change from a one-way relationship, in the best of cases with the aim of democratising access to culture, to strategies of empowerment of the audience, incorporating it into the creative or co-programming processes. Thus, spaces for representation have evolved and the distribution circuits have become more complex, to the point of shaping the current performing arts system, which in the majority of Western countries comprises everything from publicly-owned theatres to large commercial theatres, from alternative venues and independent companies to major production enterprises, from art factories or artistic residencies to multi-purpose spaces, from collectives of artists to distribution agencies. All this is reflected in their spatial distribution, in their organisational composition or in the integration of the personnel teams that work within them.

Live shows can be presented in different spaces, from streets, squares, private residences, churches, bars and other social meeting places, to spaces constructed specifically for this purpose. These structures, which we will generically call “theatres”, may have extremely different spatial configurations: highly varied size, fixed or mobile stages, and differing positions of the audience with respect to the stage, along with other variants. The same occurs with their technical equipment: very simple venues coexist with other, ultra-modern facilities equipped with sophisticated stage sets, acoustics, lighting and sound, safety and air conditioning systems.

The diversity of theatrical structures is the result of interaction between different factors which can include: the aesthetic currents of each era, artistic genres and styles, the incorporation of new groups, classes and social collectives into the production and enjoyment of live shows, different models of management of production and presentation, as well as the particular habits of each city or region. The visible result in the performing arts spaces of today is a complex heterogeneity in which it is possible to follow the constructive evolution that accompanied social, political and technological changes in the West. It is possible to appreciate the different organisational and architectural models that defined eras and styles, such as the Elizabethan theatre or open-air comedy theatre in the 17th and 18th centuries, salons at palaces and the more modern Italian-style theatre, all typical constructions in cities in Europe. It is worth pointing out that this latter model is the one that was implemented in the Americas during the 19th century, constituting the material base upon which the contemporary performing arts system was founded. This has evolved both towards highly specialised and technified venues and towards the breakaway from all types of spatial conventions.

Moreover, changes in society's habits, together with the appearance of new forms of communication and entertainment such as cinema, television or the Internet, with all the possibilities for digital interaction, have also influenced the processes of the gestation, construction and delivery of the live show. The adaptation has been twofold: on the one hand, an audience that is increasingly and omnivorously demanding, forcing the modification of formats, contents and values; on the other, the new needs for expression and innovation emerging at the very heart of the performing arts world are always a dynamic driving force for change and transformations. Another factor to be taken into account is the strong competition from the set of alternatives offered for leisure time or personal development. The variety of goods and services available demands the conceiving and implementing of imaginative commercial and communication strategies in order to avoid losing positions in the respective markets. In any event, as pointed out by Kive Staiff, the historical director of the Teatro San Martín in Buenos Aires: *“Theatre is an art that will stay alive as long as the*

*human presence remains; that is its advantage with respect to other artistic manifestations. There is a movement, an unconscious vibration between the spectator, who is there watching, and the artist, a flesh-and-blood actor who is giving his all on a stage.”*<sup>1</sup>

## 1.2 The performing arts system and its markets

One way of understanding the functioning of theatres as spaces for performing arts representation consists of situating them within a system, where other organisations also participate. The functions of formation, production, presentation and conservation of the heritage legacy received are shared between organisations that, sometimes, fulfil more than one function. The main role of the “theatre” facility is that of presentation, but depending on its mission, capacity and resources, it may also contribute to the other functions, in particular the production of shows. The structure-strategies-results interpretation diagram traditionally used by the industrial economy, adapted to the field of the performing arts by Throsby and Withers (1979) and to the Spanish context by Bonet and Villarroya (2008), is interesting for application to theatre management, as it facilitates the contrasting of the market sphere with that of public policies. This interaction enables the play of inter-dependencies to be seen along with the relations of a vertical nature between the base conditioning factors (the legal, political, social, economic and technological framework) and the structures, strategies and results obtained. Furthermore, on a horizontal scale, it shows that the relationship between public policies and market agents is not only causal but mutually inter-dependent.

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<sup>1</sup> Quotations between inverted commas without a specified source correspond to personal interviews conducted by the authors, historical quotations, or the transcribing of comments expressed at the Seminars with theatre directors organised during the time this book was written, between 2007 and 2011 (mainly at sessions in Montevideo, Barcelona, Buenos Aires and Girona).

Figure 1:

*The structures-strategies-results model applied to the performing arts sector*



Source: Bonet and Villarroya, 2008.



Meanwhile, market structures (level of competitiveness or internationalisation of the market or singularity of the shows) interact with public policies (their aims and instruments), the strategies of theatres and companies (their theatrical project and resources management), and governmental strategies (assignment of resources, intervention mechanisms and competition, and intergovernmental cooperation practices). All of these conditions, in turn, the economic, social and political results of the performing arts activity in the form of an upwards feedback effect, in such a way that in the medium term the results ultimately modify the strategies of private and public agents, as well as the structures of the performing arts market. The degree of institutionality of each of the agents present, as well as the multifunctional transversality or relations of interdependence, can alter the strategies used. Thus, for example, a performing arts production company with its own presentation space, which receives public funds and hires independent professionals develops strategies and obtains results different to those of a company under sole proprietor ownership or an actors' cooperative that only produces plays.

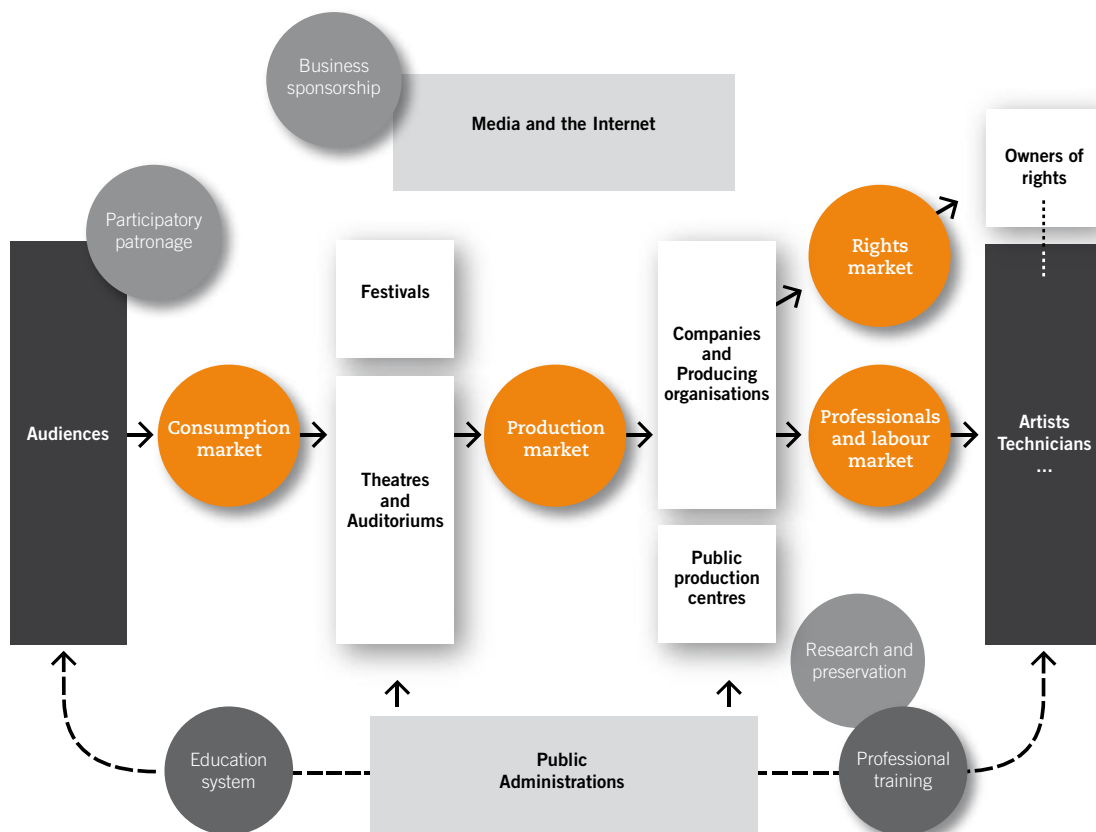
From an economic viewpoint, the performing arts system is structured around a set of markets - consumption, production, labour and rights - that are interconnected to each other. The different production units - independent companies, production enterprises, public production centres or others - offer theatres (sometimes under their own ownership) and festivals a set of presentation-ready shows, occasionally co-produced. For their part, those presenters that make up the demand for the production market offer works to an audience that is demanding shows. According to their budgetary availability and artistic orientation, each theatre or festival selects a programme that it hopes will correspond with the needs and expectations of that part of the population which they aim to serve. As can be seen in Figure 2, together with stable or more alternative theatres, we find festivals, which are events that during a short but intense period offer a unique programme of performances and other parallel activities (Bonet and Schargorodsky, 2011).

Festivals and permanent theatres fulfil a prescriptive mission to the extent that their programme makes up the offering of performing arts shows immediately available to the population. For this reason, the variety and quality of the performing arts offering determines, in the medium and long term, the performing arts capital of a community along with its willingness to accept or demand a determined programme, for example, that is more traditional or more avant-garde. In those places where the number of theatres and shows is very small, the selection made by the respective programmers is the only one available to an audience that only occasionally may travel to other cities or countries. The contribution of the Internet and of some specialised television channels means it is possible to have access to references regarding what is happening elsewhere,

but never to experience the performing arts phenomenon live. In large cities, the existence of a broader, more specialised and competitive presentation market allows a larger range of options.


Figure 2:

### The performing arts system



Together with the barriers imposed by a limited local offering or by the accumulation of a determined cultural capital (with unequal distribution according to the population's educational or social level), a barrier also exists of an economic type. The cost of producing and presenting a show based on craftsmanship, where actors and technical staff must give the best of themselves at each performance is, in the long term and in absolute and relative terms, increasingly





expensive.<sup>2</sup> This explains the growing differential between the cost of production and presentation of a live show and the proportional part that is covered by each of those attending it via the price paid (of the entry ticket, indirect consumption, etc.). This difference, especially high in the case of the majority of public or alternatively subsidised theatres, is contributed mainly by governments. In the case of musical or commercial theatre for large audiences, the admission price may come to cover a very significant part of the cost, and if the show is a hit, provide major earnings. In both cases, the greater the prestige or the public impact of a show, the greater the importance of private sponsorship or advertising income (although in continental Europe and Latin America it is less important than in the English-speaking world). Finally, in the sphere of independent or alternative theatre, the self-exploitation of artists, the low cost of productions and, on some occasions, community contributions, allow their survival.

In the majority of Western countries, particularly those that have developed more solid welfare states, the role of the public administration is a determining factor for the performing arts system. Its role consists of directly providing or subsidising a large part of services such as performing arts training, production or presentation with the aim of reducing social and economic barriers to access. Thanks to such intervention, citizens can enjoy a broader offering, in terms of territorial and thematic scope, and more affordable value for money. Thus, on the one hand, many theatres and public production centres place at the disposal of the performing arts system not only their habitual home, but also a type of show of a size and quality generally above average. In some cases, these productions circulate around other theatres and festivals, which enables complementation of the offering available for presentation. On the other hand, public theatres, in their presentation facet, allow access by the public at modest prices to expensive shows that would only be viable in major cities (the place where most commercial private theatre is concentrated). This governmental support for production and presentation is completed with efforts to train artists and technicians, support for research and the safeguarding of heritage, as well as an educational policy that incentivises in people a taste for live performances in all their different traditions and stage genres.

The performing arts system is fundamentally structured into two major markets: the production market and the presentation market, which is complemented with the rights market (which remunerates authors and other holders of rights), plus the

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2     A detailed analysis of the economic dynamics of live shows can be seen in the seminal work by William Baumol and William Bowen (1966), who show that the difficulty in improving the productivity of live shows causes the inexorable increase of their costs and justifies the direct or indirect support of the public administrations given the collective value and external benefits inherent to cultural activity.

labour market formed by artists, administrative and technical staff. The production market has as its suppliers different production centres, from independent companies to private enterprises, cooperatives or theatre micro-companies, and including independent musical groups and public production centres. Theatres and festivals make up the demand that acquire in the aforementioned market, or co-produce with its agents, products adequate for their line of programming. For its part, the presentation market's different suppliers are the theatres and festivals that negotiated their shows in the production market; and its consumers are the audience that attends. When one same theatre produces and presents at the same time, this double market is not made explicit.

The pricing policy in both markets depends on the degree of public intervention, the presence of private sponsorship, the purchasing power of the reference community and, evidently, on the prestige and on the volume of resources that the different artistic proposals are capable of generating. The greater the contribution of the public sector, the less the prices of the production market depend on prices paid by the consumer. In a strictly private system, the ticket office contributes the majority of the revenue to cover the costs of presentation and production, which means the royalty fee (payment of a sum determined based on the number of performances) negotiated with the company or the latter's participation in the ticket office takings, depending on the volume of potential revenue originating from the audience that attends. The possibility also exists of mixed forms that combine the two options.

In turn, theatres use part of their income to produce new plays, to acquire presentation rights for the shows that make up their programme, thus fuelling the performing arts production market, and to remunerate their professionals. Two major systems regulate artistic remuneration: collective agreements resulting from union negotiations and the free market based on the evaluation of prestige between supply and demand. This second mechanism can generate major differences in remuneration within a single production, according to the professional's ranking in the star system. Sometimes this gap may be reduced when participating as a partner in production companies or due to social motivations. Moreover, many theatres manage to increase their own income through the ad hoc hiring out of spaces, the providing of complementary services (shops or catering), third-party advertising or the sale of merchandising linked to their activity, among others.

As mentioned previously, forms of public support are more diverse, as they range from direct subsidisation of production (with the consequent reduction in product cost) to contributions paid to theatres (via competitive grants or budgetary allocation), passing through formulas such as direct subsidising of audiences (handing out of vouchers or direct payment of admission tickets by



the administration). Another form of governmental intervention and support is based on tax deductions. These may take the form of a lower indirect tax (reduced VAT for admission to shows), exemption from direct taxes or more affordable rates, or tax relief on donations to activities of general interest, which encourages philanthropic patronage and business sponsorship. In other words, the public sector directly or indirectly influences the prices of both markets. Also, the support policy for vocational training schools (artistic and technical) and for specialised research centres helps invigorate the sector and strengthen its own performance, choreographic and musical legacy.

The public ownership of certain theatres explains both their greater economic viability (potential losses are covered by the responsible administrations), and the administrative and procedural limitations faced by their managers. As already commented, and in comparison with private, commercial or independent theatre, the proportion of revenue that comes from the ticket office or other self-managed resources of public theatres is usually significantly lower than their expenditure budget. This factor reinforces the need to define with clarity the public policy objectives that it is aimed to achieve, as well as to equip these organisations with the regulatory instruments necessary to achieve them, in order to legitimise their existence before society.

Another relevant agent is that made up by the media. Their influence reaches both creation and production alike – fundamentally through criticism or content and space granted in reviews and interviews – as well as consumption, by conditioning the audience's decision to attend. Investment in advertising by companies and theatres is complemented by the cultural news sections of newspapers, radio and television. For its part, the Internet opens up a dual communication channel, by allowing both artists and theatres as well as the interested public to inform and to be informed (for example, investigating tendencies or other offers) and to share opinions.

The performing arts market competes with the other offers of cultural consumption and leisure, both domestic and in the public space. At-home consumption of the extremely broad offering from the television and the Internet demands that theatre managers singularise their offering emphasising the unique value represented by the physical proximity between the cast of actors and the audience. The performing arts sector itself does not represent the main competition, although sometimes it is necessary to advance through shared strategies of social reappraisal of the live performance.

The general landscape in the performing arts market varies by regions and countries, as can be observed in the comparative studies that exist (Maanen and Wilmer, 1998; van den Berg and Smithuijsen, 2008). In the majority of

small- and medium-sized cities, the number of agents is limited, with local public theatre<sup>3</sup> – nearly always municipally owned – and its offering of third-party productions, from the local amateur or independent sector, in both the theatrical and the musical spheres. In these types of localities there are no commercial presentation theatres. The majority of professionally-produced works that are presented originate from elsewhere and amortise their costs based on the regional or national tours that they undertake. In those countries, especially European ones, that have a high number of public presentation theatres, a large part of the performing arts system – especially independent production – is fuelled by the possibility of touring the regional geography to amortise the investment in each production. Often, the difference between the cost of the show fee and the fundraising potential of a play is assumed as a loss by theatres. In the logic of public service, every time that a show is purchased, the choice guides the production market and, in addition, summons the audience whom the offering is addressing. The programmer's selection criteria, which are individual but have a collective impact, will ultimately influence the prevailing artistic genres, languages and styles, as well as the consolidation of a local production sector.

In the large cities, the performing arts system is more complex. In them, central public theatres coexist with many other privately-owned, commercial or independent presenting venues; it may even coexist with a local public theatre that programmes a play produced by third parties for a few days. Commercial theatre maintains stable structures only in this kind of context, as it requires a high and constant flow of people attending to be economically viable. As for non-commercial venues, although small projects of great interest may exist in small cities, the vitality and variety that is concentrated into the performing arts market in the major cities allows it to achieve its targets in terms of artistic quest and programme quality. These venues usually also receive some public subsidies for the renewal of infrastructures, educational extension projects or payments of services.

In small- and medium-sized cities, theatre presentation activity subsists fundamentally thanks to public intervention, while musical expressions are mainly sustained through their association with festival events and rely on resources originating from the consumption of food and beverages. The majority of old association-type theatres have either been converted for other

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3 Distinguishing between central and local theatres (Bonet et al., 2008) enables understanding of the diverse levels of territorial responsibility. The former act on a supra-local catchment area, which sometimes stretches to the entire national territory, or may even ultimately have international influence. In contrast, local theatres, many of them municipally owned, focus their responsibility on satisfying the demands of the population and local performing arts agents.

uses, or subsist with difficulties by housing amateur groups and/or educational activity, as well as continuing to be used as meeting spaces. In certain cases, they have been remodelled with funds from the local authorities thanks to their social significance and to avoid them infringing the safety regulations in force.

In many countries, universities play an important role in the configuration of the performing arts system. Their task features cultural outreach activities and the presentation of shows or the organisation of workshops or conferences, as well as academic research and training. This task is fundamental for creating spaces for the production and presentation of new performing arts tendencies.

Finally, international cooperation plays a dual role within the system: introducing the artistic activity of the respective countries of origin and empowering interaction with local agents, reinforcing cultural cross-fertilisation. In less-developed countries, both initiatives may be essential for the development of the national performing arts system. It should be taken into account that in such countries, beyond the national capitals and the odd other large city, theatrical life – and to a much lesser extent musical activity – is very limited.<sup>4</sup>

### 1.3 Typologies of theatre venues

Two central characteristics allow the construction of a typology of theatrical venues beyond the particularities of each country and its performing arts system, and the mission that each project assumes. Firstly, the juridical personality of the owner of the venue and/or of its management. Secondly, the capacity to participate totally or partially in the production of the shows that are presented. This second aspect may have specific characteristics depending on the performing arts genre in question. Furthermore, the dimension of the surrounding territory, the characteristics of the venue or the goals of each facility ultimately configure an ecosystem of numerous typologies (often with blurred boundaries between them).

In relation to juridical form, we can distinguish between: a) public ownership and management; b) public ownership and private management; and c) private ownership and management. Within each of these models it is possible to find variations that respond to the legal, administrative and political traditions of

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<sup>4</sup> For example, in Peru, some 60% of performing arts venues (33 out of 54) are concentrated in Lima, and in 14 out of 25 regions not a single theatre exists (De la Puente, 2014).

each country. Moreover, the prevalence of one juridical form over others (or even a lack of own juridical form) may respond to circumstantial, political or fiscal advantages. This aspect will be dealt with in greater depth in the next chapter.

The second aspect considered is the capacity to undertake the production of shows. While some theatres completely produce the majority of the plays that they present (and which they often exploit through tours), the vast majority only present works produced by third parties. Between the two options, diverse possibilities exist: the entire production of a specific play, executive co-production (majority or minority) and economic or financial contributions or the contribution of services (providing of spaces, workshops or materials). In this latter case, it is possible to reach agreements with companies or independent groups so that they prepare and premier their latest productions at the theatre. Another similar alternative consists of counting on an associated company or company-in-residence, which uses the theatre's infrastructures to prepare its shows temporarily or permanently.

At all those theatres with in-house production, especially the more traditional ones, the institution is responsible for the entire team and the process of design and interpretation (from artistic groups or casts to the stage set, instruments, scores or costumes). The management of these theatres decides which aspects may be contracted out and which can be provided by their own teams. Models also exist where all or part of the executive production can be outsourced to external units made up of independent professionals or of production companies.

Beyond the specificities of each venue, the characteristics mentioned allow the distinguishing, from our perspective, of the following eleven categories of theatres:

- a) public opera theatre with in-house production*
- b) public theatre with in-house dramatic/choreographic/musical production*
- c) public theatre for presentation and occasional production*
- d) permanent public presenting theatre*
- e) public or private theatre with occasional performances*
- f) private producing and presenting theatre*
- g) private presenting theatre*
- h) small-format alternative venue*
- i) university theatre*
- j) non-conventional venue*
- k) theatre without an in-house professional programme*

#### **a) Public opera theatre with in-house production**

Opera, by its very definition, is the most complex of the traditional stage shows as it incorporates music, dance and drama into a single work. Its high costs make its survival very difficult within structures under private ownership.<sup>5</sup> These theatres nearly always have their own juridical form, as this not only gives them autonomy of management but also facilitates their obtaining of sponsorship. In general, they have broad structures of artistic personnel (orchestra and choir, sometimes ballet and, in the Germanic tradition or that of the former Communist countries, their own company of singers), as well as administrative and stage technician personnel. A substantial part of their shows are in-house (contemporary or repertoire) production or in co-production with other theatres, although some resort to external productions.

#### **b) Public theatre with in-house dramatic/choreographic/musical production**

Producing dramatic, choreographic or musical shows demands access to space and specialised personnel. This enables such theatres to produce a programme featuring numerous in-house or co-produced shows, and in exchange host some singular works. They usually tackle works that are artistically and technically complex, with large casts of their own or hired for the show (orchestras, choirs, and others). Often, some of their productions tour around theatres or auditoriums at home or abroad.

#### **c) Public theatre for occasional presentation and production**

Theatres that combine presentation of outside shows with occasional in-house productions have much lighter structures than the previous ones. The combination of a line of programming consistent with the occasional in-house or co-production allows them to forge a singular artistic personality. Forming part of collaboration networks enables them to opt for shows on tour that coincide with their programme line and share their production efforts with other theatres.

#### **d) Permanent public presenting theatre**

A theatre with an in-house line of programming, at the service of its reference community, that cannot assume in-house production. Its mission is aimed at the formation of audiences and the support of performing arts activity in its territory. According to its budget and context, its programme of shows may be complemented with other activities.

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5 Outside of the United States, where the majority of operatic coliseums are not-for-profit organisations. In the rest of the Western world, exceptions are rare or centred around the production of shows (as is the case with the *Juventus Lyrica* in Buenos Aires or the *Òpera de Sabadell* in Catalonia).

#### **e) Public or private theatre with occasional performances**

A venue commonly situated at education centres or in medium- or small-sized localities that only sporadically programme outside professional productions. The space is used fundamentally for uses such as amateur production, the celebration of special occasions, social activities or linked to academic activity.

#### **f) Private producing and presenting theatre**

A privately-managed venue, for profit or not, in the hands of a company or production organisation that creates the shows that are presented and may occasionally invite other companies. According to the performing arts policy of each country, it may rely on significant governmental support.

#### **g) Private presenting theatre**

A theatre with its own-produced line of programming, which acquires its shows in the production market, generally with a commercial vocation. Sporadically it may rent out the venue for other uses or to another programmer if this is not in contradiction with its usual line of programming.

#### **h) Small-format alternative venue**

Venues that usually have between fifty and two-hundred seats run by small companies or collectives that generally programme their own productions. They also present similar shows produced by other companies in co-production with them to complement their offering or facilitate the circulation of their works and network exchanges.

#### **i) University theatre**

Some universities, public and private, have their own theatres linked to their cultural extension departments and/or to their dramatic art or music departments. They usually produce their own works, those of their students or of other universities, and also use them for other types of academic events.


#### **j) Non-conventional venue**

Venues originally designed for other uses (bars, restaurants, private residences, business back rooms, etc.) used regularly for the performance of all types of live shows.

#### **k) Theatre without an in-house professional programme**

A theatre building that, regardless of whether it is publicly or privately owned, rents out the space with its services without influencing the programming line.





Additionally, each facility responds to a diverse range of aims, aesthetic orientations, stage formats or operational models. The level of commitment that each theatre adopts towards its community conditions the project that it carried forward. Ultimately, the volume and quality of show production and presentation in each territory are in relation with the tradition, vitality, organisational capacity and resources available within each society.

## 1.4 Support policies for the performing arts sector

Performing arts activity, which until the first half of the 20th century had been a fundamentally private business, started to receive substantial governmental support with the development of the welfare state. In previous centuries, state intervention had been focused fundamentally on ideological control and the granting of permits to carry out the activity, often only the privilege of ecclesiastic or charitable organisations, or for the enjoyment of the court. Only exceptionally did the state have open theatres or auditoriums under public ownership and/or management (as is the case of the Comedie Française or the Teatro Real in Madrid, for example). Thus, the public operation of performing arts activity was almost exclusively in private hands, either of impresarios, ecclesiastic organisations or association-type groups.

Governmental support for live performances took on different forms in each country, historical period and socio-economic context, according to the respective cultural policy traditions and the possibilities for endogenous development of the sector. Its aim consisted of favouring suitable artistic training, guaranteeing an offering of higher quality and supporting the development and expansion of audiences. The setting up of public institutions and/or support for private initiatives would characterise the different cultural policy alternatives.


In Western Europe and, more weakly, in a large part of Latin America, the appearance of the public theatre and highly subsidised private venues has been a consequence of the growing lack of financial sustainability of the private theatrical or musical business. Only in the major capitals it is possible to maintain an economically viable commercial theatre. For a long time, and in some countries still today, the large part of government funds for supporting the sector have materialised through the maintaining of the public theatres. This is explained by the fact that they were considered the main tool for boosting the sector, not only through presentation, but also through the production and protection of the performing arts heritage. Also, although with much more modest amounts, the public sector contributes to independent companies or groups, either through direct grants for production or operation, or by facilitating presentation of their work at public infrastructures.

Support for theatrical training warrants a separate section. From the late 19th century onwards, the majority of Western countries set up conservatories or drama, music and dance schools. At the same time, public education incorporated into its curriculum artistic instruction, that in some countries became the school of future audiences and performing arts professionals.

Other forms of support for the sector also exist beyond public provisions or direct subsidies. For example, some countries have interesting social benefits policies adapted to the labour discontinuity of performing arts technicians and artists (the case of the French *intermittents du spectacle* is probably the best-known and most generous). Others carry out important foreign actions that help with the international dissemination of their performing arts sector and complement the activity's income. Tax benefits, both for production and consumption, are another instrument that contributes towards the development of the private sector.

The construction, presentation and exploitation of an ambitious programme require an investment that can only be recovered in exceptional circumstances. In countries without explicit performing arts policies, such as the United States of America, these activities only appear hand in hand with non-profit organisations that enjoy generous tax benefits. This happens, principally, in large or university cities with a major tradition and philanthropic awareness in favour of music, dance or theatre. In Europe and in Latin America the successive democratic governments have sustained, with more or less resources, a public system of performing arts production and presentation as an integral part of their cultural policies.

The particular political situations that during the 20th century characterised the different Ibero-American countries (dictatorships, centralisms, persistence of colonial mentalities, single-party regimes, etc.) or a large part of Central and Eastern Europe (all situations mentioned above plus the centralised economic planning of the Communist regimes) has hindered the democratic development of policies and of performing arts activity. The Communist regimes have left as their legacy a large number of theatres with inefficient stable companies that are difficult to maintain and, at the same time, a public well-trained in tradition. In Latin America, support policies are born in a more circumstantial or even chance way as a response to specific needs or the result of personal leadership, more than as a result of generalised planning. An exceptional case is that of Mexico: *"During the 1960s, the Mexican Social Security Institute created over 70 theatres in all the states of the country, which constitutes the most important institutional theatrical infrastructure in Mexico"* (Mexican National Council for Culture and the Arts, 2003). This policy, due to the personal drive of the general director of the said institution in that era, has equipped the country with an infrastructure that is unique in the region.



Everywhere, over time the limits of governmental intervention have changed. If at the start they only supported opera or drama theatre and classical music and dance, later they incorporated support for new performing arts languages, paratheatrical arts and the circus, other musical styles and, increasingly, expressions of popular culture.

Contemporary support policies for the sector have tried to go beyond simply assisting performing arts production and presentation, since the live show as an artistic activity is a factor for cohesion and social identity, for critical civic education, for the construction of cultural capital and for social expression. For this reason, the aforementioned policies have acted on artistic training, research and the cultural heritage of the performing arts legacy, the promotion of new aesthetic languages, audience development, the promotion of social integration initiatives, the dynamism of the amateur sector, professional production and commercial presentation, among others. Although some of these functions can be undertaken from the public theatres, the most successful policies are based on striking a balance between support for not-for-profit, for-profit and public initiatives.

Evidently, direct governmental provisions in democratic countries are not free of controversy, as investing in symbolic production respecting artistic freedom of expression requires an ideological openness that may enter into conflict with conservative political sensitivities or with the quest for immediate political returns. Also, clashes may occur between direct public action and private dynamics and interests. However, the relationship between public theatre and private (commercial, alternative or independent) theatre does not usually present evident tensions when everyone is clear about their mission and thus they interact within the performing arts system in consequence.

In the search for shows to programme, both types resort to options available to them through the broad production offering: independent companies, private commercial production or public production centres. Each according to its resources, size and aims will opt for the show that best suits them. Although on some occasions they may be competing for the same audience, they may also cooperate on the expansion of audiences or the development of their respective territorial strategies. For Carlos Rottemberg, ex-chairman of the Theatrical Impresarios Association of Argentina: *“There is no competition with either the public theatre or independent theatre: they programme things that do not interest us for commercial reasons, so we complement each other”*.

In the European context, where the administrations subsidise quality productions, in both independent and commercial theatre, the relationship sometimes overlaps. In this sense, Alfred Fort, ex-administrator of the Teatre Nacional de Catalunya (TNC), comments: *“The relationship with the private sector is not always totally*

fluid. We are aware that sometimes we tread on their toes and sometimes they tread on ours. We try to do what they don't do, and sometimes we programme things that they probably could do. Of course, as public theatres we must ensure that we fill seats, support new companies and aim to enrich the performing arts". The theatre's current director, Xavier Albertí, referring to the role of a national theatre affirms: *"The Teatre Nacional de Catalunya is not simply a building; it is specifically a neuronal connection with the production system of our country's performing arts culture, where it has to be the head and assume its leadership (...). Therefore it is highly important that the TNC is always very alert to the global landscape of the theatre being produced in our country. It is a landscape that is mobile and changing, and therefore it has to be able to offer a changing programming model, because the scenario into which it will be incorporated will also be changing"*.<sup>6</sup>


## Tensions with politics

Public theatres, as key tools for many national performing arts policies, present many grey areas insofar as they may condition artistic freedom or be simple political or electoral instruments. Finding the adequate relationship between artistic proposals, political logic and bureaucratic and institutional dynamics is a major question and one that is complex to resolve. Added to this are ideological factors, power struggles or even personal interests, and the way in which all these aspects influence the specificity of the production and presentation of the live performance. Leandro Iglesias, former director of the Teatro Argentino de La Plata and of the Teatro Colón in Buenos Aires, points out: *"When we refer to public theatres we have to talk first of all about politics, about public policies. It is difficult to find a theatre management being questioned or displaced due to criticism of its artistic decisions. Seasons may be a little better, a little worse, or a little more expensive. But the problems are always related with the unions, or with financial, political or personal protagonism; those are the real challenges. If the political decision-maker does not understand the cultural dynamics within the context of a public policy, all of that person's efforts are going to be spasmodic, and adequate results will not be obtained"*.

Relations between theatre and the political authorities are complex, as there are many internal and external interlocutors with an influential capacity. The tense relationship between government and opposition is accentuated by the importance that theatre's image has in the community, amplified by the media, and how this image influences the reputation and the social consensus regarding the work of the government and the politicians in charge.

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<sup>6</sup> [http://www.tnc.cat/sites/default/files/documents/projecte\\_direccio\\_artistica\\_xavier\\_alberti\\_resumit.pdf](http://www.tnc.cat/sites/default/files/documents/projecte_direccio_artistica_xavier_alberti_resumit.pdf)



In short, the relationship between public theatre and politics is difficult yet, at the same time, essential, as deduced from the following views. For Gerardo Grieco, who has managed the two major public theatres in Uruguay: *“If you are the theatre manager, your first obligation is to legitimise your project politically and socially. Managing means influencing the political system and forcing it to provide responses to those realities”*. Jaume Colomer, a performing arts management analyst who has held management positions in both the public and private sector, summarises the relationship thus: *“With the powers that be, there has always been a simultaneously critical and collaborative attitude based on defending the inalienable right to freedom of expression and on demanding fulfilment of the government’s duty to promote and finance performing arts practice”*. Another, complementary view is that of Xavier Marcè, president of the Association of Theatre Companies of Catalonia, and of journalist Xavier Bosch: *“The independence of culture against politics has been repeatedly claimed by artists and intellectuals and rhetorically accepted by the politicians of culture and their managers, even in the knowledge of the difficulties inherent in an idea that is implicitly uncomfortable for the profound interests of realist politics”*. (Marcè and Bosch, 2007, pp. 22-23).

The relationship with political powers depends on the context of governance and on each theatre’s level of financial dependence with respect to the government. The more regulated the relationship, i.e. the less space there is for discretionality, the lower the tension between political logic and management will be. The case of the Teatro Municipal in Santiago de Chile, governed by a board of directors presided over by the mayor and formed by public and private representatives, presents advantages according to its director Andrés Rodríguez: *“Nobody outside the board can influence the budgets or condition the management. The relationship with the governmental policy is related with us agreeing with the Ministry of Culture. Every year we sign an agreement with them, through which in exchange for money we undertake to carry out a number of activities that are written out and numbered. Were it not for the fact that half of our contributions are private, and if it were all public, we would probably be more conditioned”*.





# Governance and organisational structure





## 2.1 Governance, institutionality and juridical form

An institution's model of governance is prefigured by the set of values and procedures that delimit the exercising of authority and the sharing out of responsibilities. Institutionality organically formalises the governance model, i.e., it makes explicit the hierarchies of power. The juridical form of an organisation conditions the institutional model and to a large extent, but not solely, it also conditions the relations and forms of exercising power, representativeness, and the systems of control and participation on an internal and an external scale, i.e. its governance.

The most common juridical forms of private theatres are the public limited company, the limited liability company, the cooperative and, in the non-profit field, associations and foundations. In the public sphere, apart from the fact that they receive slightly different names in each country, we find autonomous organisations with an administrative or commercial nature, public companies or public foundations. Still, many theatres do not have their own juridical personality and depend directly on administration by their owners. Also common is the constitution of consortia whereby different public administrations contribute resources and sit on the board or governing body. Whatever the case, all these juridical forms are modulated according to the regulatory framework of each country, prefiguring models of institutionality that each organisation adapts to their own specificities and needs through their respective bylaws.

Moreover, the preponderance of one juridical form over others may respond to structural reasons (of a political-ideological order, of a juridical tradition or legal framework, or of a political-administrative-economic-business culture). Also to situational circumstances –financial, fiscal or procedural– that may advise the modification of the juridical form or the institutional model itself. In some cases, it may even suggest the creation of associated organisations (for example an association of friends of the theatre or a foundation to obtain patronage).

## Relations between political, strategic and operational levels

In any organisation there are three decision-making levels: political, strategic and operational. The first appoints the director(s), establishes the directives and the operational model, provides the corresponding resources and controls the results of the organisational management. The management team assumes the strategic level, in planning and execution alike, and establishes the strategic and operational directives that each of the areas carry out. The boundaries of the political level depend on the governance model. Theatres exist where this level gets involved in the strategic (and even the operational) level, while in others confidence is granted to the director and his or her team, meaning they can manage the organisation with full autonomy. On occasions, the political level does not shoulder the responsibilities that should correspond to it, and cases may arise of poor supervision due to the relaxation of control mechanisms.

In other cases, such as in North American not-for-profit theatres, the functions of the political and the strategic spheres complement each other when some of the board members advise or participate in tasks such as attracting new funds. In this situation, the inclusion in the institution's governing body of personalities that contribute from their own pocket and are well connected with influential people, not only helps to sustain the project but strengthens it.

The composition and profile of the members of the board or governing body are crucial. People are required with complementary experiences in management, with artistic sensitivity, who are passionate about and committed to the theatre project, open to innovation and representative of the territory's cultural diversity. A board formed only by representatives of the administration or of the artistic community lacks the necessary complementarity. Adequately designing the substitution of the key personalities on the board is fundamental for renewing the vision while guaranteeing a certain degree of continuity. An alternative for strengthening the artistic or community approach of the theatre consists of having artistic or social advisory councils with authority and specific functions.

The criteria for appointing the management of a theatre, and the definition of its profile, also depend on the governance model under which it functions. The political level, based on its authority and legitimacy, determines the mission, the management model and the organisation's major objectives. To carry these out, it selects a director with responsibilities who exercises the power delegated. This director should periodically account for the degree of achievement of the objectives and establish the level of responsibilities and participation of his own team. The representation of the theatre is shared between the president

of the political body and the management. Finally, control mechanisms enable evaluation of the degree of efficacy, i.e., whether pre-set targets have been reached, as well as the efficiency of the management process.

In some cases, the aims and commitments of each part are made explicit in a written document, habitually called an operating contract. This document is the result of periodic negotiation between the political level and the management; sometimes, it may come from the initial proposal presented by the director at the time of recruitment. Operating contracts usually determine the initial economic resources available to the project, the operational model, audience targets and programming objectives (volume and typology of shows, functions and complementary activities). Each year the objectives and the resources available can be adjusted, and the procedures and results are audited. In other cases, these same contents are discussed in a more or less informal way between the partners (owner or state) and the team responsible for the theatre. At venues with assembly-type models, the workers regularly discuss and agree objectives, programmes and actions. At theatres that are the property of an individual impresario who personally directs his or her own company, politics and strategy are both embodied in this person.

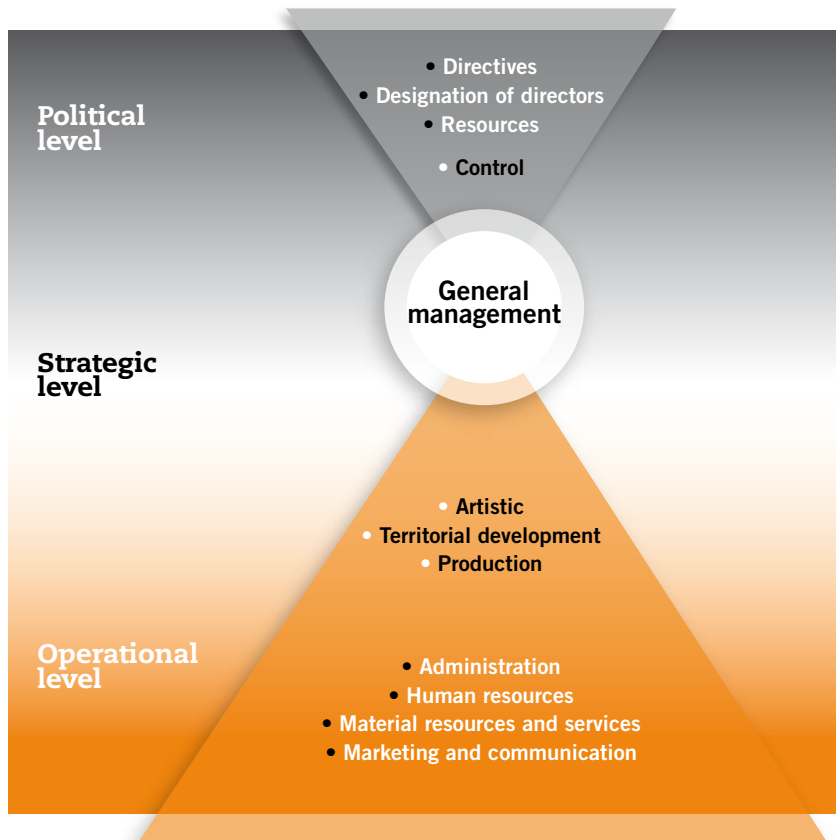
In general, the most effective model is one where the responsibilities for each level are clear, where there are high degrees of freedom and also of accountability, and where the project and its results are fully shared by all. Or one where, when there are interferences, complementary action is taken to achieve the objectives sought.

From the strategic level the general management usually plays a hinge role, articulating between the political level and the operational level, a situation that obliges it to process demands coming from both levels. For example, reconciling the financial demands required by each of the theatre's areas in order to function with the resources provided by the owner or that are necessary for the financial operation model imposed. The most demanding area is usually the artistic area, since its aesthetic and communication demands are more difficult to adapt to pre-established directives and exploitation models.

So that the general management can exercise this articulating role, it is useful for an internal regulatory and procedural framework to exist that defines the logics of functioning for each level, regulates exchanges between areas and establishes procedures so that information –key in the decision-making process– circulates in a fluid and ongoing way between them. These norms must be accepted and respected by all those who work there. Also, the organisation must function under the general rules that govern labour, mercantile or fiscal relations, as well as those that specifically affect the live performance. At public-sector theatres, the rules common for all administration must be taken into account.


Figure 3:

### *Governance and decision-making levels*



### **Governance in public theatres**

A public theatre responds to a specific commission, which may materialise either in a direct or indirect management model devised by the administration, or in the outsourcing of the service. Its specificity is based on the management's subordination to the governmental institution on which it depends. There are theatres under public ownership and management, under public ownership but with private management, and also under private ownership and management. Within each of these models, it is possible to find variations that respond to the legal, administrative and political traditions of each country. The terms used to explain the juridical form or in the contracts (direct or indirect management, transfer, externalisation, subsidy, operating contract, etc.) may not have the



same meanings in different places, even if they are written in the same language. In all cases, the profiles and composition of boards of directors or governing bodies – and their corresponding regulatory frameworks – are fundamental. They have responsibility for the decision-making process on key strategic issues, for the appointment and control of the theatre's management, and they establish the mechanisms for the monitoring and evaluation of the management task.

When theatres are managed by government, the politician in charge – generally the head of the area of culture– assumes this role with little social or political supervision beyond the boundaries marked by the regulations, the control capacity of the opposition, and, ultimately, the revalidation of the government in the next elections. The appointing of the director, as well as the key strategic decisions, are assumed by this politician with the advice of persons of trust, of technicians of the administration or of advisory committees appointed ad hoc. This is evident in theatres without their own juridical personality, although in some administrative traditions it even occurs in those that do possess one.

Another particular model of governance, with complex implications, is that of the private outsourced management of a performing arts centre under public ownership. As happens with other outsourced governmental services, in exchange for certain resources (via budgetary allocation), specialised private organisations that win the contract are obliged to follow the directives and objectives set, which means maintaining their subordination to the political management. In some cases, the totality of the theatre's management is outsourced including its artistic programming, based on a detailed set of technical terms and conditions, whereas in others only the provision of certain services is outsourced (Bonet, 2008). This management model presents notable advantages in terms of flexibility and efficiency, and facilitates the transfer of experiences between different projects managed by the same company or association. However, externalisation of the totality of the service may lead to the loss of know-how on the part of the administration along with dependency on programming strategies often oblivious to the local reality. Their correct or incorrect application depends more on the capacity for designing the technical terms and conditions along with the monitoring of a sound operating contract by the administration, or on maintaining some staff attached to the administration in positions of responsibility (for example, technical manager), than on the intrinsic quality of the concession holder.

The quest for this type of institutionality is a consequence of the uneasy insertion of theatre-type operations into the governmental administrative logic, very especially when talking about direct public management. As the processes of

performing arts production and presentation are very different and not easily compatible with the general uses and standards of the public administration, there are often arguments with other governmental bodies regarding economic, financial, procedural and labour questions, among others. For example, for the heads of the economic areas, it is hard to understand the parameters of efficacy and efficiency for theatres. Preparing responses for these types of questions means that the management needs to know under what logic its supervising public administration functions and its different services, and what its habitual standards and procedures are.

Singular cases also exist of theatres that although under private ownership and management, for practical purposes they are considered public (this is the case of the Teatre Grec Festival in Barcelona). Under the juridical form of a private foundation and with an administration independent of the overseeing governmental body, its public nature is determined by the presence of politicians on its board, its high level of dependence on public funds and its explicit mission.


The main differences between these different models and the habitual functioning of other public services can be resumed in questions such as:

**a) human resources:** selection of a determined programme does not permit the use of public competition procedures in the hiring of artists. Moreover, the singular nature and limited number of performing arts facilities within the administration means that no procedures or protocols exist adapted to the specifics of the different groups of workers involved.

**b) material resources:** the demand for artistic quality requires a discretionality that is not usually compatible with the logic of public procurement, with consequences not only in the selection process but also in the costs to be borne.

**c) time-related logic:** a large part of the programmed activities is concentrated into holidays and night-time hours, with variable workloads.

For these reasons, and with the aim of reducing possible tensions, public theatres require specific regulatory and institutional frameworks that enable them to establish own management parameters. When working in centralised public management with non-existent flexibility, what tends to happen is explained by Leandro Iglesias, with a dose of his own acerbic humour: *“It is difficult to manage a theatre with regulations designed for a ministry. It’s like using a slipper to beat a donkey to death. Those making the regulations do not fully understand that a theatre must produce and simultaneously sell a service with so many eventualities that they cannot be foreseen sufficiently to begin a tendering procedure that may last six months”*.



The implementation of more flexible juridical forms allows theatres to better fulfil their mission, although they do not guarantee *per se* their proper functioning. Alfred Fort qualifies the benefits of a more flexible juridical form, such as indirect governmental management: *“It is true that foundations or public limited companies give greater administrative autonomy, but everything depends on how much political will exists to give you real autonomy to manage or not. What I mean is that an autonomous organisation does not necessarily mean greater autonomy, even though at present it is the juridical form that provides management with the greatest flexibility”*. His opinion is corroborated by Juan Calzada, former director of the Palacio de Festivales in Santander: *“The ideal horizon does not lie in the foundation, nor in the public limited company. We will probably progress towards an evolved form of foundation, more flexible and better prepared to attract resources through sponsorship, and that may function within the framework of private law for procurement and hiring. Evidently, with all the guarantees offered by control and auditing. I am convinced that 90% of us directors are not worried about control, but we need greater flexibility to be able to fulfil the public mission and the objectives of our institutions”*.

As can be appreciated, for those who come from direct governmental management, it is a relief to be able to have an own juridical form. Meanwhile, those that already have one see how the difficulties are actually much more wide-ranging. The juridical form alone is not sufficient, it is also important to gain the trust of the administrative apparatus and of the politician responsible for the theatre in order to be able to develop an ambitious and high-quality management project. In countries with a greater tradition in the remote management of public interests, the governance models are much more flexible in depositing the government's responsibility with private organisations, mainly not-for-profit, with boards of directors that are independent of the political structure but with a presence (sometimes without voting rights) of representatives from the overseeing public administrations.

## 2.2 Stakeholders

For a theatre's management, interaction with each of its influential actors, interest groups or stakeholders has a strategic character, even though often it is carried out informally. This happens both with the actors that have the power to condition the theatre's management and with those who only influence its performances. The relevance of each influential agent depends not only on the characteristics of each theatre (ownership and juridical form, size, prestige or available resources, among others) but also changes over time. In particular, the theatre needs to dialogue with each of them regarding objectives and strategies, independently of whether tension or conflict exists. In this sense, it is possible to identify nine stakeholder group typologies:

**a) the political class:** in the particular case of a public theatre, dependence on the politicians with direct responsibility over the theatre and other senior officials is very high. It is prudent, although not easy in all contexts, to also take into account the political opposition. For other theatres, the relationship with the political class does not hold so much importance, but may be the key to resolving difficult situations or tackling joint challenges. Some of these challenges may well fall outside of the theatre's main activity but tackling them contributes towards greater integration of the theatre into the social fabric (prestige among citizens, public security, urban planning considerations, grants, etc.).

**b) the public administration:** again, in the case of a public theatre, its organic dependency brings with it the developing of close relations with those external services belonging to the same administration that provide it with some kind of assistance and with the rest of the governmental bodies with which it necessarily has to establish relations (economic or labour relations chiefs, for example). In the case of the private theatre, compliance with the regulations and the obtaining of permits require an understanding of the logic of the public administration and development of a relationship with it.

**c) donors and sponsors:** whether effective or potential. These include major individual or institutional philanthropists, volunteers and companies that provide sponsorship or that exchange dissemination or advertising. It is important to point out that the search for donors has become professionalised to the point where it now constitutes a consolidated profession.

**d) the media:** these are channels that are indispensable in ensuring that the theatre's proposals, especially its performing arts programme, reach the public at large and the community in general. Furthermore the recommendations of critics circulate and are disseminated through these channels, often with decisive effects on potential audiences.

**e) public or audience representatives:** collectives that are often not formalised. They may be independent or promoted by the theatre itself. They are a tool for applying pressure, sometimes bothersome but on other occasions a very effective ally.

**f) community institutions:** social, cultural or even sporting organisations that the theatre can associate with for special projects or to provide new audiences.

**g) the professional performing arts sector:** the artistic community views theatres not only as a source of employment but also as a space for interaction and professional training that must be maintained over the course of their career.



This leads to a multiplicity of demands, including maintaining quality which should be taken into account by the theatre. At privately-owned theatres, the relationship may go beyond the employer-employee contractual logic to work together on joint challenges that are as much artistic as they are commercial or business-related.”

**h) the organisations that represent the personnel working at the theatres:**

with whom there is a direct and permanent relationship, as they are the obligate counterpart in processes for the negotiation of working conditions.

**i) suppliers and providers of goods and services:** who firstly contribute towards maintaining the premises and the performing arts activity in conditions suitable for their functioning and secondly, should be able to respond to the demands for quality and immediacy typical of live performances. The development of a policy for suppliers and providers that contemplates variety, price, delivery times and quality is key for theatre management.

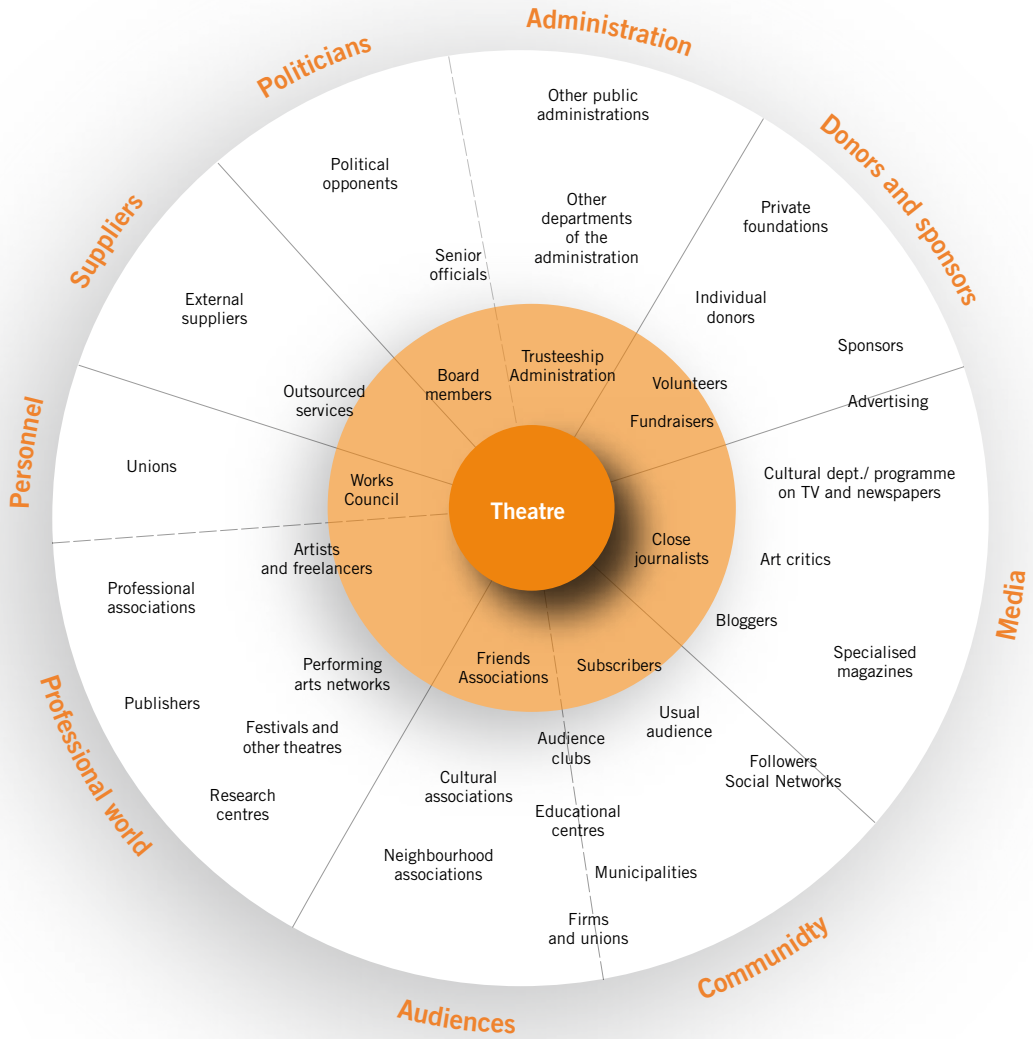
As can be seen in Figure 4, some members of the stakeholder groups are more closely associated with the theatre’s management (for example: season subscribers, associations of friends or independent professionals) while others are much more distant (for example company collectives and trade unions or other public administrations).

This does not necessarily mean that the management pays less attention to those that are more distant, but indicates the closeness of the relationship, which generally leads to a higher frequency of contact. Each of the groups identified has its own logic to exercise different forms of control over the theatre. This forces the management to be familiar with each of them and pay them the necessary attention in line with their respective demands. It must also establish arguments and information mechanisms to enable it to face them in conditions that, if not advantageous, at least allow well-grounded responses to be given.

When establishing strategies, the management must be aware of the disparity of the logics and the objectives pursued by each of the agents with a capacity to influence their theatre. The first logic which they must fight with is political, particularly if the theatre depends directly or indirectly on the administration. Politicians seek repercussions in the media and in public opinion, meaning their support for the theatre is conditioned to meeting these objectives (notwithstanding their commitment and conviction in favour of the social role of the performing arts). The larger the audience attracted, the greater the social consensus achieved by the management and the better the reputation and prestige obtained by the theatre, the greater the political value that connections with it will have for politicians.

Figure 4:

*Interaction with a theatre's different stakeholder groups*



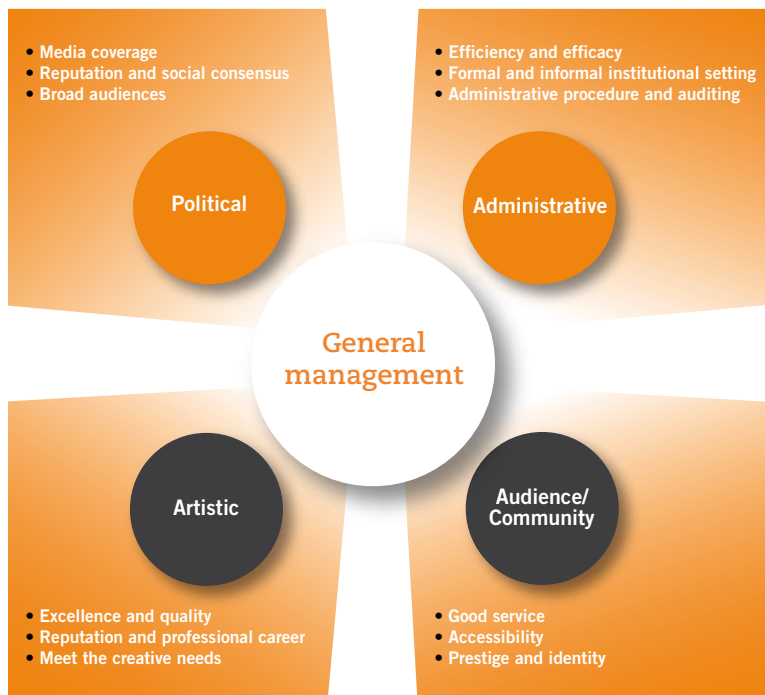
The second logic to be highlighted is the artistic logic, absolutely crucial for a performing arts venue. For its professionals, the main factors to take into account are:

- a)** the strategies for maintaining or increasing excellence and artistic quality, a question that is fundamentally visualised in the programming line (both in the presentation of shows and in proposals for training, creation, production or research);
- b)** the possibilities offered for the development of a prestigious professional career, including the training activities that it may propose and equality of opportunities in access to employment;
- c)** the creative working atmosphere, understood as an ambit that facilitates artistic research.

In this sense, the quality and comfort of the spaces to be used take on great importance, along with the technology available and the professional level of the stage personnel.

Figure 5:

*Logics in tension as a result of relationships with different stakeholder groups*




The third key dimension originates from the community, which in all its diversity is expressed far beyond the direct user of the theatre. For many people who never attend a show, the prestige and identity brought to their city by the theatre's existence and successes have a certain importance. For its part, the user public puts value, first and foremost, on the quality of the artistic proposal and the programme themes and selection. It also rates good personalised attention, good accessibility, sufficient comforts to allow enjoyment of the show, a catering service for the intervals, a cloakroom and, in some places, parking or a gift shop. In the case of public theatres, it is also important to take into account that the costs for the taxpayer (whether or not a member of the theatre audience) are in line with the community's socio-economic possibilities, so that the service is perceived as a contribution towards quality of life and not as a burden that is too onerous in relation to the benefits it produces.

Finally, the management must grapple with the interests and logics of their own staff, of internal and external bureaucrats, as well as with the logic emanating from the administrative framework upon which the theatre depends, whether public, associational or commercial. In this context, efficiency in relation to processes is as important as the efficacy with respect to the results.

## **2.3 Mission and orientations of the performing arts venue**

Good management of any organisation requires performing the conceptual exercise of defining its mission. At a theatre, this is a process frequently conducted collectively, as a result of dialectic negotiation between the owners (represented by politicians, proprietors, shareholders or members of the board of trustees of a foundation or an association) and the management team. As a result, it is a good idea for the mission to express with clarity the values and aims of each facility in connection with its history and its social and artistic context. With the passage of time, it will be a good idea to update the mission to maintain its relevance. The importance of counting on an explicit mission contained in the institutional system may be particularly appreciated at times of economic crisis when, at the political level, it is necessary to take decisions to prioritise certain needs and social aims above others. In situations of this type, the mission legitimises the theatre's existence and may thus contribute to finding the management mechanisms necessary to transit through and survive critical periods.

For the ultimate head of a project, the mission is the equivalent of a compass for navigators. At times of poor visibility, chaos or turbulence, referring back to the mission helps you catch your breath and set the organisation on course towards its true objectives. Continuing with the compass analogy, a theatre's North is,



in the great majority of cases, defined in advance by the institutional mandate. The skill of the person at the helm will consist, then, of strategically positioning the organisation in such a way that the winds and currents generated by political, economic or social pressure, do not divert it from the course set. In the construction of the mission it is important to value the history and background of the organisation itself, the objectives and values defined by the owners of the project, the social, economic and artistic setting where it is located, as well as the resources it has available and the competitive advantages of the theatre (Kotler and Scheff, 2004).

Together with the mission, it is a good idea to have a perspective of future scenarios that permits knowledge of the place where the organisation is aiming to position itself. This is known as the vision. The combination of the mission with the vision and the values of the institution permits the devising of different management strategies.

In the cultural sector, the existence of programmatic documents stating the mission, vision and values of theatres were not very common until a few years ago, as many of its professionals considered them a form of defining objectives foreign to the tradition of the sector itself. In those countries with a longer practice of argumentation, justification and transparency in management, this new form of stating aims, which is more strategic, started to be adopted from the 1990s onwards. Slowly, this concept is gaining ground as it enables the generic, rhetorical and ambiguous nature of definitions commonly used to be overcome and also assessment to take place regarding the level of congruency between the mission, explicit objectives, practice and real impact of theatres.

### **Goals associated with the mission**

The mission of each theatre is defined by its historical background and the interests of its owner and is conditioned by the different stakeholder groups surrounding it. In the case of public theatres, it will be directly associated with the objectives of the governmental cultural policy on which it depends. In theatres owned by associations, debate between association members, especially the more active among them, explains the evolution of the mission over the course of time. In turn, shareholders or impresarios who own a theatre that functions as a commercial enterprise may also give the venue an explicit mission, which guides its functioning in relationship to its overall social goal beyond the quest for profit.

Beyond the common aim of any theatre, which consists of presenting a series of stage shows over the course of the year, each organisation incorporates into its mission definition specific goals. Public theatres and many not-for-profit

theatres may have a public service vocation, which subordinates their desires to achievements in the general interest. Their programming and complementary activities aim to incorporate disadvantaged groups, deal with issues of social interest or open up space to other organisations in the community. Other theatres place emphasis on other aims, which are also legitimate, such as obtaining a profit or the persecution of a specific aesthetic option.

Thus, for example, a public presentation theatre with its own line of programming will seek to achieve goals such as:

- offering a quality programme that facilitates access to the broadest diversity of citizens possible, regardless of their income level, following the cultural democratisation model.
- being the performing arts reference in its territory.
- strengthening local identity and prestige.

In the case of a major central public theatre with in-house production, added to the previous goals are objectives such as:

- recovering and highlighting classical or national performing arts heritage.
- providing opportunities for emerging performing arts professionals and offering the right conditions to consolidated professionals so that they can develop major projects.
- promoting performing arts activity in a way committed to local creation, beyond the city where it is located, on a regional, national and international level.
- seeking artistic excellence.
- promoting new creation and performing arts innovation.


These last two objectives are also found in many private theatres with in-house production and an ambition of excellence, regardless of their size.

In this case it would be appropriate to add some additional aims:

- achieving the economic viability of performing arts activity.
- being able to stage those projects (plays, aesthetics, artists) desired.

In contrast, a theatre with a commercial orientation is fundamentally justified by its desire to:

- achieve success and be a reference point in its genre.
- obtain the maximum profit margin possible.



The challenge consists of translating a generic mission and goals, often grandiose but difficult to implement, into specific objectives and strategies that guide the organisation. As has been seen, not all theatres pursue the same objectives, since these are related to the political-institutional, economic, social and technological environment of the society where they are resident. They also depend on the vitality of the local artistic sector and the existing tradition. Finally, they are related to the needs and cultural habits of the population itself. Thus, converting goals into specific strategies is the main objective of a theatre's management, a question that is not always easy due to the host of implications that this entails.

The quest for artistic excellence, adapted to the genre and the aesthetic line of each theatre, is based on highly demanding and committed work, where all personnel –not just the artistic team– must give their utmost. To achieve this requires the talent of the professionals and the leadership of a management committed to doing so.

Giving opportunities to emerging creators and performers and offering good conditions to consolidated professionals for them to develop major projects is another important objective. It may be broken down into different processes that range from the training of new artistic talents within the organisation itself, to the configuration of a programme of excellence, where young people participate alongside the most renowned artists. In the words of Francesc Casadesús, Director of Mercat de les Flors, one of Europe's leading theatres in the arts of movement field: *"I am aware that my role as head of a public theatre is also one of playing a subsidiary role, one of support, to raise the level of creation of young companies based on co-productions, and as producer directly in the cases of young artists that emerge in the theatre environment. The public responsibility consists of having an overall view of what is happening in society. We must encourage people who are developing projects in an independent way"*. This aim must be exercised in such a way as to avoid colliding with the development of independent activity, more fragile in terms of resources, but very creative in terms of languages and procedures.

Public theatres, as well as not-for-profit theatres, also try to facilitate access to the greatest diversity of citizens possible, a matter that is not achieved simply through the programming of shows. Commercial or community development strategies must be adapted to very diverse audiences, from the most avant-garde elites to people with less cultural capital, and including children. Furthermore, they must be concerned with broadening their penetration among more disadvantaged groups by using suitable pricing policies. Moreover, good extension activities, aimed at the formal education system, at the diverse social collectives and at families enable new audiences to be reached. Before

a non-expert public, for whom the names of works and performers mean little, dissemination strategies must be based on questions that affect and interest them.

All theatres aim to be a leading performing arts reference in their community. In a small town, the municipal theatre is probably the only venue where shows are presented. In some cases, this role may be played by a night club that programmes live music or an emblematic festival. But in large cities, with a greater diversity of performing arts venues, each theatre must seek its place and enter into dialogue with its surroundings. A theatre is, at the same time, an emblematic space that helps develop the city community and a public area for debate, which contributes towards forging an open and critical identity for its population.

The greater the cultural, architectural and symbolic quality of the theatre, the higher its capacity will be to improve citizens' opinion of the area where it is located. For this reason, cultural facilities are often used in strategies for regenerating the urban fabric. It is important that this function is not restricted to the urban planning sphere, but that activities run by the theatre convert it into a forum for discussions on the tensions of its local area.

## **Theatre's values and orientations**

In a study on not-for-profit theatrical organisations in the United States, Glenn Voss (2000) analyses a set of relevant organisational values, which he relates with the way in which each theatre positions itself with regard to its surrounding environment. In general, these values may be included in the mission statement, as they help to guide each of the actions, conducts and attitudes of the organisation.

Among these values, artistic excellence, and financial and social performance merit special reflection.

### **a) Artistic excellence**

Every theatre aims to attain a high level of artistic quality in its respective genre. Some make artistic excellence their main goal. However, both quality and excellence are relative concepts, since diverse scales of value exist. The parameters used to measure a show's artistic contribution or innovation will depend on the ideology, aesthetic models and social values of each given time and place. The interpretation of those who judge each of these aspects, from inside or outside of the organisation, affects the final result of the show and the theatre. For this reason, the concept of artistic excellence is relative as it depends on a diversity of viewpoints. When a theatre includes artistic excellence as a



fundamental part of its mission, it must make explicit, in some way, what criteria it uses to measure it. For example, its desire to produce or present shows that play with languages, create metaphors or symbols, reference and contextualise, and are capable of communicating and transmitting emotion.

## **b) Financial and social performance**

For the majority of theatres, their survival is the result of the combination of four factors: economic viability, the social evaluation of their activity, audience satisfaction and the possibility of advancing the project of their promoters. The way in which these factors are transformed into value will condition each organisation's mission. Since theatre is a cultural activity, analysis of its performance necessarily includes both economic and social aspects. From a financial angle, direct profitability is the return obtained from a determined capital invested during a set time period; it is also an indicator of the management of that capital, as it tells us whether the investment was a good business deal or not. For its part, social performance shows us the balance between the benefits and losses produced for society by the development of any activity in the medium and long term, in terms of social cohesion, critical capacity or cultural capital. Among them we can find external effects or financial profits, since prestige or accumulated know-how ultimately lead to economic returns.

The calculation of social performance is complex, since it requires knowledge of the behaviour of a large number of variables. Some examples are satisfaction of the population, contributions to education and the prestige brought to the city.

A good example of a well-written mission statement that combines both concepts –artistic quality and profitability– is that of the Fundación Teatro Nacional in Bogotá, which defines itself as “A leading cultural enterprise, with national and international projection, devoted to the production, promotion and dissemination of the performing, musical and audiovisual arts. Open to new proposals and technologies, achieving a balance between artistic excellence and social and economic performance. Committed to satisfying the demands of diverse audiences and the construction of a democratic and tolerant society”.<sup>7</sup>

Beyond these considerations, the combination of the mission and its associated values enables a set of orientations to be distinguished where, according to the type of theatre, some predominate over others. Of course, none of these orientations is presented in a pure state and theatres may undertake actions that correspond to more than one of them. In our understanding, five dominant major lines or orientations can be defined:

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7 [www.teatronacional.co](http://www.teatronacional.co)

**1. community orientation:** corresponds to theatres whose structure is placed, first and foremost, at the service of attracting and retaining new audiences, often among those affected by cultural capital deficits or economic, geographical or physical barriers to accessing live performances. For this, outreach services have been developed, which run actions associated with the programme, on and off the theatre's premises, with the goal of transmitting values and mobilising specific social collectives in the theatre's direction. They also maintain affordable price policies. Other theatres have adapted their venue and developed accessibility strategies aimed at people with deafness, blindness or reduced mobility, facilitating their integration with the rest of the audience.

**2. artistic orientation:** corresponds to theatres that present a programme that prioritises aesthetic exploration. Their management staff have close relationships with artistic schools and workshops. They assume risks in relation to the audience, which is mainly composed of people with previous experience. As a general rule, their most daring programme features are presented at relatively small venues.

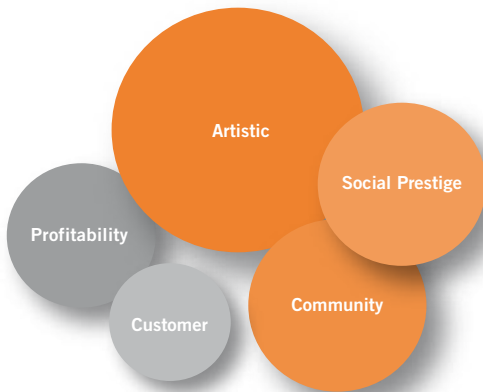
**3. profitability orientation:** corresponds to theatres whose main motivation is to maximise their profit margin, which means they devote their efforts to developing financial resources and adjusting costs to meet this objective. These theatres attempt to reduce their operating costs, invest in whatever gives them the best returns, limit their artistic risk and strengthen their complementary revenues. When the size and structure of the venue permits this, they usually have a very well-developed segmented prices policy.

**4. customer orientation:** corresponds to those theatres – both public and private – that design their programme looking to satisfy, no holds barred, the direct demand from the public. Their aesthetic line, sometimes quite eclectic, is marked by the attending audiences, and the main aim is filling all the seats. They do not specifically seek to bring in revenue, though that is clearly beneficial, but to meet the demands of the theatre's customers. They seek to incorporate recognised titles, productions of proven success as well as the participation of celebrity artists.

**5. social prestige orientation:** corresponds to those theatres whose programming and communication strategies are aimed both at cultivating their recognition as a social space (a meeting place for the elites) and at the earning of awards and of a reputation among the critics. They prefer to invite artists of prestige or dazzling productions than to take risks with avant-garde proposals.

Figure 6:

### *Orientations and goals of two theatres with different missions*



#### **A. Theatre with an artistic vocation**

- Being the local reference point for performing arts
- Accessing a greater diversity of citizens
- **Seeking artistic excellence**
- **Giving space to well-established professionals**
- Achieving economic viability
- Encouraging new creation and performing arts innovation
- Obtaining a profit margin
- Achieving audience success
- Promoting the performing arts' heritage
- Staging desired projects
- Enhancing emerging professionals
- Strengthening the local identity and prestige



#### **B. Theatre with a commercial vocation**

- Being the local reference point for performing arts
- Accessing a greater diversity of citizens
- Seeking artistic excellence
- Giving space to well-established professionals
- **Achieving economic viability**
- Encouraging new creation and performing arts innovation
- **Obtaining a profit margin**
- **Achieving audience success**
- Promoting the performing arts' heritage
- Staging desired projects
- Enhancing emerging professionals
- Strengthening local identity and prestige

The orientations explained may be motivated by the interests and sensitivity of the institution overseeing the theatre and/or its owners, or political and technical supervisors. Whatever the case, and contrasting with what may often be thought, public ownership does not always imply a greater concern with social integration, nor private ownership with increasing audiences and profitability. In this analysis it is important to bear in mind that public theatres, given the need to legitimise themselves before different sectors (social, political, artistic, etc.) prioritise the

artistic dimension in their rhetoric, along with their impact and contribution in terms of socio-economic and territorial development. In any event, the weight of the artistic objectives over the financial ones, the need to adapt to changes (social, economic or political) and also their strategic positioning in terms of prestige may vary significantly from one theatre to another.

Each theatre strikes a dialogue, sometimes with a certain tension, between its dominant orientations (the result of their operational dynamics and adaptation to everyday pressures) and the explicit aims contained in its mission statement, as illustrated in the two typologies of theatre in Figure 6. The mission may be more ideological while the orientation responds to everyday praxis. In any event, the theatre's mission is re-written every so often – without losing sight of the institution's vision and values – in a dialectic process featuring the participation of its owners and professionals, as well as the set of social and institutional agents that bear influence on it.

## 2.4 Management profile and functions

### Profile of the director

There is no single management model capable of assuring success or that may be considered universally valid for any type of theatre. However, it is possible to affirm that success depends on the theatre's management. Selecting its director, and his or her profile and functions, configures professional models that respond to each theatre typology; in other words, to their operational model, their size and the ambition of their project, as well as to the characteristics of the social, political and performing arts system prevailing in the place where the facility is located.

As for the profile, skills and abilities that are most appropriate for covering the management function, the most generalised model has been unipersonal, although there are also other formats that exist and have shown themselves to be suitable. For example, often found in the French performing arts system is a two-person system with a managing director and an artistic director.

Debate exists around this issue that confronts those who prioritise management capacity against those who believe a cultural facility's leadership should lie with an artist (Bonet, 2010). This tension is difficult to resolve as both dimensions are not only present but inextricably linked to a theatre's operating dynamics. Evidently a good profile will combine both types of skills, but finding people with professional training and a career background that features both characteristics is no easy task. In our view, a good option would be to have an artistic director with

broad autonomy for programming under a general director with a comprehensive view, solid strategic and leadership capacity, a mastery of management tools and artistic sensitivity and knowledge. In any case, the profile must be suited to the mission, size, location and available resources of each theatre. The increase in the number of university courses specialising in cultural management has led to a growing number of professionals meeting these requirements. Many have recently taken on management responsibilities, slowly displacing those who relied on a purely artistic approach.

For example, in Spain, the profile of the directors has evolved within the context of a dynamic process of professionalisation; however this has not formed a defined management profile. At many municipal theatres without in-house production, the director is the municipal cultural technician, who on top of other obligations covers the function of programming shows and guaranteeing the proper functioning of the theatre. At theatres with a significant in-house production component, the artistic director usually takes on the functions of general director, with the aid of an administrative assistant. In turn, some large theatres have opted for a strong general managing director, with a cultural management profile, who has authority over both the artistic director and the administrative director; such theatres usually have an artistic advisory council. Finally, with independent theatres, their management is usually the task of members of the artistic collectives.

In Río de la Plata the scenario is somewhat more homogeneous, as in the vast majority of theatres have unipersonal management. With public theatres, management is commonly tasked to professionals from the artistic world, administrators (public or private) or teaching staff from the humanities field. In all cases, political trust is a relevant factor. In commercial theatre, the management is assumed by the impresarios themselves or by producers in whom they have maximum trust. With independent theatres, the management is usually taken on by the artistic collective.

### **Open virtual debate on the most appropriate profile for covering a theatre management position**

**Mercedes Guillamón** (former managing director of the Teatro Calderón in Valladolid): *I'm not in favour of an artist being the director of a large theatre because many issues and problems arise that have nothing to do with artistic creation. They require leadership and a notable knowledge of economics, management and human resources. For a medium-sized presentation theatre, I would favour a manager who is very familiar with the artistic sphere, but who has management experience. At theatres with in-house artistic*

*production I would distinguish two posts: one would be the artistic director, with full capacity to programme and take artistic decisions, and the other an administrative manager.*

**Juan Calzada:** *There are many theatres that cannot permit themselves two directors, one artistic and the other management. From an organisational viewpoint, either option can be valid. For specialised theatres, I see a more artistic profile as being a clearer option, as I would rather count on someone who will put their personal mark on the theatre.*

**Domènec Reixach** (director of the Teatro Archipel in Perpignan and former director of the Teatre Nacional de Catalunya): *It is possible to be a manager with great artistic sensitivity and an artist with great management sensitivity. But in both cases one must be aware that the theatre's heart is the stage, and that all the problems viewed through it: both can do this. What I am absolutely against is when an artists manages a theatre as a way of building up his own business.*

**Ariel Goldemberg** (former director of the Bobigny and Chaillot theatres in Paris): *Every time that in a public theatre, or sometimes also in a private one, a stage director manages the institution, the vast part of its budget is for its shows.*

**Rubens Correa** (former director of the Teatro Nacional Cervantes in Buenos Aires): *I think that an artist being at the forefront of a public theatre has a good side, because she or he will put their artistic mark on it, plus lots of emphasis on the show's connection with the audience. Being an artist also has its downside. Many problems have their origin in the fact that as artists, we – I include myself here – are always tempted to say: “Let somebody else do that bit of the management that I don't like”, and this becomes “I don't even watch how it's being done”. As artists we have disregarded the political side and the organisational part too much.*

These comments, born of practical experience, coincide in that the director in charge of a theatre must both master management tools and possess artistic sensitivity. According to the scale of the performing arts project, it can be a good idea to have one or various artistic directors reporting to a general director, as well as a general administrator and other heads of specific areas. In smaller theatres, the best option will be to rely on professionals with experience and training in both fields. An interesting model consists of recruiting the director in an open competitive process, as this enables the projects presented by the different candidates to be contrasted.

## Management responsibilities and tasks

The general aim of theatre management is to fulfil the institution's mission through the production and/or presentation of a programme suited to the theatre's resources and the context in which it is situated. To achieve this, it is necessary to take the lead in a series of managerial functions, on both a strategic and an operational level, and this requires strong leadership capacity. It demands the undertaking of processes of planning, organisation, coordination and control to be able to meet the objectives planned or desired. The assuming of the responsibilities mentioned and the complexity of putting them into practice, mean that the post of director requires considerable dedication. In addition, the post involves assuming the ethical, social and artistic values consistent with the facility's mission.

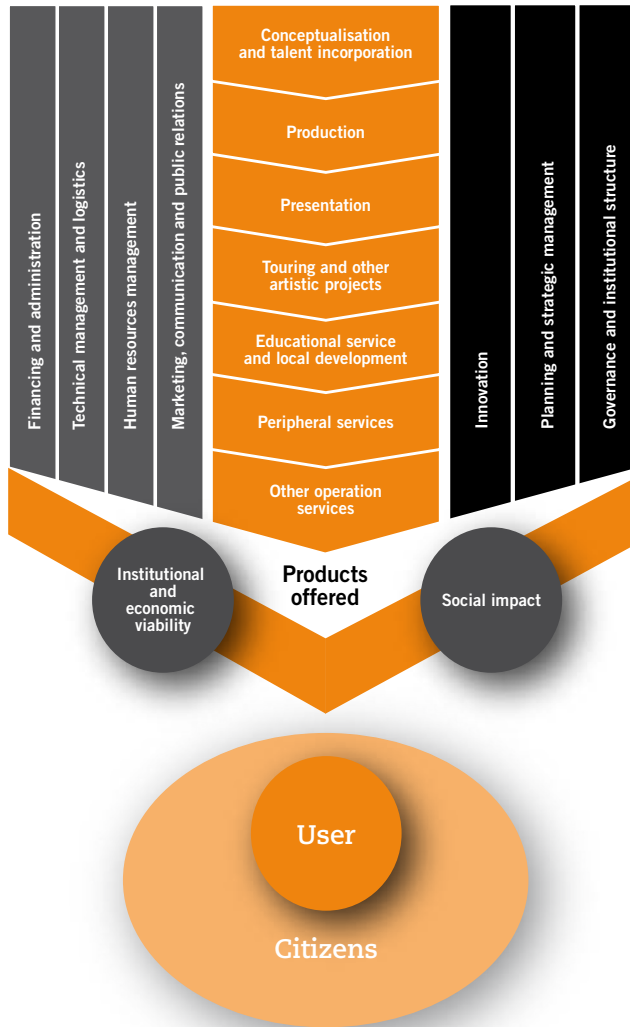
The following diagram, a free adaptation of the operational management matrix by Michael Porter (1980), shows the set of factors that should be taken into account by the management of a performing arts venue. It describes the processes, from the conceptualisation and incorporation of talent to the delivery of the different resulting products, with the corresponding processes of production, post-production and sale. It includes the definition and exploitation of the artistic project (production and presentation at the venue and on tour, or the programming of other associated activities), of the educational and territorial development project, as well as the operation of other services (hiring out of spaces and resources) and the management of the different peripheral services (catering, shop, security and cleaning). All of this, while taking into account the institutional and governance model, adequate planning and strategic management and the incorporation of resources for innovation at all management levels.

On an operational level, the matrix is fed horizontally by an administration that is as efficient as possible and those financial, human, technical and material resources necessary. The goal of the organisation consists of providing access for users and for citizens overall to shows and other artistic activities that generate the maximum social benefit possible (without the latter necessarily implying the obtaining of profits, since depending on the facility's philosophy and context, a deficit may be necessary). In this sense, the concept of social, economic and institutional viability is interwoven with the remaining artistic, social and innovation factors that characterise the performing arts project.

Any theatre may, to a greater or lesser extent, take the matrix and its dual vertical and horizontal view as a reference point for its management. Logically large theatres with in-house production are more complex to manage.

Figure 7:


**Value chain and strategic matrix of a performing arts project**



Source: Free adaptation based on the value chain by Michael Porter (1980)

Fernando De Rito, who was formerly director of the Teatro Argentino de la Plata, describes his work at the head of a large lyric theatre under public ownership within a context such as that of Argentina: *“If managing a public theatre is extremely complex, a lyric theatre is even more so due to the number of factors involved. For example, the ego of the artists who make up the choir, orchestra or*





*ballet company, or the fact that they are governed by the particularities of their craft and not by the same rules as the rest of the personnel. They are constantly creating and you have to understand that and plan based on that starting point. From the way a piece of fabric hangs to the sounds, from the rehearsals to the costumes, everything has to be perfectly articulated. I do not enter into artistic discussions; instead, within the scope of our possibilities, I try to provide what they need. Any budget decisions or questions of pay we negotiate outside the theatre, aiming to ensure that inside, technical staff and artists have what they need to do their work in the correct time and form".* This is, from the perspective of the administration, a specific way of protecting the "operational core", the production space of the theatre organisation, from any external contingencies that may affect it.

## 2.5 The organisational structure of theatres

The organisational structure describes the levels of authority, the systems of coordination, the work posts and the division of tasks among personnel and the services that they provide. The differences between one theatre and another depend on the type and volume of activity. A theatre with in-house production and many shows on tour requires a much more powerful production department than one that only participates in co-productions. And at presentation theatres, the programming team will depend on the number of titles per year and on the project's artistic and territorial development ambitions.

We can find organisational charts that have many levels of authority alongside other more horizontal ones, as well as matrix structures that break with closed departments. In the case of large organisations, one of the principal problems is the excessive specialisation of personnel, often due to sector self-defence. Public theatres, especially those under direct centralised management, as they form part of the governmental administration, usually configure their administration and production following the "mechanical bureaucracy" model, in other words, configuring areas where what predominate are defined hierarchies, the proliferation of rules, standardised work processes and formal control, both internal and external. This form of structuring has a direct impact on the casts or artistic collectives that have another way of structuring, based more on mutual confidence and experience. The organisation teams directly linked to the production of shows are structured in line with a configuration of "operational adhocracy", where work is done by project, whether in a temporary way (for a single show), or a permanent way (when there are stable casts) (Mintzberg, 2004). This dual structural configuration is a singular aspect of all public theatres, which is particularly accentuated in those that have their own in-house productions.

En un teatro cuya concepción de la gestión es más moderna, mucho más cercana a la organización matricial, la cooperación e interdisciplinariedad es fundamental. Por ello, las estructuras que rompen con las jerarquías y permiten la conformación de equipos ad hoc para desarrollar proyectos transversales, facilitan mucho más la innovación que los organigramas clásicos. La actividad artística, en su búsqueda de creatividad y excelencia, se siente mucho más cómoda en estas estructuras más flexibles. Existen teatros públicos que han avanzado mucho en esta dirección, cosa que rompe con el estereotipo de que esto solo es posible en el sector privado.

Finalmente, no debe olvidarse que una cosa es el organigrama formal, la representación gráfica de la organización interna, con la distribución de dependencias y funciones entre los departamentos y el personal de un teatro, y otra es la realidad de los flujos de comunicación y las relaciones de poder que se dan en una organización viva. En este sentido, la cultura organizativa con sus normas explícitas e implícitas es tan importante como la capacidad de liderazgo de la dirección.

### **Different perspectives on internal organisation models**

**Alfred Fort:** *All theatres, regardless of their size, are organised in a similar way. Generally there is a communication area, an administration, a technical director, a department for the development of new audiences and, of course, a group of artists with their show. On an organisational and a functional level, what really differentiates one theatre from another is whether it produces in-house or not.*

**Francesc Casadesús:** *Our theatre is structured into four areas: contents or programming, communication, administration and production. This last area is the one that makes possible shows within the house mechanisms, which means the show's size will depend on whether it is an in-house production or not. I fought hard to ensure the entire part of audiences creation was not inside the communication area in the sense of "It's done, communicate it", but rather was in the general area of contents and programming, so that it was possible to participate by generating projects based on needs and dialogues with the audiences.*

**Toni Tarrida** (former head of touring for the TNC and currently deputy director of Mercat de les Flors): *From the director downwards we need autonomy, stability, continuity and operating contracts. The one-man-band must come to an end. The director must play the role of director, the technical director that of technical director, the director of communication and audience*

engagement must do that; it is necessary for these people to operate totally adapted to each specific project. I am not in favour of the shifts system, of “I’ll just go to work and they’ll tell me what to do”, but of working by projects and objectives.

**Mercedes Guillamón:** *Our organisational chart is very short because the Teatro Calderón is a generic presentation theatre, with a programme that ranges from opera to family theatre. I do a bit of everything: I’m the managing director of the Foundation, the artistic director, I take care of relations with the board of trustees and the town council, and at the same time I do the programming and the hiring. There are ten of us at the theatre: administration, technical management, house manager, maintenance, public relations, ticket office, IT manager, two management secretaries and myself. The rest of the functions are now outsourced: services such as cleaning, maintenance and also front-of-house operations, loading, unloading and security.*





ph: Giada Calvano

3.

# Management projects

### 3.1 Introduction to management projects

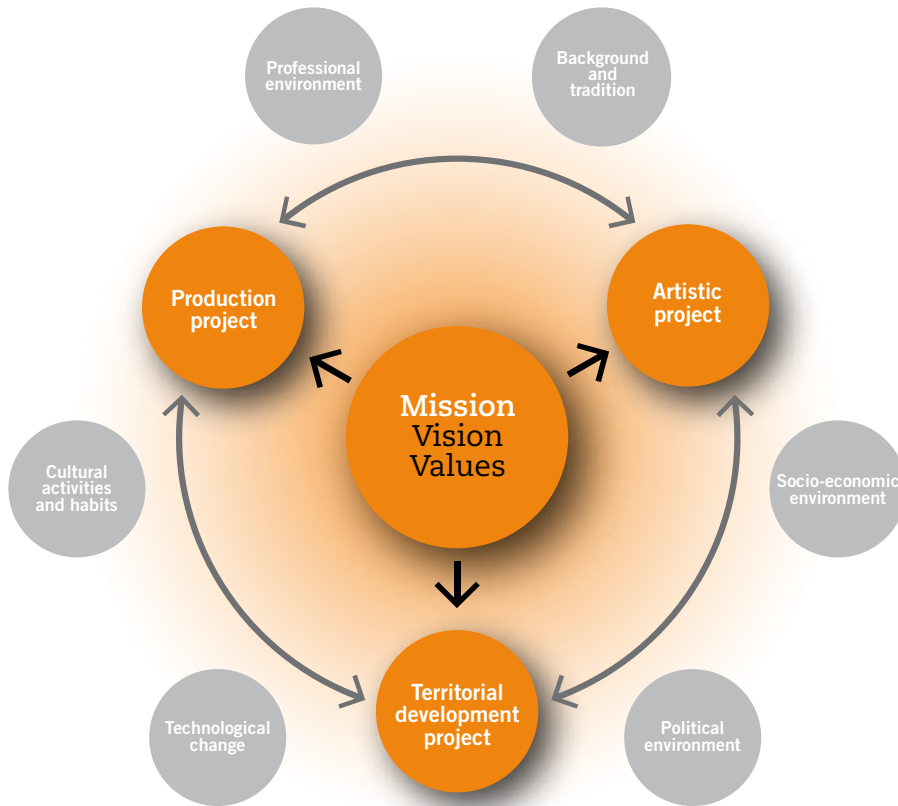
The first and principal strategic obligation of the management of a cultural organisation consists of transforming the mandate received –expressed in the mission, reflected in the vision and sustained by the values– into a comprehensive management project. From our perspective, this strategy is shaped and developed in the case of a performing arts venue around three inter-dependent projects: the artistic project, which defines the aspects related with the programming; the production project, responsible for the technical, logistic and constructive aspects and other programmed activities; and the territorial development project, which links the theatre with the different territories (spatial, virtual or social) of the place where it is located and that includes work with the community, the educational function and boosting engagement with local artistic collectives alike.

These projects are fuelled by the mission and establish their strategies according to the orientation which may be more or less prosocial, artistic or oriented towards the customer, profitability or social prestige of the theatre. It is important to take into account that the mission itself and the orientations specified by the cultural policy are limited by the theatre's environment, cultural dynamics and tradition. It is important, therefore, to manage each project taking into account the pressure and demands of the political and professional environment, as well as the socioeconomic reality, technological change or the level of activity and current habits of the society that provides its audience and its *raison d'être*.

The logics inherent to each project –ideological, technological, productive or relational– generate tensions between the different teams responsible. However, they also permit important synergies and it is important to know how to pick up on these and promote them. A way of facilitating dialogue and coordination is through matrix structures, where teams, projects and functions interact side by side.

Figure 8:

*A theatre's strategic projects and their inter-relation with the environment*



A crucial dimension for an institution's success consists of facilitating innovation processes within each of its projects. This is not always innate. Some people think creativity is the exclusive concern of the artistic project and that this inevitably implies innovation. However, it is important for creativity to emerge in all sectors of the organisation, though even more important still is that it is transformed into innovation processes. Developing this aspect is the responsibility of the management team and in order to bear fruit, it must be incorporated into the organisational culture, since all change initially generates more resistance than adhesions.

The artistic project summarises a theatre's soul. The coherence of the programme of works presented, of the artistic and technical teams in charge, as well as of the set of parallel activities (book presentations, organisation of



courses and seminars, research, etc.), or of the expanded programme (actions with non-conventional formats or held at unconventional times or locations) respond to a singular artistic aim and intentionality. Overall, the set of proposed themes and their adaptation to a specific time and space shape the artistic line. This is transmitted with the programme and disseminated through image and communication strategies.

The production project makes the theatre policy operational. Its function consists of scaling the project and coordinating the different teams of people, the technical infrastructures, the material resources and the logistics necessary to implement the programme. All of this involves taking into account the economic resources and the time available, with the goal of offering the shows and the set of programmed activities to the different receiving audiences in optimum conditions.

The territorial development project situates the theatre at the intersection of diverse sensitivities and territories – not only physical but conceptual (of the avant-garde or the diverse performing arts traditions) – that act as a reference point for the facility. A cultural centre has a symbolic dimension that interacts with the communities around it and its objective is to help them progress. For this, a comprehensive strategy must assume that, together with the artistic and production project, a strategy of interaction is required with all the communities –aesthetic, social or geographical– that extends far beyond communication.

In short, the complementation between these three projects allows us to construct a comprehensive theatre management model, whatever the institutional format and operational characteristics.

### 3.2 The artistic project

A cultural facility's identity is fundamentally expressed through its artistic project: this is its heart. In the case of a theatre, it is embodied, essentially, in the programming line of the shows offered, as well as the set of other actions carried out. A socially responsible theatre is characterised, precisely, by the importance it attaches to so-called “complementary” activities: artistic residencies, presentations of books and publications, organisation of professional seminars, presentation of proposals or projects by artists, awarding of prizes, exhibitions, the boosting of website and social media traffic, and proposals of workshops for the initiation and training of audiences, to cite just some of the possible alternatives. In the case of large theatres, an in-house editorial line may also exist, with the publication of collections of books and the odd magazine; others maintain an audiovisual programme on the Internet or in association with

television channels or international dissemination networks (for example the live broadcasting in high-definition at networks of cinemas or open-air venues by a network of top-class opera venues).

In all these cases, the key to the construction of the artistic project lies in the intentionality and coherence of the themes proposed, in their adaptation to a specific time and venue and in the quality of the plays, the activities and the professionals invited. The artistic line is transmitted through the offering that appears in the programme, through the typology and proportion of the premières and in-house productions, through the strategies of approach to the audiences that the shows and other activities are designed for and, as the culminating point of it all, through image and communication.

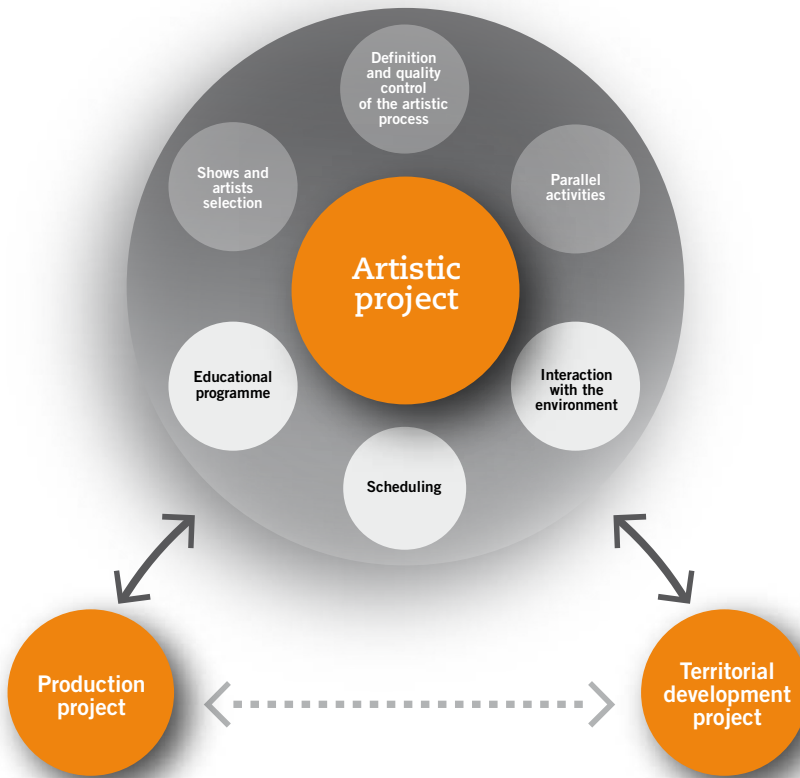
A theatre may have a more or less commercial or avant-garde, classical or contemporary programme, and an established or an emerging reputation; but beyond the option chosen, or combination of options, it is essential that its artistic project be coherent. Its geographical situation, in a major capital or a small rural town, as well as the very foundational option of the theatre, will determine whether its line of programming is more specialised, interdisciplinary or eclectic. Moreover, independently of its aesthetic specialisation, a theatre also defines itself according to its number of premieres, its capacity to produce or participate in co-productions, its proportion of emerging national groups against consolidated or international groups, its capacity to programme and inter-relate local performers with guest foreign artists, and also, its fulfilment in time and form of its programme.

The “artistic” concept introduces a singular dimension to cultural facilities. This is because projects that feature this characteristic –that of being artistic– comprise, as well as a material dimension, a symbolic dimension that is the fundamental support for their central values. Therefore, the function of the artistic management involves much more than selecting works that are presented before an audience, it also requires the task to have a dimension and a commitment that include philosophical, ethical and social aspects.

From the perspective of a theatre’s organisational management, the artistic project not only refers to the material and symbolic aspects of a specific work (for example of a show), but aims to synthesise the conceptual-aesthetic-ideological universe that will guide all the artistic decisions and the strategic actions that its leadership proposes to carry out.

Figure 9:

*Strategies and actions of the artistic project*



In the artistic project, the mission and objectives of the organisation are combined, along with the personal in-house mark that the theatre's personnel, with its managing team at the head, impresses upon the facility's management.

A project is, by definition, the work plan or scheme that will guide the process through which an idea or set of ideas will materialise until they become a concrete reality. Thus, its development consists of different phases whose successive fulfilment implies arrival at the finished work.

The artistic project may be more or less implicit or explicit; it can be the result of the driving force and stimulus of the cultural life of the place where it is developed or, to the contrary, not fit in with local dynamics. It may adopt different forms of presentation: forming part of the institutional strategic plan, being a written manifesto produced by the director and team, or being implicit in the verbal discourse of the theatre's general management. But it always exists.

If its level of development and incorporation into theatre's discourse and action is poor, as time passes the organisation suffers and the results of its offering very quickly reach their ceiling. In the private sphere, this defines the limits of the business, and ultimately, of the enterprise's viability. In the rest, being able to devise and sustain a high-level artistic project is one of the principal tasks of the management. In the words of Jaume Colomer: *"An artistic project has two times, its preparation and its management. Sometimes a lack of sufficient preparation falls on the management, meaning it has to 'make the road by walking it'. In this case the figure at the head of the organisation is a determining factor. For example, in his experience with the Teatro Principal in Palma de Mallorca, the first thing that Joan Arrom did before accepting the post of director was to draw up a project, because he said 'if whoever appoints me as managing director accepts me doing this, then we're all systems go; but if they do not back my artistic project, then it's better not to appoint me' ". The artistic project's viability is conditioned to the functional autonomy and the freedom of aesthetic expression available to the management and the institution itself. At the same time, a certain stability and continuity of the management team over time is essential.*

## **Factors influencing the construction of the artistic project**

Every artistic project is born of the need to express, to exhibit, of its creator – the programmer – in relation to the community served. Theatres are providers of performing arts experiences, a balanced combination of shows, expanded programming and complementary activities. This performing arts experience includes a value proposal, a community of participants and certain elements of the spatial and temporal context.

Different factors condition, to a greater or lesser degree, the process of configuration of this artistic project. The main ones among them are:

- a) *the institution's background;*
- b) *the cultural norms of the community where it is situated;*
- c) *the influence of the media;*
- d) *the duration of the season and the frequency of the performances;*
- e) *the physical characteristics of the spaces to be used;*
- f) *the artistic teams available, whether resident or hired.*

### **a) The institution's background**

Every institution, whether one with several centuries of history behind it or one that tomorrow will open its doors for the first time, has a background to take into account. In the first type of theatre, any major artistic successes (the failures

are quickly forgotten...), changes in the juridical structure, modifications to the building, reconstruction following a fire (historically theatres tended to suffer fires quite frequently), unforgettable management successes or the performing arts genres tackled have gradually shaped over the years an institutional imaginary that is projected with such power towards the future that it conditions, even in a subconscious way, decision-making by the management. Thus what we generically call tradition has a large weight in the conception of the programming and also, in the other strategic decisions that make up the artistic project.

As for the opening of new theatres, their background is found in the genesis of each project. In other words, the opening of a new facility is reached through non-circumstantial reasons that should be taken into account: unsatisfied social demands, existence of artistic teams of quality, a training centre or local groups that require venues, new lines of business, individual or group initiatives involving entrepreneurship, urban value increases or growth in tourism, among others. Many of them, furthermore, contribute towards favouring political commitment to sustaining and developing theatrical activity. In each case, it is fundamental that the general management and its steering team have in-depth knowledge of the community-based reasons and sentiments that led to the materialisation of the project, as well as the ups and downs that occurred during the process of construction and opening.

Gerardo Grieco, who participated directly in the process of the reopening of the Teatro Solís, remembers it thus: *“We went along enriching the debate with people from the sector; we held over fifty workshops with other social sectors and with political agents. At that time we managed to involve the entire political cabinet in the debate over a strategic plan that was based on the question: Teatro Solís: for what? And we were lucky to have good interlocutors, people it was possible to talk to. That way we recovered the history of our theatre, we drew up a plan based on that history and what we believed the Solís should be, until we managed to insert it into the political agenda. I think that happened because at the same time the process received social validation. This is a factor that for a public theatre it is very important to take into account”.*

## **b) Cultural norms**

The theatre activity of each city or community, like many other aspects of community life, usually has typical characteristics: the existence or not of a theatregoing habit, the way in which free time and financial resources are assigned, as well as the tastes developed in families or schools, or as a consequence of a performing arts offering that is long-term in nature. So-called leisure time (in counter-position with business or non-leisure time) is related to the reality of each territory, and conditions each theatre's project.

Outside of the major capitals, spectators want, first of all, to see works as staged by the most prestigious venues in the main metropolises. This reality is summarised by Mercedes Guillamón thus: *“That happens because to a certain extent the whole of Spain looks towards Madrid. If your city, your theatre, is visited by something that is in Madrid, it is not unusual for your neighbours feel more like citizens of the world because of it. For this reason, if you programme a Madrid-based or Catalan company you are guaranteed success. Spain has changed a great deal over the last thirty years. People no longer go to Madrid for official formalities or the doctor, but the capital continues to exercise an important fascination over the population in every sense”*.

The position of directors in response to this situation is not passive, rather they try to modify it, as shown by the experience of Antonio Álamo at the Teatro Lope de Vega de Sevilla: *“Among the objectives that I proposed when I took over the management of the Lope de Vega, was that the theatre’s audience should no longer be made up in the main of people who just come to see a famous actor or actress. The regular audience needs other things too, and also there is another audience. So, I have taken artists from the new stage of New York and the latest poets from the beat generation, also punk poets too, and so we have had a full house of young people, of goths, of punks, of people for whom the very way of using the theatre was different, people who have taught us many things. It is not just a matter of programming differently, it is also important to open the theatre differently because what matters is to add new audiences”*.

The acceptance of new patterns of behaviour proposed by theatre can contribute to modifying established behaviours. Juan Calzada, from the Palacio de Congresos in Santander, points out: *“We have managed to modify the seasonal behaviour of the audience through multidisciplinary work involving touching all the keys, which has expanded people’s view, although perhaps it has made us too eclectic”*. In relatively small-sized cities or towns, where the theatre is the only professional performing arts reference point, it is important to maintain a coherent discourse that enables explanation of the different options programmed, sometimes through seasons or festivals, or using easily recognisable spaces or timings.

Over time, the programming lines of the set of agents present in the territory, from private theatres to alternative venues, artistic schools or the baseline work of amateur groups, create artistic habits. The key consists of creating a dialectic relationship that is mutually enriching, between the theatre’s artistic project and the habits and traditions of the different communities that make up the place.

### c) The influence of the media

The media are not only the loudest channel for disseminating the offering of shows or where the public find criticism and context to be able to decide, they are also the mirror where artists and programmers see their expectations and desires reflected. Some media have greater recognition as opinion influences than others, according to how highly the profession values their critics and also their capacity to influence different agents and the public. A specialised magazine publishes thematic articles and criticisms that are more or less independent, but also reports associated with the advertising that it receives from producers and agencies.

For its part, television has a major direct and indirect impact on the line of programming. This conditioning factor begins with the costs of the artists' fees, since television producers, by paying higher remuneration than theatres, force these to increase their costs. But the remuneration question goes much further; for example, the public repercussions of the work of a musician or an actor are much greater and more immediate in a series or a television magazine programme than in a live production, which means that exploiting the massive reach of the audiovisual media is very attractive for any artist. In this respect, Gonzalo Centeno, former president of the Spanish Public Theatres and Auditoriums Network comments: *"Many theatres base their programmes around television, they sign up productions where the cast is headed up by actors originating from television series (which is a real limitation with respect to what can be programmed). The reality is that what sells is the famous actor or actress, not the text, or the story, or the author, or the genre that we are showing. And as these people work up to Friday evening and on Mondays at very early hours, the function is only on Saturdays or, with a little luck, we can offer functions from Friday to Sunday"*.

However, Jaume Colomer plays down this matter: *"The capacity to develop an expanded programming model, escaping this majority model of functions from Friday to Sunday, is very closely linked to the policy of encouraging audiences"*. In this strategy, staying in tune with the media is fundamental. A good example of this is the Club de cultura Tr3sC in Catalonia,<sup>8</sup> which in its early days saw the active participation of Catalan public television with agents from the sector, achieving major expansion and building loyalty among audiences for consumption of the performing arts.

One form of business that shows the particular synergy that can arise between the theatre and television is constituted by the new digital formats aimed at children's and teenage audiences, or the more traditional audiences in the humour field, especially political humour. In these, a successful television programme is adapted to be presented onstage with the same stars in the main roles. The possibility of seeing the actors, actresses and imitators has proven to be very attractive for that audience. Beyond the ethical, artistic and political values that each of these formats presents, from a more objective viewpoint it must be pointed out that the inclusion of these products in the programming very strongly conditions the development of the artistic project of any theatre.

#### **d) The duration of the season and the frequency of the performances**

The time variable plays a central role in the construction of the artistic project. The way in which the programming is distributed over time (in the calendar and in terms of times of day) will have a direct influence on the theatre's economy (effect on revenues and on costs) and also on the habits of the audience. If the quality of the offering is good, the frequency of the functions is distributed in a balanced way over the course of the season and the timetables adapt to the social reality, the audience will feel more encouraged to attend.

In large cities, theatres can exploit productions for several weeks. In the case of big hit shows, public theatres cannot lengthen the duration of the season much more, as a private theatre would do, due greater difficulties in breaking off acquired commitments and their own self-assigned mission (offering a plural view of the performing arts world). For example, Domènec Reixach, referring to the TNC, comments: *"A show takes between six weeks and two months to prepare, and it remains onstage for an equivalent period; then, its exploitation can continue on tour. Modifying the planning depending on a show's success is difficult"*.

A programmer's role at a large theatre with various stages is very different to that in small cities or towns; as Reixach continues: "The difference with theatres on the periphery is that while national theatres programme from Tuesday or Wednesday to Sunday, the former only offer functions at the weekends and sometimes also on Fridays." Local theatres programme a higher number of works per year, but only offer one or two functions of a particular show given the limited audience potential they have. Their programming is concentrated, as has been said, into weekends and in quite an unstable way. Often they alternate periods of running shows with others when the theatre is used for other activities (school events, celebration of special occasions or other social events of local importance). All of this affects the design of a coherent and viable artistic project.



### **e) The physical characteristics of the space to be used**

In the process of construction of the artistic project one must, necessarily, take into account the size and the arrangement of the different spaces available for staged performances, production and the rest of the activities proposed. Obviously it is not a case of these spaces being all in the same place, as it is possible to seek alternatives elsewhere or work in collaboration with other agents. A diversity of spaces with different characteristics facilitates the programming of broader offerings, but also conditions the logistics necessary to set up and take down productions without getting in each other's way. For example, the stage's size conditions set production, the number of artists on the stage and ultimately limits the production to determined genres or types of shows. These issues must be considered at the time of construction of any new theatre and be resolved before its start-up, so that the situation raised by Juan Calzada does not occur: *"I believe that the great challenge is that the management team should be composed of true professionals, who can guide the setting up of a theatre. We should not experience ever again situations such as the divorce between the team that erects the theatre architecturally and the team that then directs it, something that in Spain we have suffered in the past"*.

Moreover, it is necessary to take into account that times during which presentation auditoriums are occupied by rehearsals or other similar activities do not produce income for the theatre, since those attending are not charged admission, and consequently, this situation influences their efficiency. When there are not sufficient spaces for production or to host resident companies, the programme will have to make possible variants that enable these activities to be undertaken in such a way that they affect the presentation productivity as little as possible.

### **f) Availability of the artistic teams**

This factor is strongly associated with the possibilities for professional development that each city offers technicians, actors and stage directors. It is for this reason that it is much easier to develop professional performing arts activity in large cities, where both supply and demand are abundant. It's a situation that Francesc Casadesús, located in Barcelona, uses to good advantage: *"In my case, I can permit myself the luxury of incorporating new features such as contemporary circus or visual theatre, the more different disciplines that are not strictly limited to words. With this I believe that I activate other possibilities for getting closer to and simultaneously showing commitment to the Mercat's spectators"*.

In those places where the supply of professionals to make up the artistic teams is insufficient, the work of the public theatres can become very important. They can promote the development of local personnel by taking on renowned professionals who are assured temporarily stable conditions for their professional exercise in exchange for the undertaking of specific training activities.

Another possibility consists of inviting external professionals to demonstrate their experience and produce a play from an innovative or avant-garde perspective. These strategies help to raise the local level and strengthen cooperation links with other theatres and artists. In this area, having a good network of contacts and the capacity to make motivational proposals can be even more important than the budgetary question.

## **Programming criteria**

Programming criteria are the result of conceptual and aesthetic calculations made taking into account the institutional mandate and its reconciliation with the resources available, such as the conditioning factors of the artistic and social environment. Said criteria will also be coherently related with the type of profitability pursued by the theatre. Their preparation is always personal and is not – nor can it be – subject to regulatory definitions. In short, their adoption corresponds with the subjective perception of the artistic director or programmer, and his or her collaborators.

Although programming criteria are not usually explicit, they can be deduced based on a detailed observation of the programme. Analysis of the programme for a broad group of theatres on both sides of the Atlantic and conversations held with different artistic directors has allowed us to garner a broad range of criteria. Each theatre will select those best adapted to its reality. These can be generally be grouped into three major groups: criteria of a cultural type, economic criteria and territorial development criteria.

Among the criteria with a greater cultural accent we find:

- introducing authors, titles or production formats that nobody else in the region is presenting.
- always exceeding a minimum level of artistic quality.
- presenting innovative, challenging or provocative works, that break with the established canons and make people think.
- incorporating works with fragments of great aesthetic beauty.
- achieving a balanced combination between a classical, modern and avant-garde repertoire.
- etc.

With a more economic dimension, we find criteria often incompatible with each other, such as:

- programming shows that proved to be successful elsewhere.
- programming only shows in which the company or production company shares risks with the presenter.
- trying to ensure that estimated revenue from ticket sales in all cases exceeds the variable programming costs.
- programming at public theatres, whatever commercial or alternative theatre cannot do (due to volume of resources, production requirements or others). In other words, not competing unfairly with the commercial or independent offering.
- obtaining maximum social profitability and prestige from the public money used.
- etc.

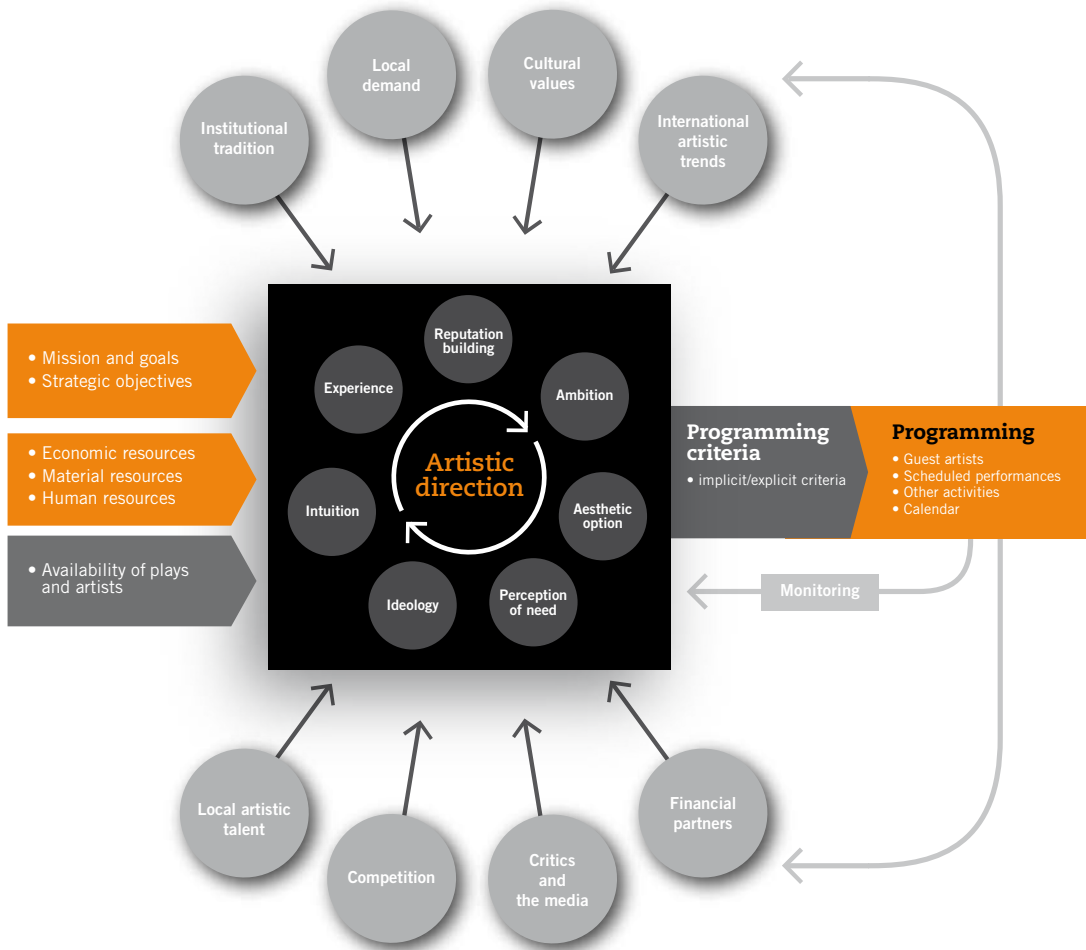
Among those criteria linked to territorial development, the most mentioned were:

- connecting with critical, political or social questions present in the contemporary city debate.
- satisfying the expectations of the public.
- discovering and incorporating the best local talent.
- incorporating activities and shows that are the result of cooperation with other agents (theatres, companies, associations, networks, etc.).
- offering a vision for the future for the community's development.
- etc.

It is important to highlight the fact that, in their practical implementation, the criteria mentioned may sometimes turn out to be contradictory. Managing the tension between artistic and economic rationality is key when it comes to resolving the programming, since selecting some to the detriment of others will imply defining which category the theatre will be positioned in. This is a contradiction that Ariel Goldemberg expresses as follows: *"What I am looking for, and for now my strong point, is that there is alchemy between the programming and the audience and the result at the end is a good one. In other words, I know that sometimes I programme very popular shows that, perhaps, if you ask me: Do you like that? I would say no, but I know that I have to include them. If I only did things that I like myself, perhaps my theatre would be empty and then they would probably fire me"*.

Figure 10:

**Factors of the artistic programming process**



Source: adaptation of Bonet, 2011.

From another perspective, Salvador Sunyer, director of the Temporada Alta Festival and of the producer Bitó, which programmes different municipal theatres, affirms: *"We must offer two more steps so that the audience can gradually climb in terms of sophistication and give clues or terms so that people who have not entered this world can access this network"*. From a different angle, Antonio Álamo justifies his criteria when preparing and managing the

artistic project: *“The natural path for the Teatro Lope de Vega consisted of being author-based theatre, text-based theatre. However, subjectively and decisively, I programme all types of stuff, popular things during holiday periods, and very risky ones, such as La Zaranda, during the rest of the year. And I do so because I believe that the public theatre must, and so I must, try to strengthen the global theatrical fabric of the community, favour the creativity of the city, of the companies and of the local audiences by allowing them to be connected with a very open scenario”.*

For the theatre’s artistic management (and undoubtedly also for its general management), understanding the logics that underlie this decision-making process is extremely important. French economist Xavier Dupuis explains it clearly and precisely: *“Managers are thus up against an alternative that can be summarised as the choice between two management modalities: business management or permanent festival-type management. Both lead to undertaking totally divergent cultural actions. Business management is characterised by its rigour and is usually confused with an explicit will in terms of production and of audience. The institution is comparable to a commercial company that seeks to optimise its resources (own revenue, sponsorship and patronage, subsidies, etc.) adapting them to its expenses. The permanent festival-type management rests for its part on the artistic logic and is opposed point by point to the business management model, and is similar to a prototypical economy, which leads to the limited production of costly shows, sometimes with differences with respect to the taste of the public at large. Excess quality and elitism are its consequences”.* (Dupuis, 2007, pp. 173-174).

In the specific practice of the management of public theatres, these contradictory aspects may even lead to that tension sometimes being resolved against the management’s own conception and efforts, as explained by Gerardo Grieco: *“Sometimes we lose one of the raisons d’être of the public theatre, which is to be a platform for artistic development. I think the quest for excellence is the central point; I believe it is an obligation for public theatres. This does not mean that the artists and the directors should only think about their own art, without worrying about the rest, and just saying “I’m doing my own thing”. In public theatres this cannot work in the long term”.*

Defining the programming criteria falls, in short, to the management: it is the management that puts into play and compromises its experience, intuition, reputation, perception of society’s needs, ideology and, even, its own ambition to construct them. But this personal “black box” of the artistic programming process is, in turn, influenced by three types of external conditioning factors that it is not possible to avoid taking unfailingly into account: a) the limitations of the theatrical institution itself; b) social interests and c) the degree of development

of the performing arts sector in its catchment area. The artistic programming process consists therefore of the specific application of a set of criteria – implicit or explicit – that result from the combining of personal, institutional and social factors.

By way of examples, in the case of Andrés Rodríguez, the result of that personal “black box” leads him to: *“Balance out the programming so that it is not all brand new titles. We have the obligation to open up the path for the audience, so that they view things that they know and also things they have never seen. We have had a policy of premiering for Chile works that have never been presented here; for example we have a great debt with Wagner, with Mozart and with the musicians of the 20th century”*. Meanwhile, for Kive Staiff, defining the programme is: *“An enormous responsibility. Because they are not only saying the author’s words. They also involve me as the theatre’s director. If what is said is stupid, then the theatre director who chose that work is being called stupid. Programming means achieving a balanced mix for the repertoire: classical, modern and openness towards the new forms called avant-garde. We have to be universal and have great openness. Undoubtedly a little good luck is also needed, choosing at the opportune time, having the intuition to say: this is a good time to do Hamlet”*.

### 3.3 The production project

#### The production function and the work teams

The concept of production at a theatre, as we present it, goes beyond the executive production of a specific show that is fully constructed in the in-house facilities and workshops of a production theatre. The reception and presentation of a show constructed by third parties also implies production functions at the receiving theatre. Particularly, the adaptation of the technical specifications to each space, or having the stage and the hall ready for receiving the artists and the audience all involve certain production tasks. In addition, participation in the co-production of a show together with other performing arts agents (theatres, companies or festivals), even if only on a financial level, also implies knowledge of its requirements. Finally, all theatres with their own line of programming, envisage a series of parallel activities that also demand certain production tasks.

As a general criterion, the production and presentation of a show must have various simultaneous qualities: maintaining costs within the margin planned in the budget, respecting the production schedule and the established premiere date, attracting the target audience planned or achieving a level of quality and of artistic values congruent with the theatre’s general project. All this forms part

of the concerns of a producer. Production is a complex and collective process, *“where certain artistic, technical, administrative and management practices converge and are undertaken by a set of people in an organised way, and they require various resources to achieve the materialisation of a project as a show”* (Schraier, 2006, p.17).

For his part, Jesús Cimarro centres his definition around the function of the producer: *“Producing is equivalent to creating; therefore the products that emerge from theatrical production are creations, and the primary or original architect of these creations – outside of the artistic sphere itself – is none other than the theatrical producer. (...) The figure of the executive and economic producer is a common denominator in both theatrical production from private initiatives and production from public initiatives. This indispensable figure must exercise leadership in an effective way within the framework of his or her competencies and throughout the entire course of the production”*. (Cimarro, 2009, pp. 63-64).

The production director of a large theatre assumes maximum responsibility with regard to the executive production and coordinates the teams of the different areas or projects (which are sometimes under the direct management of assistant executive producers). His or her tasks range from logistics to risk control, from licensing rights to operational control of the expenses budget, and include all the technological and operational questions; the latter are the responsibility of a technical director, a key figure in any theatre. The majority of these functions are also present, in a more limited way, at presentation theatres.

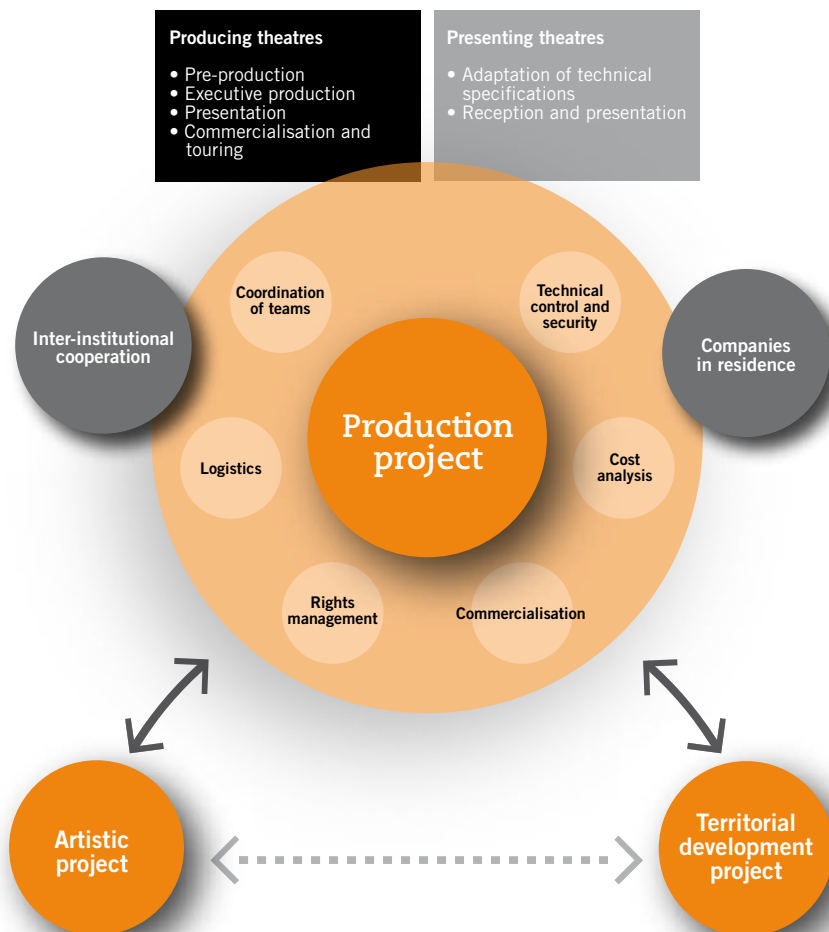
The functions of the production director include that of easing any disputes that may affect the construction and operation of the programme, whether of an internal or external nature. It is fundamental that the entire production team is well aware of the reasons behind and the objectives that the theatre aims to achieve with each activity so that technical and logistical solutions are adapted at all times to the conception and availability of the theatre's resources. For this reason, it is vital to devote time to communicating the objectives of each project to all those personnel involved in the different phases of them. When the entire theatre team is engaged with the project, the artistic and production management provide each other with mutual feedback. To a certain extent, the aim is to achieve harmony between the theatre's strategic lines and the decisions of each of the work teams that form it.

At theatres with in-house productions, the pre-production, executive production, presentation at the venue and exploitation and tours all have specific requirements, each of them with a certain complexity. In contrast, at presentation theatres the production process is comprised of the adaptation of the technical specifications

of the show being received to the technical and physical conditions of the venue, and the set of logistic, legal and practical aspects that receiving a show involves. Co-production is a special case, as it may imply only a financial contribution or the assuming of executive production responsibilities. Another alternative, particularly for a presentation theatre, consists of inviting a resident company to collaborate on production tasks and, in return, be able to include in the programme a premiere produced by that company without having to assume the risk and the costs of such an undertaking.

Figure 11:

***Production at theatres with in-house production and at presentation theatres***





Some theatres take on singular responsibilities with consequences in terms of production. For example, some large public theatres include among their aims the preservation of traditional knowledge and craft occupations. This leads to supplementary costs in personnel, workshops and materials, but it adds great value to the overall activity. It also demands specific technical knowledge and requirements. For their part, other theatres specialise in the development of new products, procedures and materials, a question that has various implications in terms of production (for example, greater risk and initial investment, but higher productivity in the long-term). Research methods for creating new productions represent an important contribution both to the performing arts environment and to society, vital aspects for rejuvenating artistic culture.

## **In-house production**

At theatres with in-house production, the relevant department logically takes on great significance because a large part of what is programmed is planned, prepared and executed internally (at the theatre's own facilities or with outside teams and companies). The phases or stages of the process can be summarised as: a) pre-production, b) executive production, c) presentation at the venue and d) tours and exploitation in other media.

**a) Pre-production:** consists of the planning of the design of the production, the mapping of the necessary resources, the obtaining and management of the rights for works and the definition of the schedules of resources use. Evidently pre-production tasks will be very different according to the complexity of the show –one cannot compare the production of an opera with that of a monologue– or to whether it is a worldwide premiere, the recreation or adaptation of a text, or the re-run of a known show. Other complementary activities such as the awarding of prizes, the organisation of lectures, courses or other educational activities, the presentation of books or the public staged reading of a new dramatic text require, each in its own measure, certain pre-production tasks.


One of the most delicate pre-production tasks, which requires negotiating skills, consists of the management and obtaining of the rights to present the shows. In the case of living authors, it is necessary to connect with the authors and their representatives. It is also necessary to agree with translators and/or stage adapters the rights, conditions and deadlines that will be involved in the work. The preparation of contracts of this kind requires specific specialist advice on the subject.

Furthermore, attracting the most appropriate talent for the work, in artistic and technical terms, is basic for the show's success. This requires economically evaluating the remuneration in each case so that people are paid in line with market rates, avoiding excessive differences and incorporating, whenever possible, incentivisation mechanisms committed to the development of the work. An especially complex question, particularly when dealing with professionals that have a full agenda, is reconciling the calendar of all the participants (especially when the show is a success and there is a desire to extend the period that it will be running).

**b) Executive production:** this involves the technical assembly and coordination and logistics of the rehearsals. Each performing art –theatre, music, dance or the circus– has its own requirements (construction of the stage set, props, costumes, make-up or management of the musical scores, for example). In all of them, the producer organises the production according to whatever is established in the plan, distributes the tasks among the teams, assigns spaces and timetables for working and rehearsing, proposes and monitors purchases and the outsourcing of services in agreement with the technical and artistic directors, among other functions.

In both phases it is important to be very familiar with the skills and technical needs of the operating personnel teams, since working alongside the production and stage set construction personnel (carpentry, metalwork, tailoring and shoemaking) are the technical teams formed by scene shifters, sound and lighting technicians, computer and image controllers, etc. All of these are jobs involving craftsmanship, which is essential but perhaps less glamorous than the work of the artists. Knowing, evaluating and managing the expectations and demands of the different subordinate professionals, internal or external, is one of the producer's responsibilities.

As pointed out by Marisa de León (2004): *“The work of the executive producer is complex and requires special qualities prominently including administrative skills, talent for clear and efficient organisation, an immense capacity for work, knowledge about the ways in which each of the performing arts are produced and executed, as well as understanding the nature of each and its requirements, needs for rehearsals, for set-up, times required for planning, production and execution; which means the holder of the post also becomes a kind of walking calendar of dates, times, plans and actions”* (p.23). In short, a producer must master both aptitudes and attitudes required. Among the latter it is worth highlighting a capacity for communication, empathy and resolution of conflicts with professionals that have very different baggage and characteristics (local versus foreign, artists versus technical staff and eccentrics versus facilitators).



**c) Presentation at the venue:** consists of ensuring the correct presentation of the show before the audience, in other words, of operationally incorporating any improvements indicated by the show's director: adjustments of timings, stage management or changes in sound and lighting, among others. Over the course of the season, maintaining the control of the discipline of the artistic casts and technical staff involved, which tend to deteriorate as the spotlights of the premiere fade. In short, controlling the frequency of functions, the timetables and calendar of the season, as well as the extraordinary events. Avoiding the generation of unnecessary costs such as, for example, the payment of overtime due to unforeseen circumstances, which could make the project more expensive. Also planning the different administrative and logistical tasks that usually arise: flow of funds, provision of consumables in due time and manner, movements of stage sets and props, etc.

**d) Tours and exploitation in other media:** these appear when a production enjoys success, it being possible to plan its subsequent exploitation at other theatres or festivals, as well as its dissemination through other media. These forms of exploitation, well planned, can undoubtedly help to amortise the investment made and expand the theatre's repercussions and its image. Thinking about certain aspects of shows from the start, taking into account the possibilities for exploitation outside the venue itself (scaling, ease of set-up and dismantling, flexible image and sound design, or adaptation to digital registers, among others) facilitates their production and subsequent touring possibilities.

In many cases the tours route takes the shows around presentation theatres, whose stage spaces require modification of the design of the production as presented at the original venue. In these cases the technical specifications (rider) will be adapted to the generic physical characteristics of the spaces where it will be presented and to transport needs. Running tours requires finely detailed planning of each phase of the production process, including from the first stages of pre-production. This includes everything from material aspects of the stage set to the costumes, for the purposes of avoiding subsequent problems with transfer or construction. At the same time, it is necessary to know in detail the stage equipment available at each of the theatres where the show will be presented, since sometimes these do not have the technical, lighting or sound systems necessary for presenting the show adequately.

Another crucial aspect, that has repercussions on the external appreciation of the show, is that of the availability of artists, as often it is very difficult to guarantee the presence of the original actors, given their simultaneous work on other projects or in film or television. The high costs involved in tours of major productions limit their possibilities for travel, therefore it is very important

to include complementary sources in the financing diagram, such as private sponsorship or specific public funds (cultural action abroad, foreign embassies or major international festivals).

In short, and in the Chilean case according to Andrés Rodríguez, organising a tour demands: *“Firstly seeing where we want to place our productions, then searching for the venue or venues where the performances will take place and thirdly showing that we have sufficient quality to do them. To deal with all the formalities and obtain the resources required for a tour, we have a team with significant commercial experience. Because every tour, when moving an orchestra, a ballet troop or a choir, costs a lot of money. We therefore use local companies that help us to do this, both for the production and for collaborating on financing. For example, if we go the north of the country, two companies subject to the law on cultural donations fund the journey for us”.*

Another commercialisation format consists of selling the rights of a show or determined aspects of a production (stage set or costumes) to another theatre so that it can put the play on using its own actors.

Finally, some theatres manage to present the audiovisual version of their shows on television, in university extension services, networks of cultural centres or at other theatres, national or international. Each of these possibilities also requires specific production tasks to be carried out.

Beyond the different phases of the production process analysed, a possible production option, very common in a large number of theatres and countries, consists of inviting a director to put on a show. In this case, it is important to take into account the personality, prior experience and psychological capacity for understanding and managing the particular organisational culture of the personnel of the receiving theatre. Although the theatre director is the organisation's authority, the relationship with the production director should never be based on hierarchy but fundamentally on trust and mutual respect, in relation to both artistic aspects and more practical ones. In this process, the theatre management and its production team must ensure that the financial, technical and staff resources necessary are available to it in the due time and manner.

It is necessary to know that, because of the very nature of performing arts activity, often the finished product does not turn out exactly as it had been conceived by either of the two parties. Sometimes, in the opinion of both, the show surpasses any prior expectations – audience and critics may or may not agree with this appreciation – and other times the opposite happens; i.e., the show pleases neither the theatre director nor the production director. The

possibilities of new invitations in the future will depend, to a large extent, on the degree of agreement in the appreciation of the show and on the experience of working in collaboration.

Moreover, the theatre director's room for manoeuvre regarding artistic questions during the production process should be minimal. The option has been chosen of a play, a director and a cast, and the most that can be done is to put all the resources available at the service of the show. The results obtained – artistic and social alike – are evaluated once the product is finished. During the production process, the theatre director may offer suggestions, but it is important to avoid disputes over artistic issues, because they are rarely effective. When serious problems are detected, especially if they have economic consequences, the best approach is dialogue. The view and the institutional responsibility of a theatre director is in another dimension from that of the artistic director of a show, therefore the former should be capable of moving around both planes to achieve the best success possible and avoid, at all costs, having to decide not to premiere the show.

Independently of the production model chosen –with own teams or guests– creating shows involves, ultimately, achieving a virtuous circle, both in economic terms and in terms of recognition and community prestige, because it professionalises the artists, generates economic movement, develops new supplier companies and helps to boost local performing arts activity.

## **Co-production**

Co-production is a temporary association between theatres, festivals, show production companies and/or enterprises to jointly undertake the construction and staging of a play. It is an increasingly common form of collaboration that makes the funding of a show easier because by sharing the fixed costs between the co-producers, it allows the artistic resources and materials available to be used more efficiently. Also it helps make the show in question and its promoters better known among a much wider audience.

Diverse types of co-production exist, with diverse implications for their different partners: executive (where one or more partners design and take charge of constructing the show), financial (where the contribution is solely monetary), in residence (when a theatre provides its venue and services for the development of another company's project) and touring (where the theatres that receive the show on tour contribute part of the technical, human or artistic resources). Ideally, each partner provides their knowledge, experience and available resources, and the different co-production models adapt to each specific reality. Assumption of the risk, and of the potential profits, is distributed according to the contribution made or to the terms agreed beforehand.

Small- and medium-sized theatres are allowed to access greater resources and participate in shows whose scale is not assumable independently or individually. For a theatre of this size, co-production involves truly positive synergies, beyond the economic, through acquiring the knowledge and experience of the other partners. As long as a collaboration of this type perseveres, it is possible to influence the definition of the characteristics of the works, with themes, actors or the use of local resources that complement the dimension of territorial development of a presentation theatre.

In this regard, Juan Calzada comments on the experience in his region: *“We started out in Cantabria solely as a presentation theatre, as we are in a small community and we put on few functions for each work. But when we have been able to co-produce with other theatres from the region or other parts of the country, we have taken a great step forward. Achieving at least a certain degree of in-house production is, despite the risks and difficulties, something that is fundamental”*.

Probably any theatre that proposes to do so can co-produce, but it requires a strong will and a minimum of resources. It is even possible to co-produce with a minimum contribution. In this sense, Domènec Reixach tells the case of the production of Tres hermanas: *“The co-producer contributed chairs, and there are chairs everywhere. With the production of Tío Vania the same thing happened. In this way it is easy to be able to travel in co-production with many theatres.”* With more resources, evidently, it is possible to bring shows from further away: *“We put on Nunca estuviste tan adorable at the Sala Villarroel with the Festival Grec and the Centro Dramático Nacional – INAEM. We were asked to do the stage set in advance and we put forward the money, because the play was coming here without the stage set from Argentina. Only the actors came, and each actor brought their costumes in their suitcase”*.

Active participation in national and international networks, such as the Informal European Theatre Meeting (IETM) or the Spanish Network of Publicly Owned Theatres, Auditoriums, Circuits and Festivals, facilitates the contacts necessary to introduce a theatre into the co-production circuits. It is also important to be aware of governmental programmes supporting co-production and international cooperation.

For those theatres that cannot assume production functions alone, receiving a company in residence is an excellent solution. This involves inviting an external company to undertake or complete its production at the theatre. In exchange for providing the space and the venue's infrastructures, the company that has been able to save on rental and infrastructure costs, premieres the play at the venue and develops some type of activity in interaction with the local community

(presentations, seminars, courses, etc.). This is a form of co-production with little executive involvement on the part of the hosting theatre. In contrast, from an artistic perspective of image and social involvement, for both parties the exchange represents a win-win situation.

## **Production at presenting theatres**

Those theatres devoted exclusively to presentation do carry out a certain amount of production activity; that necessary to be able to adequately present the shows or other activities that they put on at their venues or other spaces. In this case, production tasks are related with the availability of human and technical resources, and with the more or less pro-active attitude taken by the management.

Firstly, the aim is to adapt to the available space shows that have been previously designed and constructed by the theatre companies or production companies of the works presented. The idea is to implement the show's technical specifications in line with the venue's technical and physical conditions, as well as to harmonise the management, logistic, legal and practical aspects of receiving the show. A show has been agreed, with a fee-based or takings-based contract, and the theatre's doors open so that external technicians and artists can get to work. The local team should have previously received and studied the show's technical specifications in order to envisage any possible incompatibilities or difficulties and have available all the resources agreed in the receiving contract. Also, according to the financial conditions agreed with the companies, the theatre is tasked with the advertising and dissemination of the shows, in addition to receiving the attending audience.

The tasks are distributed between the theatre's management and the technical house manager. The latter is tasked with welcoming and guiding the touring professionals who bring and set up the stage set and adjust the technical aspects. He or she is also in charge of coordinating the external teams with the local teams and controlling the timetables and adequate use of the infrastructure, as well as the monitoring of the security regulations. The director is in charge of the relationship between the theatre's personnel and the artists and technicians of the visiting company, since this relationship is a key strategic factor in the success of the project and, ultimately, of the programme offered.

Moreover, every presentation theatre with a certain line of own programming, in other words that does something more than hiring out its four walls, should produce a certain number of activities during the year. These may be undertaken with internal or external teams, with a specific executive producer

or under the charge of the theatre's technical head. They may range from coordination of the production of courses, talks, presentations or various miscellaneous events, to accompanying amateur groups with the staging of their plays.

The majority of directors interviewed attach a great deal of importance to the active participation of presentation theatres in certain aspects of the productions that they host or the complementary activities that accompany them, as they give a singular nature and quality to a theatre and complement its presentation function. Francesc Casadesús defends the idea that: *"Despite being presentation theatres, I believe it is a positive thing to advance towards models of theatres with an artistic personality, in the sense of not being mere receivers but active participants in original presentations and co-productions or inventing festivals"*.

### 3.4 The territorial development project

#### **The social, artistic and symbolic territories of a committed theatre**

The third major project that defines a theatre is the commitment that it adopts with its territories of reference: physical and/or virtual, artistic and community territories. From this perspective, the concept of territory goes beyond the physical space where the performing arts facility is located or the community that surrounds it and that to a large extent justifies its existence. The territory comprises the set of contexts that condition and at the same time make possible the growth of the artistic project.

Evidently, a spatial dimension of the territory exists; that formed by the physical and human geography that surrounds it. In general, a theatre situated in a rural area has goals and difficulties that are different to another located in the centre of a major cosmopolitan metropolis. In any event, the demographic boundaries are always relative, since some major artistic projects have been generated in spaces that initially did not appear to be the most adequate. It is important to emphasise that together with this physical dimension of the territory, other social, artistic or symbolic dimensions exist. All of them condition and contextualise the resources and the challenges that a theatre may achieve or set itself. As in the case of demographics, in a theatre's territorial projects there are no limits but there are conditioning factors.

From a social dimension, the performing arts, like any other art produced in interaction between artists and audience, are the result of the history and dynamics of the communities where they are located. Their container and



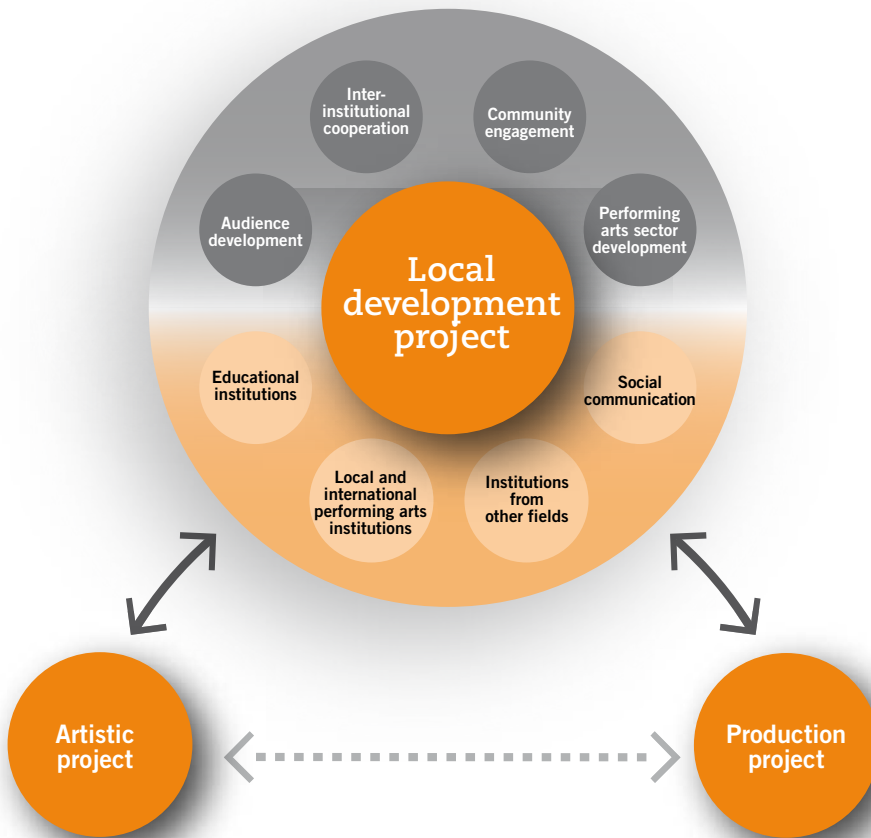
contents –the building and the programme– express the contradictions of a society that is never free of tensions, formed by numerous communities of interest, which view the theatrical institution from diverse angles. For a small number, the closest and most regular, this is the everyday space for social interaction, and for the expression and reception of intense emotions. For a more extensive group, this is the space of the memory where interesting experiences were undergone. For many others, it is simply the singular building (in many cases monumental) that they are proud of but that does not form part of their habitual everyday activities.

In any event, the territorial development project should be an unavoidable dimension for any performing arts venue. For a commercial theatre the territorial dimension will structure its business, since any geographical expansion of its audiences will require an analysis and a specific strategy. For an independent theatre, with a commitment to serving the community, the territorial strategy strengthens its viability. Additionally, in the case of a public venue, its biggest challenge consists of reaching the broadest possible strata of the population with a dual objective: expanding access to the performing arts culture (as part of the political strategy of cultural democratisation) and giving the floor to the community so that it can express itself and be a co-protagonist in the performing arts task (in an attempt at development of a true cultural democracy). The aim is to reconcile the rigour of a professional programme of quality, which must reach the audience through the finest workmanship –an aim shared by the other types of theatres– with the opening of spaces where young people, drama students or neighbourhood leaders can put forwards and implement their own proposals.

In the words of Federico García Lorca, which stand as precursors to the concepts of democracy and cultural democratisation: *“The theatre is one of the most expressive and useful instruments for a country’s edification, the barometer which registers its greatness or decline. A theatre that, in every branch, from tragedy to vaudeville, is sensitive and well-oriented, can in a few years change the sensibility of a people, and a broken-down theatre, where wings have given way to cloven hooves, can coarsen and benumb a whole nation. The theatre is a school of weeping and of laughter, a rostrum where men are free to expose old and equivocal standards of conduct, and explain with living examples the eternal norms of the heart and feelings of man. A nation that does not support and encourage its theatre is –if not dead– dying; just as a theatre that does capture with laughter and tears the social and historical pulse, the drama of its people, the genuine colour of its landscape and spirit, has no right to call itself theatre, but should be thought of instead as a game hall or place for doing that dreadful thing called killing time”.*

Figure 12:

*Strategies and actors of the territorial development project*



The other territorial dimension that reaches all types of theatres is linked to experience and to artistic objectives. The different traditions and artistic experiences make up territories to be shared. Existing territories include that of innovation or the avant-garde, as well as that of each of the diverse performing arts traditions. The challenge in this case consists of situating the theatre at the intersection of the diverse territories and sensitivities that have been chosen as its reference points.

Finally, the symbolic aspects associated with a city facility that has artistic programming must be taken into account. A project's identity depends on the resources (material and human) around it and its capacity to transform

them and give them greater value. The accumulated heritage and tradition, the experience in the crafting and transmission of emotions and the quality of the processes in which it is immersed, constitute its way of contributing to the image and identity of the territory where it is located.

From this series of views, it is possible to talk about territories to be shared or conquered. Theatres can see the society surrounding them as a simple receiver of proposals that they present or can try to influence it with a transformational project.

The territory conditions the possibilities for developing an artistic project much more than people realise. Managing a public theatre in a large city is not the same as in a small city or town, or managing theatres in places with an important tradition and experience in the performing arts is not the same as in those that do not possess these. In the case of commercial theatres, we have already seen that their economic viability limits them to large cities, while not-for-profit theatres must carefully study the characteristics of their territory and how they are related with the objectives they are pursuing before deciding the form that their artistic project will adopt.

Finally, we should point out that the relationship between the physical and the symbolic place, and the different communities related with the theatre is very important. In principle, residents share with the space an identity and a particular sense of community, because in some way, it forms part of their history, while occasional visitors perceive it as a doorway to the cultural intimacy of a more or less unknown society.

At least four major territorial development strategies can be defined: a) community involvement, b) audience development, c) cooperation with similar organisations and d) development of the local performing arts sector (national and international).

To develop each of these strategies diverse programmes and activities can be implemented, prominently including: programmes with educational institutions, from primary to university, as well as those offering artistic education; participation in networks and the development of partnerships with companies, public administrations, cultural organisations and social groups from other fields with which a project or territory is shared; and the development of social communication actions that amplify the theatre's commitment to society.

It is not easy to develop a coherent programme that will meet all the challenges that the territorial development project may eventually contain. This is made evident at those theatres that have an excellent artistic project but, however, do

not achieve a full territorial plan. As a guide, below we propose some possible actions for the operational development of each strategy.

## **Community involvement**

A theatre committed to its community usually has a strong connection with the other organisations of its society, fundamentally those with which it shares the objective of broadening the cultural and social capital of its members. Some organisations are cultural or educational institutions such as libraries, museums or education centres; while others represent civil society: neighbourhood clubs, civic associations and private foundations, among others. Meanwhile, the business world, probably as a result of work specifically aimed by the theatre towards the employer and/or trade union sector, may become an important ally when connecting the theatre with other social sectors. In addition, it is important to establish relations with organisations that work towards the integration of differently-abled or elderly people, since not only can they provide better information and access to groups of people who are blind, deaf or have reduced mobility, but their knowledge and technical experience can be extremely useful for integrating them better into the theatre's activities.

In a first phase, it is possible to simply propose making the theatre and its programme known to the members, associates or users of these organisations with the aim of showing them a reality –the performing arts reality– that perhaps they do not know (with visits to the theatre, meetings with artists and with stage, costume and make-up technicians, or sharing the production process of a show). Evidently, the ideal thing is ultimately to incorporate them as audiences, or if they already fall into that category, to increase their visits and interest in the riskier artistic proposals. A further step in this dissemination task is to undertake it in both directions, by facilitating access through mixed season tickets if this is feasible (museums, clubs, artistic associations, etc.) or by incorporating information of mutual interest into the respective communication instruments. It is also possible to incorporate them through family programme circuits or by offering to put on semi-productions (reduced productions) at their own facilities.

On some occasions, the connection between the theatre and other social organisations can go much further, since they can be involved in the joint conception of strategies for local development. For example, using the spheres of the theatre to debate subjects of community interest in forums, seminars and workshops or even incorporating the artistic treatment of these into the programming of performing arts shows. A theatre's cultural democracy strategy is based on openness towards the proposals of groups involved, providing space so that committed young people, students or

amateur groups can put forward and implement their own proposals, which must be the subject of dialogue and feedback with the theatre's artistic and production projects.

Today various experiences are driving forces for projects with a greater degree of community involvement, interaction and empowerment of audience groups. Firstly the spectator schools, such as that led by Jorge Dubatti in tune with the proposals of Anne Ubersfeld (1997), which offer spaces for the study, analysis and discussion of theatre shows currently running. Dubatti's experience in Buenos Aires coincides spatially with initiatives for the training of young spectators in the digital era (Duran and Jaroslavsky, 2012). The need to interact with the fourth wall (a metaphor for the audience) is favouring the emergence of similar proposals in many different latitudes, often promoted together with active and committed associations of friends of the theatre. Meanwhile, the project BeSpectACTive!<sup>9</sup> funded by the Creative Europe programme, is developing experiences of spectator empowerment focusing on four pillars: the artist-audience interaction and learning in performing arts residency processes; the programming of shows by spectators themselves; management and direct production by young people; and co-creation and co-interpretation between artists and young people.


A particular question, with less social involvement but of great importance in terms of territorial equity, is the obligation that a national public theatre has with respect to communities that are more distanced in social or geographical terms. Rubens Correa considers the difficulties of assuming this mission: *"In the case of the Teatro Nacional Cervantes, for a long time its national aspect was no more than part of its name. It should have a major influence on the whole of the country, not just in Buenos Aires. For this reason we implemented a federal plan, with casts and productions on tour"*. Correa himself also proposes another challenge: taking the performing arts experience to more communities that are more disadvantaged, for economic or social reasons: *"We have also developed a plan addressing underprivileged areas, with two functions per week for schools close to deprived neighbourhoods; although in this case we find other problems. For example, when we invited one school, the teacher asked us if we could also cover the costs of transport from the school, because they don't have the money. It is no longer a case of simply inviting them to a free performance; you have to pay their transport to the theatre"*. In some places it is relatively easy to find funds outside the theatre for this type of purpose (private foundations, municipal resources, companies), but in others it is not, and it is the responsibility of this type of theatre to consider cultural democratisation actions in a comprehensive way.

It is important to point out finally that it is not always easy to delimit the degree of support that theatre, as a community cultural activity, must give to social organisations. In certain cases, free offers may make sense if the receiving community effectively cannot afford any costs and it is possible to obtain funding. Whatever the case, it is important to be aware that such a cost exists and that another sector of the community is covering it. From our perspective, with a few exceptions, it is necessary to overcome the idea of free as a principle, since sometimes groups with sufficient economic capacity take advantage of support policies designed originally for marginal or deprived groups. It is important to take into account that, beyond the economic barrier, we also come up against psychological and social barriers. These limitations are also difficult to overcome and demand the designing of precise strategies for the development of new audiences.

## **Audience development**

To begin the analysis it is necessary to distinguish between groups that attend the theatre with a greater or lesser frequency and those that, for different reasons, do not (this aspect is dealt with from the marketing perspective in section 6.1 and in Figure 18). In the first case, strategies for motivating them to attend activities proposed by the theatres are more common and the aim is to build loyalty and increase their attendance. In the second group we find, firstly, people who consciously are uninterested in attending and, in the other, those people who do not attend because some type of barrier prevents them from doing so (economic, geographic, or related to cultural or social capital), but who would attend if they could overcome that barrier. It is at this last segment that theatres, especially those with a public service mission or that are more socially committed, should direct their efforts to try to attract new audiences. To win over such audiences a dual strategy is necessary, involving marketing and communication, as well as territorial community development, both complementing each other, and able to incorporate both specifically designed activities involving physical presence and others driven by the theatre's social media networks (Colomer and Sellas, 2009).

The most difficult audience creation actions are those that aim to attract people who have no prior theatrical experience (lack of cultural capital and performing arts experiences), who come from other cultural environments (immigration, marginal groups) or whose experience was negative (schoolgoers or adults forced to watch shows of dubious quality or under counter-productive physical or emotional conditions). For the latter two groups, it is recommended that very attractive new or initiatory experiences be provided, to overcome past experiences or negative comments if these have occurred. If, by using these, pleasurable experiences are achieved, the door has been opened for them to come and



form part of the active audience. This means the programmer who tries to put into practice these types of strategies has to select very carefully the show to propose, as well as to take great care with the conditions of the presentation to enable its enjoyment. We would point out that these types of actions are especially effective when they identify with and bring together groups with similar characteristics (generational, geographical, cultural, socio-economic, etc.), since that permits adaptation of the programme to the process of personal and cultural growth, facilitating construction on a collective scale (dilution of fears or pleasure of sharing). In this task, the connection of the specific area of the theatre (or the person responsible for the task) with the school system and families is fundamental for creating interest among the children through the educational strategies developed and shared between both. In a complementary way, the development of amateur theatrical, musical or choreographic practice also gives very good results.

To incorporate individuals and collectives with economic, physical or social barriers as audience members association between the theatre, public (educational or social) policies, and the cooperation of civil society (specialised foundations or organisations) is practically essential. But given that the physical, mental, psychological and social barriers are usually much greater than the economic ones, it is necessary to conduct this endeavour with a specific accompaniment programme. This can be carried out directly from one of the theatre's own departments or outsourced through specialised organisations or companies, in collaboration with experienced associations and/or together with other existing public programmes. In all cases, in a complementary manner, a fixed percentage of functions or localities can be assigned to these objectives through the reservation of admission tickets.

In the case of a public theatre, particularly when it is the only performing arts space in a territory, the programme must try to cover the demand from the majority of communities present. Although this may give rise to an eclectic programme, if scheduled in a more particularised way (in seasons, with attractive formats of themes), the coherence of the artistic proposal is maintained. In this sense, integrating into the programme shows of different genres will offer greater possibilities of attracting new audiences to the venues.

In addition, from a generational perspective, it is necessary to consider the existence of different interests and circumstances, which cross over with ideological, social, psychological, gender, sexual orientation or cultural capital factors. In this sense, Juan Calzada considers the loss of the younger audience: *"The truth is that we have lost the large part of the audience aged between 17 and 30 years"*.

This challenge requires great imagination and dedication. The children and teenagers that came with their parents or school to the theatre and did not find the proposal attractive at that time are an audience not easily recovered; unless new proposals are put to them that are closer to their current interests, or where they can feel they are an integral part of the issue under consideration. Some independent or commercial theatres have tried, with varying degrees of success, to open their venues at midnight, a tactic that is not at all easy for public theatres which, probably, will find difficulties in negotiating the collaboration of their staff”.

The main challenge in strategies for attracting new audiences lies in the difficulty in obtaining real results that are numerically tangible and have an impact on the capacity to self-finance through own revenue in the short term. To put it another way: managing to consistently attract new audiences is a process that takes time. For this reason, it is essential that all the agents involved –schools, commercial theatre, alternative venues, public theatre and professional media– participate in the strategy.

### **Inter-institutional cooperation strategies**

In today's strongly competitive and interconnected world, trying to correctly manage a theatre under any form of isolation is simply not possible. So it is interesting to examine some of the main forms that cooperation between theatres and public or private organisations from other social and production sectors takes. This cooperation can be developed on three levels: a) with social, educational and cultural organisations from the surrounding area (neighbourhood organisations, trade unions, professional associations, schools, universities, museums, libraries, cultural centres, etc.); b) with the professional milieu (other theatres, festivals, professional associations, schools of dramatic art, choreography, music and stage art, the media, etc.) and on an international scale (theatre networks, festivals, international cooperation organisations or shows and licences markets).

Cooperation with all these institutions can take on different forms, although all of them require prior work on closing the gaps. In addition to sharing a common objective it is necessary to find the necessary harmony to bring together organisations with values, organisational cultures, interests, sizes and forms of management that initially may be distanced from each other. As strategies are dialogued, designed and implemented together, the trust and the experience to continue advancing are generated.

Different forms of cooperation exist. Among them we can mention, from the smallest to the greatest degree of commitment:



**a) One-off agreement:** a limited exchange commitment, under particular conditions, with a time limit. For example, institutional discounts, exchanges of services or insertion of information in specific dissemination actions, among others.

**b) Latent network:** this is formed by a group of institutions and professionals who work together and exchange information and contacts in an informal but ongoing way.

**c) Associative network:** an association of institutions and/or professionals, national or international, that shares information and contacts, offers services, advises and offers training to the members and organises congresses and seminars. It also defends and represents collective interests before governments and public opinion. Participation in this type of professional network can give rise to programme partnerships or to project networks among a limited number of members.

**d) Programme partnership or project networks:** formal agreements between a limited number of organisations to undertake programmes or projects in common during a specified time period. Actions that are designed and developed together and in which each partner contributes resources as agreed in advance. For example, the co-production of shows, the joint organisation of events, the constitution of national or international consortia for presentation to calls for subsidies, or the signing of multi-annual cooperation agreements with libraries or other cultural facilities networks.

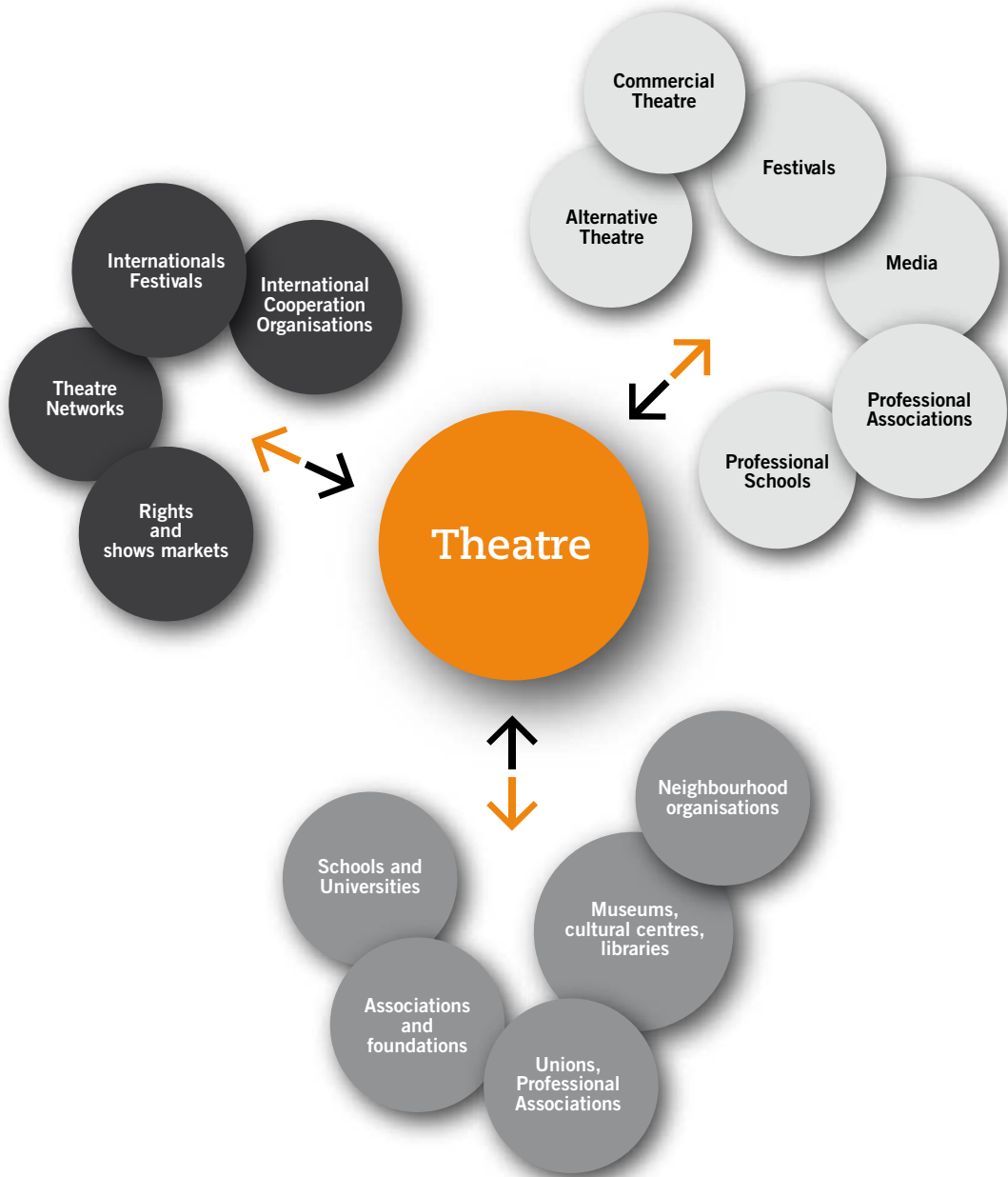
The launch of a stable governmental circuit for shows cannot be considered, in itself, a cooperation project as such, since beyond the circulation of shows and the exchanging of services and information – factors intrinsic to cooperation – the initiative is not the product of an autonomous decision by the parties.

Agreements, networks and partnerships alike can have different degrees of formality. These can be expressed through signed agreements or similar legal instruments that put down in writing the specificities regulating the conditions of the relationship. In contrast, informal agreements are sustained exclusively by the trust between the management staff of the participating organisations.

Beyond the formal issue, for good cooperation a certain level of generosity is required, along with learning how to give way sometimes in order to obtain a greater collective benefit. It is important to take into account the distinction between strategic alliances and tactical alliances. Strategic alliances are related with objectives in the medium and long term, while tactical alliances respond more to one-off or immediate situations that a theatre may face within a determined context.

Figure 13:

*Inter-institutional cooperation with base organisations, the professional sector and international networks*



The experiences recounted indicate that the form of alliance that most contributes to structuring the sector is participation in associative networks. Juan Calzada, a member of the Spanish Network of Publicly Owned Theatres, Auditoriums, Circuits and Festivals<sup>10</sup> affirms: *"I feel perfectly represented by the state network of public theatres. This type of forum allows you to achieve economies of scale and obtain experiences of national and international reality. Many theatres do not have time to send somebody to every place. In other words they open up possibilities for you, although often achieving it will depend on your level of interest. (...) The network provides cohesion, training, meeting spaces, sector analysis. But there is still one subject pending: presentation. Why? Well the problem is that all of us theatre directors are prima donnas"*. Cooperating is neither evident nor easy; it requires a willingness that is effective plus leadership, since difficulties with coordination, protagonism, funding and conflicts of interest (internal or with public officials) are frequent. But despite the difficulties caused by political incomprehension and a regional tradition that does not value inter-institutional cooperation, some South American public opera houses formed an association to set up Ópera Latinoamericana (OLA) to improve the circulation of shows and the technical and artistic training of their personnel.<sup>11</sup>

Cooperation projects can also be promoted on a more individual level. For example, Àngel Mestres talks about the experience of programming opera for families: *"The Gran Teatre del Liceu decided to open its children's programme 'Petit Liceu' at the Auditorium in Cornellà, a mainly working-class town some 15 kilometres from Barcelona, contributing the brand and support, and in cooperation with different companies"*. Carlos Elia, from the Teatro San Martín, comments on the policy of providing costumes, stage scenery or technical material that it has implemented with other theatres: *"Although we are quite guarded when it comes to lending and we have insurance policies, we encourage transfers, as it is a question of complementing each other and of mutual growth"*. For his part, Ramiro Osorio, director of the Teatro Mayor Julio Santo Domingo in Bogotá, before the question *"How can events that reach Bogotá be taken to other parts of the country?"* replies: *"We form partnerships for example with the Teatro Metropolitano in Medellín or with the Festival de Danza in Cali and what we do is extend the agenda of the artists so that they travel to those cities in co-productions. We already play a big part by bringing the artists here. The rest of the organisations have to take charge of taking them to places where they want to see them presented"*.<sup>12</sup>

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10 [www.redescena.net](http://www.redescena.net)

11 [www.operalatinoamericana.org](http://www.operalatinoamericana.org)

12 Interview "El hombre del Teatro Mayor" by KienyKe, at [www.kienyke.com/historias/el-hombre-del-teatro-mayor](http://www.kienyke.com/historias/el-hombre-del-teatro-mayor) (8.1.2012).

In summary, numerous cooperation possibilities exist, for forming alliances, partnerships and networks that enable collective growth. In all these cases, the determination of the management and the “human factor” of the sector’s professionals are fundamental, along with overcoming preconceived ideas. It is necessary to define common objectives, join forces to achieve them and be clear about the direct and indirect benefits as well as the associated costs, on an institutional and a general level. In some cases it is important to be careful to not confuse support for other initiatives, especially when they are weaker, with excessive appropriation by some regarding what they consider to be common assets.

## **The development of the performing arts sector**

The next relevant dimension of the territorial development project is that which is made up of the strategies aimed at developing the performing arts sector, both its social bases (educational, artistic and technical) and its professional sphere (network of facilities, business structure, rights markets and distribution). A theatre is part of the system and at the same time an active agent in the sector’s development. Its intervention goes beyond a simple offer of employment, of production, co-production or presentation of shows, since depending on which decisions it takes, it can help to develop the overall sector, increase employment opportunities, make better use of the potential resources available, and identify and accompany emerging talents.

Sometimes, promoting the sector and local performing arts assets conditions the project itself and the theatre’s artistic options, and influences the education of the audience. As commented by Guillermo Heras (2012): *“The act of managing a public budget implies the need for open selection, sometimes more numerous than would be desirable, since the aim is to give opportunities to very young creators with diverse attitudes and aesthetic lines, so that, this way they can lay the bases for their own discourse and, in the long term, it is the spectators themselves who gradually configure the authentic value of each proposal”*. (p. 27)

An especially effective form of setting all this up consists of working in close contact with schools offering artistic education (music, acting, choreography and scenography) and training in the stage trades (lighting, sound, make-up, etc.) with the objective of developing joint projects. For example, offering skills development and training grants, giving a place to graduates in the casts of shows, facilitating the use of venues or organising joint cultural activities. Some

public theatres, as is the case with the Teatro Colón in Buenos Aires, have professional dramatic art schools that work inside the same building and their personnel form part of the organisation.<sup>13</sup>

Another valuable contribution consists of assigning time and resources to becoming acquainted with emerging new proposals, with the aim of strengthening relations with their artists. This may lead to future collaborations (co-productions or joint projects, among others) and new opportunities are generated.

The chambers, associations or institutes that bring together performing arts organisations are another important sphere for the sector's development. Debates and the decisions taken during them have a direct impact on performing arts activity as a whole, promoting training and guidance, and stimulating participation in networks, fairs or other performing arts markets. A good example of collaboration is the Feria Teatral (Theatre Fair) in Buenos Aires, an initiative promoted by the Argentine Association of Theatre Impresarios, the Argentine Association of Actors and the Association of Authors.

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13 Instituto Superior de Arte (Higher Institute of Art) at the Teatro Colón in Buenos Aires [www.teatrocolon.org.ar/es/instituto-superior-de-arte](http://www.teatrocolon.org.ar/es/instituto-superior-de-arte)





# Part two

# Resources management



In the management model presented herein, the different areas making up the administration of the performing arts facility must be subordinated to the mission, vision and values that the theatre sets itself, as well as the artistic, production and territorial-community projects that they are developing. In other words, they take care of strategically planning, executing and evaluating all the administrative and technical actions that enables the shows and other cultural activities that form the programme to be run in such a way that the artists and other professionals give their very best and the attending audiences enjoy them.

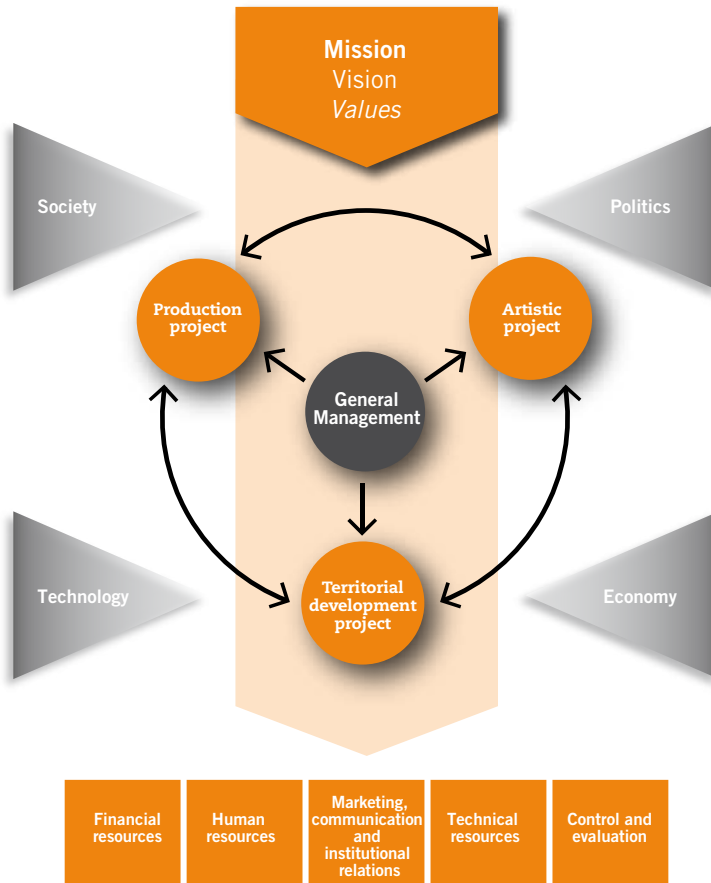
Up to this point, the text has focused on analysis of the three projects lying behind the theatre's mission. Next we are going to consider the strategies for the different resources available (financial, human, technical and communicational) that, when put at the service of the projects mentioned, will enable the proposed objectives to be achieved. We will also study the models for control and evaluation that are available to management. This more operational level also has a highly strategic dimension since all cultural projects are subject to the influence of social, economic, political and technological phenomena that change at great speed. Phenomena such as globalisation, the digitalisation of cultural expression formats and consequent change in social habits, and the economic crisis all have an enormous impact on the contemporary cultural system; and the theatre must know how to adapt to them.

The complexity of resources management at a theatre depends on its structure, volume and typology of activity, size, form of production and the management models in use, conditioned by historical evolution and political ambition. Every theatre will therefore require its own strategy according to this reality, and to its artistic, production and presentation strategic options and the territorial development aim that is proposed. Evidently the resources required for a small presentation theatre are much more limited than for a large production theatre, in particular if it specialises in the lyric genre. Whether it is located in a major metropolis or a medium-sized town will also condition the availability of external professionals and services companies. Finally, resources management changes

depending on the venue's ownership and governance model. As commented in Chapter 2, public management has important particularities, especially when the venue does not have its own juridical personality.

Figure 14:

***An administration at the service of the theatre project***



Each of these typologies will require specific strategies for the management of its human and financial resources, and its policies for marketing and communication, and technical and material resources. The administrative management of the different resources is completed with a control and evaluation system that enables errors or deviations to be corrected, plus verification that each project is being developed in accordance with the forecasts made. The professionals in the team entrusted with directing and managing all of these resources require specific profiles and training, within the major area that is professional cultural management.

4.

# Human resources

## 4.1 Characteristics and specifics

Human resources management at cultural venues is distinguished by its specificity and its complexity. For this reason, in addition to analysing the challenges involved and proposing some management strategies, it is worth taking time beforehand to look at the analysis of some of its particularities.

First of all, the principal resource of any cultural institution is its personnel. For this reason, keeping staff constantly motivated so that they truly feel they are participants in the projects implemented is essential to achieve better results in artistic terms, although not exclusively. Quality and fulfilment in due time and form of all the processes that comprise the functioning of a cultural facility, especially in the live performance sphere, are directly related with its personnel's degree of involvement. In the grand majority of cases, artists and technicians give their very best every time that the production in which they have participated is presented, and this has a direct impact on the audience's valuation of it.

Secondly, the performing arts product is built, fundamentally, with people who, live and direct before an audience, exhibit the emotions and most varied aspects of the human condition. Managing this process – working with teams of artists – requires specific leadership capabilities, as it is never simple. The inevitable presence of casts and technical staff at each performance – not only during the work's construction process – characterises the live show. This not only has a direct economic impact on the expenses budget, it also means constant attention by the management team is required.

Thirdly, each theatre presents characteristics related to size, physical and organisational structure, production typologies and contractual arrangements that condition personnel management in a specific way in each case. In addition, purely due to its historical evolution, a theatre inherits management models that often contain contradictions and, frequently, latent conflicts. For this reason, its managers not only need to have generic knowledge and tools, but also a great capacity for adaptation and leadership. For example, personnel management at

major production theatres (which we will be paying special attention to in this chapter, as they are organisations with a larger workforce) has little relationship with that of theatres that only present external productions. As Gonzalo Centeno points out with irony: *“The majority of municipal theatres in Spain have just one single person who acts as programmer, director, host to the companies and publicist. Their low level of activity explains this reduced number of staff”*. What human resources policy makes sense in this case? Evidently it will be very different and totally personalised. In the case of large production theatres, the human resources policy requires a qualified professional to be in charge of the area; in those of a medium size, it will be the general management that takes on this function.

Fourthly, it is necessary to consider contracting arrangements. Some theatres have personnel employed under different regimes, ranging from permanent staff –i.e. those who have a direct and stable working relationship with the institution– to personnel outsourced through other institutions that provide services at the theatre or through temporary employment agencies. Usually there are different freelance professionals collaborating and, in some cases, groups of volunteers. Evidently, from a legal viewpoint, the contractual relationship conditions the responsibilities and degree of dependence of each of these groups in relation to the theatre, but the head of human resources must take them all into account. Often, conflicts arise due to differences in labour/professional conditions (salary, working hours, levels of responsibility, etc.). In any event, what is specific to a performing arts venue is: the timetables and days of the week when the greater part of the activity is carried out; the difficulty in motivating and assessing the different personnel groups under the same criteria; and the different perception of value that incentives and sanctions have for each group.

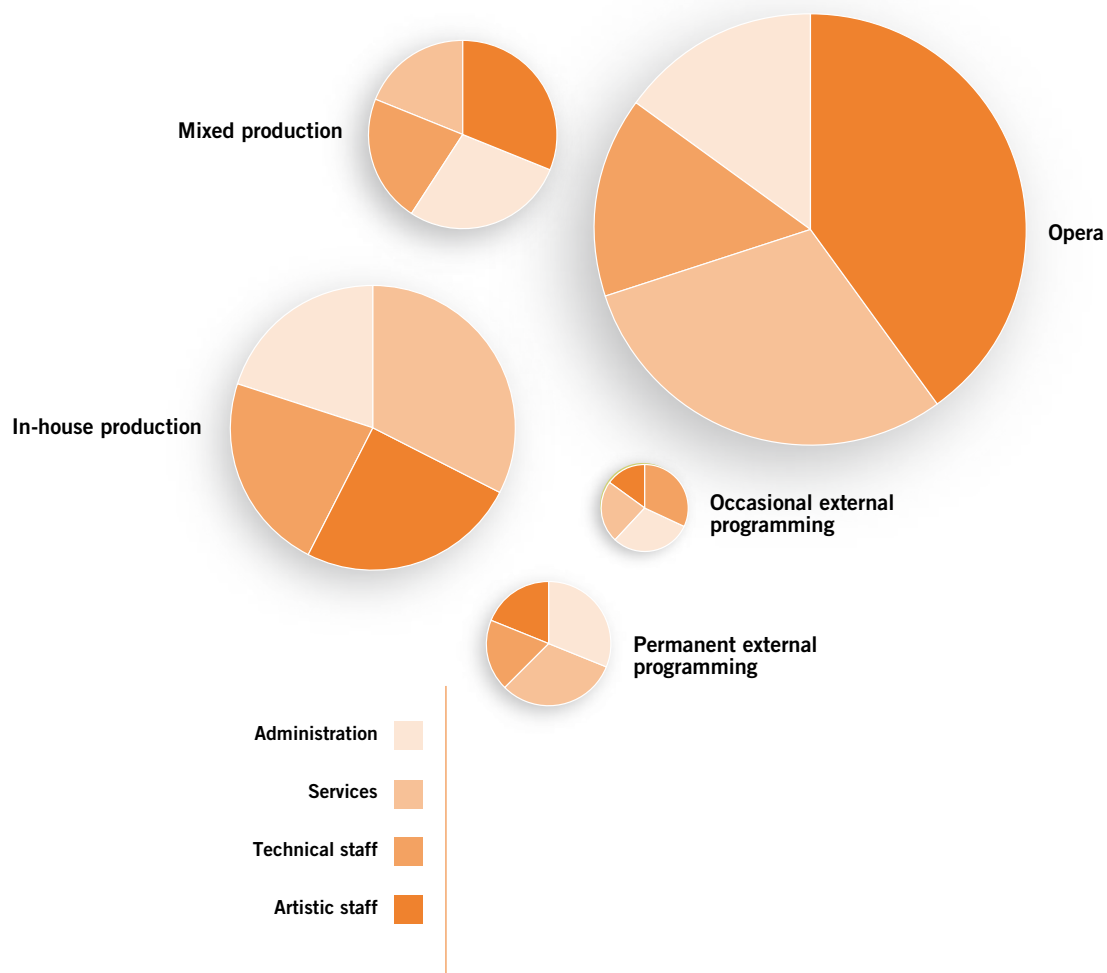
In fifth place, a head of human resources must learn to work with personnel with very different educational backgrounds, knowledge, expectations and motivations. At a theatre, four major professional groups can be distinguished:

1. *technical stage personnel (scene-shifting, light and sound, props, costumes, etc.)*
2. *administrative personnel (management, communication, box office, etc.)*
3. *services personnel (security, maintenance, ushers and other general services)*
4. *artistic personnel (artistic management and casts of performers)*

According to the theatre's activity, the volume and configuration change for each group. With the aim of visualising these differences, the graph below shows the relative average size that each professional group usually has in the different theatre types. This has consequences not only in terms of human resources management and contractual matters, but it also affects the budget.

Figure 15:

**Approximate allocation of each professional profile according to the theatre typology**



As can be observed in Figure 15, the workforce is much larger at opera houses (in their great majority under public ownership) and its number gradually descends as the proportion of in-house production and the frequency of the theatrical productions declines. Also, within each group, there are professionals

with academic qualifications of different levels and disciplines, people with training and aesthetic sensitivities at varying levels of development, craftspeople of many trades and, of course, diverse levels of experience. Leading and coordinating such diverse groups and occupations is not easy, since there are also different levels of responsibility and involvement, as well as hierarchical scales (sometimes implicit) and heterogeneous employment histories. One of the keys for achieving success in this task consists of recognising these differences, taking into account the local administrative framework and taking into consideration (even if to contradict them) the forms of management and conflict resolution that the organisation has had historically.

An extra difficulty arises when the facility has voluntary staff. This is the expression of a high level of commitment to and involvement with their theatre from certain levels of society. It can also represent a significant cost saving for certain tasks or permit the theatre's presence for issues that without the volunteers would not be possible. However, sometimes it involves expectations (trainees or fake volunteers who are simply seeking a way of contact in the hope of ultimately being hired by the theatre) or misunderstandings with the unions. For all these reasons, it is important to differentiate their tasks and dedication. In many cases it may be recommendable to organise their collaboration from legally independent organisations (such as, for example, a friends of the theatre association).

All the characteristics described make it essential to be equipped with sufficient information to enable the most adequate strategies to be conceived for achieving the organisation's proposed objectives. For this reason, when taking on the responsibility of managing a theatre's human resources, the first task to be carried out is an exhaustive diagnosis.

## 4.2 Personnel diagnosis

As in any other kind of organisation, the situation diagnosis allows the real current situation to be known so that different intervention alternatives can be proposed. In the case of personnel, the diagnosis is comprised of four main areas of analysis: the organisational culture; employment regimes; the salary issue; and staff potential and motivations.

### **Analysis of the organisational culture**

Every institution has its own organisational culture that has been constructed dynamically over time. The culture thus defined is the result of an intricate web of values, traditions and dynamic relations that evolves over time as a result of



interactions between the group of staff and numerous external influences. It will not be possible to efficiently implement a management strategy without taking into account the effects of this subtle force that imbues the behaviour of the organisation's people and structures, and conditions their capacity for adapting to change.

The organisational culture conditions the work of the different levels of responsibility, since it largely determines the natural hierarchies and leaderships, the informal methods of communication, the degree of individual initiative, the styles of language used and the climate of relations, among many other aspects. Any director –male or female– who aims to manage a theatre's personnel with the cold logic of a chess player will fail if not capable of understanding the expectations, ambitions, passions, jealousy and resistance to change of their co-workers. Furthermore, in the particular case of a public facility, above all when it does not have its own juridical personality, it is necessary to take into account the fact that administrative procedures largely condition the strategies to be developed.

Moreover, being a theatre, the values, beliefs and rituals of the performing arts world also leave a profound mark on the essence of the organisation: from the stage fright warded off in expressions such as “break a leg” to the capacity for making everyone down to the last worker party to the symbolic and transcendental value of his or her activity. In short, a theatre's human resources integrate functions, traditions and particular mystiques with different ways of performing their work and sometimes are also conditioned by historical group rivalries. The show must start on time and it cannot be interrupted halfway through; this factor puts a determining pressure on all the professionals involved: one person's mistake becomes a collective failure. In this sense, during the function everyone is equally important and the relationship is absolutely cross-sectional, since the group aim is to stage the show, out of respect for the audience and for its creators.

To manage all this correctly, first of all it is necessary to diagnose the institution's organisational culture and its interaction with that of provider organisations and stakeholder groups that influence the theatre. On an internal level, one has to observe the behaviour of the personnel, maintaining direct personal contact with everyone or, at least, with the key people (from union representatives to secretaries and technical managers), tour the facilities at different times and circumstances, and make use of active participation mechanisms (suggestions, complaints, etc.). On an external level, it is important to monitor and participate in sector debates, try to become familiar with the organisational cultures of relevant institutions (national and international) and discuss the situation with other colleagues.

## Employment regimes

Beyond the natural aversion to change, a theatre is still an organisation structured under regulations and procedures that condition its human resources management. The diagnosis of the different employment regimes that exist, especially when dealing with large public theatres whose personnel have been hired in diverse periods and situations, is fundamental.

At private theatres, the employment regime can also be very diverse. On the one hand the situation of the commercial venues is not the same as alternative or independent venues managed by artistic collectives. In the former, collective agreements regulate the contracts, while among the second, various situations can be in place, from cooperatives to non-profit associations or small commercial enterprises. In all of these cases, the boundary between the personal, artistic and employment relationship is blurred. On the other hand, some European countries have regulated in a very detailed way or self-regulated (through long negotiation processes between employers and unions) the regime for performing arts workers, taking into account their respective specificities and characteristics. Meanwhile in other countries, workers in the private sector lack the protective framework of a specific set of regulations.

Moreover, at public theatres with their own more traditional teams, the majority of their personnel are under the public employment regime, which means that in their management it is necessary to take into account, at least, three key aspects:

- a) *the differences in the conditions that regulate the work of conventional administrative personnel in relation with the other professional groups working in the organisation (technicians, artists);*
- b) *a generalised lack of contractual formats adapted to the needs of performing arts activity;*
- c) *the diversity of employment conditions and, in particular, the issue of salary.*

The public administration's employment policy, in its standardising logic, treats the majority of public staff as though they were administrative. Julio Baccaro, former director of the Teatro Nacional Cervantes in Buenos Aires, is emphatic about this in his comments: "*Technicians are not administrative staff, artists are not administrative staff, producers are not administrative staff, press personnel are not administrative staff. However, they are all regulated as if they were. There have been many attempts to modify this situation but nobody appears to dare to bell the cat. This lack of differentiation reaches training and the development of professional careers: everything is regulated for administrative staff, who have a relatively broad variety of courses that grant them points for*

*advancing in their career and, obviously, in their salaries. But for technical staff, and this is even truer for artists, there is practically nothing".* This lack of differentiation pointed out by Baccaro is usually a constant source of conflict because it implies not contemplating, among others, situations typical of live performance as a whole:

- the usual working week of artists and technicians, and sometimes some of the administrative staff (press, ticket sales and front-of-house personnel) includes working at night and also at the weekends.
- the intermittent nature of artistic work over the course of the year.
- the technical tasks linked to shifting stage scenery can involve a certain degree of personal physical risk.
- the emotional involvement of the artists.
- the duration of the working career of dancers and some circus performers is much shorter than the rest of the artistic, administrative and technical personnel.

A typical case of imbalance between the general rules governing public employment and the specific needs of a theatre organisation, beyond questions relating to labour stability and salary policy, can be appreciated in the work of the ushers. Their task is only carried out during functions, which at some theatres only occurs two or three times per week, nearly always from Friday to Sunday and sometimes for only a few months per year. It is evident to see that all these time limitations cannot be contemplated in the general regulations for public employment. For this reason, whenever possible, these jobs are outsourced or made-to-measure contracts are established, attempting to assimilate them to the situation in private theatres, and often ushering work is combined with other tasks. Even so, this strategy still does not mean it is always possible to avoid conflicts.

One area where over the last three decades considerable progress has been made is that of symphonic orchestras based at publicly owned theatres. In numerous cases, the musicians have agreed to give up their permanent public servant status in exchange for a system that simultaneously guarantees stability, fair remuneration and social consideration, as well as competitiveness and artistic quality.

In any event, with regard to different collectives of artists, controversy exists over which employment regime model will be ideal or better adapted to the demands of stability and artistic excellence. Leandro Iglesias, like so many other heads of theatres with permanent teams in Latin America and Central or Eastern Europe considers that: *"Any other regime except for that of permanent staff is difficult for artists because continuity is what allows the necessary*

*artistic quality to be achieved. An orchestra is not built by occasionally calling on the best soloists. However, maintaining a permanent workforce without strict quality controls may transform its artists into bureaucrats. We may agree about the benefits of not everyone being permanent, that we hold hope of being able to separate someone from their position without sparking a sector conflict, but the reality in our region is that we have regulations that prevent this". Gerardo Grieco has his own opinion in this respect: "It is normal that we all seek employment stability, but at the same time it is increasingly questioned from the management viewpoint. I believe public theatres must offer a certain stability to be able to develop certain occupations and tasks that are highly specific to performing arts activity, but not more. In these cases, the problem is not in the contract regime but in the capacity to manage human groups".*

Whatever the situation, the important point is to have detailed knowledge of the regulations governing each employment situation, and to be capable of foreseeing and managing with empathy and assertiveness the different situations that arise. The existence of formal union or sector negotiation frameworks reduces the possibility of labour disputes. In this sense, the promotion and negotiation of collective agreements for the different groups of performing arts professionals is extremely useful.

## **The salary issue**

The salary issue is another fundamental aspect of employment conditions. As occurs in any organisation, incorporating and retaining talented people can only take place if there are systems of remuneration, rewards and other benefits that are competitive in relation to other options on offer in the labour or professional market. Among creative personnel in the world of culture, salary is not everything. Compensation can be in kind or linked to the project. This type of remuneration is especially used in non-profit organisations formed by collectives that share an artistic project, but is also used in commercial theatre salary negotiations.

The motivations and incentives of artists are wider-ranging than for other personnel. All this leads to great complexity when it comes to determining remuneration conditions, with misunderstandings frequently arising, since there are many different ways of converting the symbolic into something material. Thus, the salary question may be a source of problems if the theatre does not always have sufficient resources to pay its personnel correctly and falls into the trap of exploitation or self-exploitation of its professionals. At the other extreme, the remuneration of star performers contrasts radically with the average remuneration level of the sector.

In the case of public theatres, the policy of personnel remuneration depends on the centre's degree of management autonomy. Whereas in organisations with their own juridical personality a certain freedom exists to hire and remunerate personnel (always conditioned to the general framework), at theatres without their own juridical personality, the situation is much less rigid. Commonly, it is the bodies tasked with salary policies for the entire public administration, in negotiation with the unions, that decide; often without taking into account private sector remuneration scales or those of the audiovisual sector. If there is a major gap, migration of the most talented technical staff, managers and artists can cause a drop in programme quality for these theatres, since their staff may decide to exchange job security for better remuneration.

Moreover, workers who are not on the institution's permanent workforce depend on their respective sector agreement (security, cleaning, transport and others) or on their negotiating capacity with the companies they legally work for. For intermediate outsourced posts, employment conditions and salary are related to the responsibility that they exercise in the organisation. Finally, independent professionals and artists have considerable negotiating capacity, especially if they occupy a prominent place in the star system (commanding very different remunerations according to their local, regional, national or international prestige). In contrast, professionals and artists who are newcomers or have a limited reputation usually prefer to be represented by their respective professional associations, which agree the minimum amounts to be paid for certain services provided. The management must be familiar with these different situations and their consequences in order to be able to draw up a coherent policy that regulates the situation of the entirety of the theatre's human resources.

### **Staff potential and motivations**

The potential of each and every one of the people working in the organisation allows its human resources needs to be scaled. Career history and personal experience condition the level of commitment required, for example, to pass from a system based on task completion to another where work is based on objectives. The result of a show or the emotion shared largely depend on the degree of exigency and collective artistic quality. The creativity demanded of artists must be accompanied by a capacity for innovation on the part of the other professionals. For all these reasons, the evaluation of human resources needs can never be a solely quantitative affair, nor limited to a remuneration scale, because the combination of collective attitudes and efforts is more important than the simple sum of the people. In the case of public theatres, it is necessary to know that, although in the administration the assuming of risks

and responsibilities is not a priority, its theatres require equal levels of personal autonomy and teamwork that are not easy to understand and assume by anyone coming from other areas of the administration.

All the above provides evidence that, regardless of the theatre's ownership, one of the most important qualitative aspects to be assessed among personnel is their level of motivation. While knowing its status at the start of the management function is fundamental, it is also a good idea to check how their motivation is evolving on a more or less regular basis. This can be done through observation, through individual interviews with key informants, or alternatively by summoning staff to meetings of departments or even of the whole workforce. In the latter case, the simple attendance at and attitude shown during meetings, added to the degree of active participation, may be taken as valid indicators.

Motivation affects all personnel, whether area directors, artistic collectives, or technical, administration or service staff. All must feel responsible for the sound functioning of the theatre. It is not only a case of achieving positive artistic success but of ingraining in the conscience of each theatre team member that a cultural facility's mission embraces many more important aspects: the educational project, attention to audiences and artists, the proper maintenance of a performing arts and historical heritage, etc.

Finally, knowing the degree of education and training of the personnel enables the organisation's competitive potential to be evaluated, although a high level of formal training alone does not always guarantee optimum results. The existence of career development and professional training plans helps to launch new generations of competent professionals. Setting up this dimension or keeping it active is another of the key tasks for human resources management.

## 4.3 Intervention strategies

### Personnel profile and selection

The first strategy of a head of human resources consists of analysing the adaptation of the personnel available to the theatre's requirements. For this it is necessary to evaluate beforehand the posts necessary, the corresponding profiles and the ideal socio-professional conditions, and contrast them with the deficits and surpluses among the existing personnel. On this basis, one must evaluate the possibilities of adapting the existing workforce, hiring new professionals or removing inadequate personnel.

In cases where personnel can be directly incorporated into the institution's labour structure, the regulations in force condition—at least to a certain degree—the procedures for selection, incorporation and eventual departure of the personnel. If incorporation is carried out through the outsourcing of services or other indirect contracting formulas (service contracts or through temporary employment agencies) it is important to tread with care. Firstly, it is necessary to transmit to outside personnel what working for a theatre involves, being aware of the institutional mission, its values and objectives. Secondly, from the very time of recruitment one must take into account all the potential conflicts between workers with different employment regimes. Finally, it is important to ensure that the organisation does not lose the experience and knowledge accumulated by such external personnel.

At small theatres, to achieve an efficient management the aim in recruitment is to combine the best professional skills with versatility, since, according to Jaume Colomer: *"While it is true that specialisation is important in sound, scene-shifting or electricity, there is a whole series of technicians who, if they are multi-skilled, will be able to improve the future of these organisations. This is good for them, as they will be able to expand their dedication to theatre, but also for the institution, which is going to need a smaller number of workers"*. In contrast, at larger-sized theatres the posts can be more specialised and therefore the selection processes are carried out on the basis of more defined profiles

In any case, selecting an artistic profile is not the same as selecting a technical, administrative or management one. As for artists, it is different when the aim is to integrate them into the organisation's own teams (a common case for orchestras but increasingly an exception with regard to companies of actors), than when trying to incorporate performers for a certain show. In the first case it is necessary to resort to transparent mechanisms that guarantee adequate quality levels, such as competitions, whereas in the second it is often the artistic director of the show who decides the selection or casting criteria, in accordance with the contractual framework.

Another question is the scale of remunerations, since factors such as prestige and recognition (the star system) or the importance of each role within a show (and consequently its position in the theatre's publicity system) may generate conflict or envy between artists. In the case of orchestras, the existence of internationally recognised hierarchies (concertmaster, first violin, second violin, etc.) facilitates the acceptance of remuneration scales.

The selection of technical personnel also requires particularly specific criteria, since in some cases it is necessary to cover positions in occupations requiring a high degree of craftsmanship but also requiring knowledge of the latest

technological advances. In those countries where specialised training centres are few and far between, it is preferable to select personnel based on their potential aptitudes, since they can train on the job at the theatre itself or at specialised service companies. In any event, it is important to preserve these traditional theatrical trades and crafts, such as costume design and making, props and scenography.

In contrast, the selection of administrative or services personnel follows much more standardised protocols, although in cases of the same potential capacity it is a good idea to give priority to people with a greater sensitivity towards performing arts activity or cultural activities in general.

The management and administration team is fundamental, since it works side by side with the director. At the time of recruitment it is important to assess not only their knowledge and experience in their specific area (financial administration, marketing and communication, human resources or technical production) but also their capacity for teamwork and interacting with each other, and their understanding of the different logics of performing arts activity. In the specific case of stage producers, it is fundamental that they know how to interact with both empathy and rigour with the different theatre collectives, as well as outside companies.

## The management of permanent personnel

Based on the human resources diagnosis undertaken, it is possible to design a comprehensive strategy for the improvement of staff in the theatre's permanent workforce. The aim is to have a plan for the short and the medium term focusing on strengthening skills, competencies and level of commitment to the project and the performing arts activity planned. The key aspects of this plan are specified in the following questions, which are interconnected to each other:

- internal communication
- professional training and development
- motivation, incentives and compensation
- controls and sanctions
- labour negotiations

As an organisation grows in terms of personnel and in square metres, its **internal communication** is key for ensuring that the enterprise functions properly. This is a responsibility for the entire management team but the head of human resources plays a decisive role. Achieving a good climate depends on the capacity to convey both updated information and values alike, as well as knowing how to be concerned with the individual situation of each of the team members. It is important to organise regular meetings with the different



units and on a cross-departmental level and to maintain the theatre's intranet updated with the maximum information possible (avoiding rumours) as well as occasionally organising more social activities. Having informal meeting places (the cafeteria, for example) where people from different areas can mix, also helps to improve communication and a positive internal climate.

The next strategy consists of ensuring the **training and professional development** of all the project's personnel. In relation to training, this is a case of directly organising or incentivising participation in specialised courses and seminars. Another form of increasing knowledge is through the temporary or permanent incorporation of professionals with outside experience or with higher qualifications. As for career development, it is important to take into account the theatre's needs and the potential of each person, as well as of the different work groups. Evidently, the artistic career of a performer follows very different paths to the professional career of those with technical or managerial profiles. Moreover, in theatres with a high amount of external personnel, this aspect of human resources policy should focus on team cohesion, since the outsourcing of services requires accompaniment by in-house personnel, with the two working side by side to achieve the quality objectives intended. In other words, career development strategies should not be limited solely to in-house personnel, it is important to extend them to everyone.

The **motivation, incentives and compensation policy** is perceived by the workers as the main form that the institution has to evaluate their work and efforts in favour of the project, which means it becomes an unavoidable strategy. An improvement in productivity in the live performance sphere is not achieved solely with the introduction of more rational forms of organisation, but, especially, it comes from motivating the diverse work teams and each person in particular.

In all labour collectives a natural tension arises between the perception of equity (equivalent work means equal salary) and the sector solidarity between workers of the same category, independently of the contribution made (more common in public theatres). In a collective project such as that characterising a theatre, it is important to combine, as far as possible, both views, since without the efforts of everyone success is not possible, but at the same time it is important to find mechanisms to reward whoever contributes most.

The performing arts employment market follows very diverse pay models. While in independent theatre priority is taken by group solidarity, in commercial theatre compensation is based on the contribution made (recognition by the audience,

degree of responsibility, risk assumed or hours worked). A different question is the remuneration of major directors or performers, since to a large extent this is conditioned by their market value. Often it is possible to achieve significant reductions linked to personal or professional motivations (artistic interest in the project itself, affective relationship with the city or the theatre's prestige, among others). In any case, to avoid tensions generated with the rest of the facility's professionals in remuneration terms, especially at times of spending cuts, the aim is to persuade them of the value that they contribute to the theatre, the audience that they attract and, consequently, the greater economic viability of the project which is, in short, what guarantees their salaries.

In any event, remunerations –monetary and symbolic– depend on the theatre's possibilities, its organisational tradition and the manager's capacity to propose an imaginative and simultaneously viable strategy. Many of these incentives can be specified through extraordinary licences, offers of training, training trips, convenient working hours, public recognition or the possibility of participating in extraordinary projects.

As the flip side to a policy of incentives it is important to have **control and sanctioning mechanisms**, which must be used strategically and not simply circumstantially. The greater the size of an organisation the more important their use to avoid unfair and counter-productive discretionality, providing that they are applied under conditions of equity and transparency. For example, timekeeping control is important in some functions but counter-productive in others, in particular in the search for artistic excellence (both on the part of the respective management as from a narrow defence of labour rights by the performers themselves). In the sphere of public administration, sanctioning procedures are regulated but are very difficult to apply. It is important to know how to use them when the situation really justifies this, since they send a message of professionalism and equality to the whole organisation.

The relationship between large theatres and trade union organisations is a relevant factor that requires its own strategy. **Labour negotiations** with the unions demand that the management team is involved in a direct and permanent way, since the issues are recurrent and personal communication with union representatives smooths out tensions. In the case of the public theatre, the situation is more complex. Firstly, the labour stability inherent to public employment is difficult to adapt to an organisation providing artistic services such as a theatre. Secondly, public ownership reinforces the workers' capacity for union negotiation.

## Controversy over public theatre negotiations with trade unions.

**Leandro Iglesias:** Negotiation with the unions has to be led by the organisation's management because of all that it involves. We learned the hard way that at public theatres, there are no small problems. The most insignificant issue can be the tip of the iceberg that leads to complaints about absolutely everything, which makes the institution ungovernable.

**Fernando De Rito:** I understand Leandro's position, but union negotiation is coloured by the public position that one represents. Being in a position of political trust means one feels an ambiguity that a third person would not suffer. For that reason, having a technical expert to manage the conflict may enable a clearer view and facilitate solutions being reached that are satisfactory for all parties.

**Gerardo Grieco:** If as a director you do not have autonomy of management in human resources matters, if you cannot hire personnel, if you cannot set salaries, if you cannot generate incentives, what type of relationship can you have with the unions? Well exclusively a hostage-type relationship. If one had within one's remit the totality of policies on income, remuneration and personnel, one would negotiate specific items with the corresponding union.

**Leandro Iglesias:** Our experience is that, if we open up the entire discussion and anticipate the dispute, in general it is more beneficial than simply accepting the agenda, in other words the list of issues that the unions raise with us. If you do not set the list of topics, it is set by the sector.

**Carlos Elia:** Being in tune with the artistic project and allowing a certain degree of informality in relations with the general management has opened many doors for me at times of disputes.

The situation is different when dealing with public theatres with a high degree of independence in their management and, especially, when they operate under private law (foundations or autonomous commercial organisations) or they have outsourced their management, situations which are more frequent in Europe. In these cases, labour relations can be limited in time, and even though dealing with public institutions, employment stability is more limited.

## Redesigning the personnel structure

The redesigning of the personnel structure aims to improve its productivity based on assessing as objectively as possible the theatre's needs to then adapt the personnel available to these. For example, the computerisation and outsourcing of the sale of admission tickets enables personnel to be freed up for personalised marketing actions. However, not all large theatres are capable of repositioning their personnel to cover new needs that in turn are multi-aspect and highly specialised. Sometimes it is necessary to incorporate young people that force processes of change from the bottom up. In short, managing change means adapting to new social expectations.

All redesigning processes involving workforce personnel usually generate, simultaneously, a lack of stability and resistance from the personnel themselves and from a set of external agents. All changes imply breaking with the status quo, which alters relations of power, routines and securities, questions that are difficult to rationalise in the web of relations that make up a theatre. One form of tackling this process is to seek the balance between the efficient management of the resources, their emotional impact on workers and their social legitimacy in front of citizens and the performing arts sector actors.

In public theatres in many countries, furthermore, it is necessary to be aware that a greater tendency exists towards a vegetative increase in personnel, in line with the processes suffered by the overall public administration. Every time there is a change in management or when a new programme is launched, new personnel of trust are usually brought in, and some will remain permanently. This is not the case everywhere, but it has been necessary to gradually reform employment conditions. Sometimes, advantage has been taken of the closure of a facility for comprehensive building work or due to a fire. In others, the process has been slower. At the municipal theatre in Santiago de Chile, Andrés Rodríguez reports: *"At this theatre, in the old days the workers were all municipal employees. This gradually changed, starting in the year 1967 and the process was completed in 1981. Today the contracts are governed by private law; nobody can remain indefinitely, there are entry competitions and the contracts have terms attached"*.

Accompanying these changes is not always easy. Jaume Colomer tells of an experience of consulting for a theatre with a large personnel surplus: *"The workforce problems were serious so the option was clear: it was necessary to start from zero. But we didn't know how to do it. Faced with the dilemma of whether to make them redundant or convert their positions, the simplest option was to burn the theatre down. Joking aside, some were public servants ceded by the administration and others were own workers, above all the technical staff. But the worst thing is that they were all family members or friends of*

*somebody important, their partners or nephews or nieces. Furthermore, rather than working the system incentivised staying, but some workers were, in our opinion, convertible. Distinguishing some from others led to us working in very close cooperation with the heads of human resources, with whom we came to re-agreements on a case by case basis, seeking the friendliest forms of contract extinguishment with the rest”.*

All that has been said is accentuated when the organisation is facing a deep economic crisis, which implies the need for radical changes. Restructuring in these cases is much tougher, as can be observed in many European theatres following the outbreak of the crisis in 2008. In these cases, the challenge consists –as far as possible– of not dismissing personnel in a more precarious contract situation, but, when push comes to shove, of dismissing those who do not respond to the needs of the performing arts project. Evidently when this affects personnel who are older, or have more years of service, there are other considerations to be taken into account. In traumatic situations where the majority of the personnel have been made redundant and the remaining professionals must take charge of essential routine matters, it is recommendable to combine this work with strongly motivational projects to which they devote one or more days of their working week.


In short, human resources management is responsible for instrumenting actions referring to conditions of incorporation or termination of employment, professional career development, training, licences, sanctions, absenteeism and all other actions linked to working conditions. The variety of situations that present themselves in the relationship between the theatre and its personnel make this management a highly complex and delicate task. It requires professionalised full-time attention in medium- and large-sized theatres; it also makes the application of one single model for the overall set of cultural facilities impossible.



5.

# Financial resources and costs





The financial resources area encompasses strategies both for obtaining income and for executing expenditure and cost control. It is usually in the hands of an administrator or manager, although in smaller theatres it may be directly handled by the general management. The central tool for managing these resources is adequate initial planning, based specifically on the design and drawing up (in a way as participative as possible) of the budget. This process can vary according to the size and culture of the organisation itself, or of the public or private administration upon which the theatre depends.

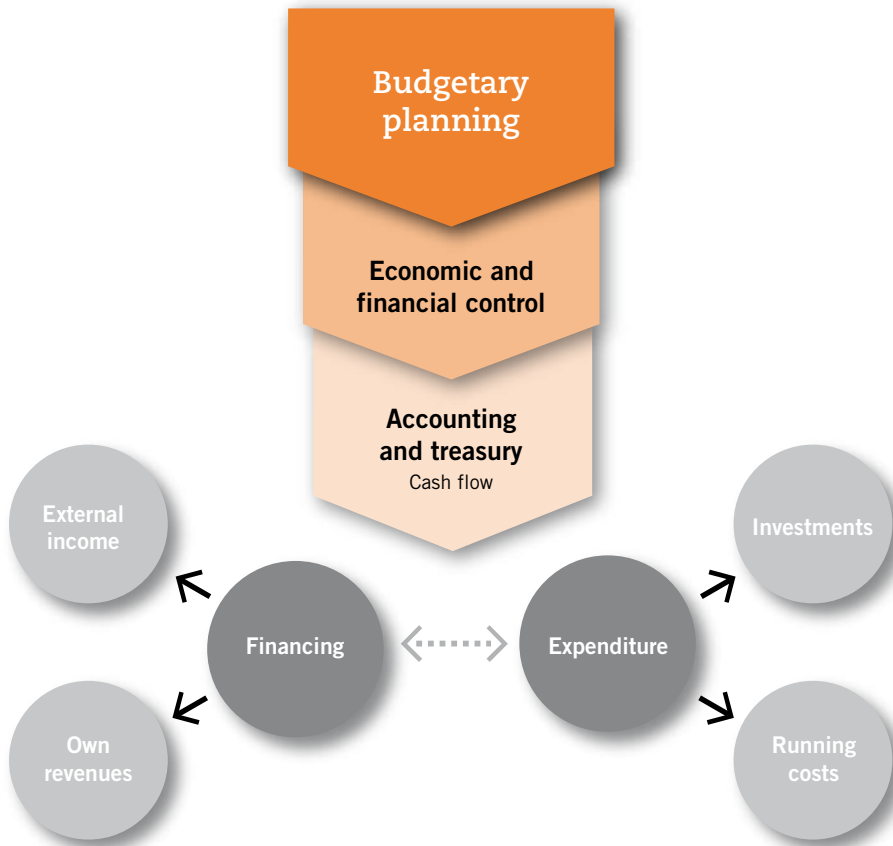
The main concern of any director or manager responsible for a theatre is the availability of financial resources to be able to implement its project. Devoting time, energy and personnel to obtaining the necessary resources is fundamental, both in terms of attracting resources from outside the theatre (subsidies, business sponsorship or private patronage) and of maximising its own resources (ticket office takings, exploitation rights or other revenue produced by project activity).

At the same time, just as important as obtaining resources is administering and controlling spending. For this, it is necessary to be equipped with a judicious purchasing policy and ensure exhaustive monitoring of all the commitments associated with contracts (artistic, services and supplies) proposed by the different theatre units.

Lastly, the economic-financial management requires a control system that, through accounting and detailed analysis of the treasury and cash flow, enables the fulfilment of current commitments and provides for the future sustainability of the organisation. Although we are going to centre our analysis on large theatres, given that the complexity involved offers broader knowledge, it may be useful for any theatre, through adaptation to its particular conditions.

Figure 16:

## Economic and financial management



### 5.1 Budgetary planning

The budget is the main tool for planning and control relied on by a theatre's general management, which means it is fundamental to understand its diverse underlying logics. Beyond the financial and economic aspect, the budget is in consistent dialogue with the artistic policy, the human resources policy, the administration and the technical management policy, as well as the project's community strategy.

It is important to distinguish, both in the planning process and the specific execution, between the income and the expenditure budgets. Numerous inter-relations exist between the two, although often insufficient dialogue and

understanding between a theatre's diverse areas do not help to use them to their full potential. Being able to identify the expenditure, as well as the resources generated by each of the projects making up the theatre operation, enables economic assessment of its different phases and processes. By its very nature, the product of performing arts activity is highly insecure, full of contingencies in artistic, economic and social impact aspects alike. In the financial aspects, as revenues are uncertain, costs must be as flexible as possible, which makes it a good idea, as far as possible, to try to associate risks with expenditure. This is not always feasible since the theatre is a stable structure, with many fixed costs, that furthermore generates apprehension in some of its potential interlocutors (financial institutions and suppliers, mainly) making it difficult to share the risk with them.

Many theatres cannot cover the totality of their spending, either for structural reasons –avant-garde programming for minority audiences, or costly productions in order to maintain a tradition– or for circumstantial reasons linked to the failure of risky artistic operations. In the first case, the public administrations usually bear the cost of the structural deficit via direct contributions or subsidies. In the second, the manager must negotiate the deficit generated, with financial intermediaries or again with the administration, to avoid compromising the future of the project or having to close.

The budget planning process requires time and a certain flexibility, as opportunities can crop up and it may be a pity to allow these to escape (shows on tour, major artists, exceptional presentations or commemorations, among others). It also requires rigour, depth and detail, conditions necessary for proper execution and monitoring. Moreover, it is a process where a diversity of people, services with different interests –including conflicting ones– and suppliers, all intervene. This situation demands empathy and negotiating capacity to obtain the data necessary to put together the budget and, also, for its subsequent execution. It is the budget that sets the different financial, schedule and resources use parameters that guide the actions of the management. It is, in short, the instrument that enables the management model to be adapted to the resources, by establishing the difference between what is wanted and what it is possible to do.

In the case of some large public theatres, in particular when they do not have their own juridical personality or a pre-established operating contract, budget planning is significantly more complex, slow and bureaucratic. Participating is not only the theatre, but also a set of public bodies. The process usually begins at least six months before the start of the financial year when, based on management priorities, the different areas propose their needs forecast. With this information, the management team evaluates, re-orders and presents to

its superiors the proposed budget for the period. They contrast the proposal forwarded with the major lines and resources available, and ultimately approve the budget for the year. In this process, it is important to exercise a certain technical and political lobbying action, to ensure the maximum resources possible. In certain contexts of political or economic difficulties, the availability of resources depends on approval on time (sometimes budgets are deferred) and the making available of funds within the time terms envisaged.

It is also important to take into account that budget planning and the availability of resources are closely related with the existence or not of an independent juridical personality. Where this exists, the responsibilities are broader, but where it does not, often the theatre controls only certain parts of the budget, as it is not the same to have juridical and financial autonomy as it is to be just another service within a public administration. In the latter case, the costs of maintenance, personnel and sometimes even the dissemination of activities carried out are tasked to other units of the government, which means the organisational margin for taking forward its own management strategy for financial resources is very small. As commented by Antonio Álamo: *"In the case of the Lope de Vega, I don't know what my global budget is. As artistic director I know the budget for artistic matters. The money that I manage is for fees, nothing else. I don't know about expenditure, and I don't want to get involved. I even only skim over personnel matters: they don't affect me, they are not my responsibility"*.

Leandro Iglesias has a different opinion. For him: *"A budgetary system should be organised by programmes, so that it allows us to determine the costs. This would give us a fundamental tool for being able to programme, to have some kind of tool with respect to the future. It would take us towards a more suitable system of contracting for theatres like ours, which provide services of the highest level and cannot depend on a competitive tender process for the purchase of paper or ink cartridges"*.

In this respect, Kive Staiff reminds us that in Argentina: *"There was a time when a relative autonomy existed, and the general director, who moreover holds criminal liability for any kind of abuse, could take decisions without having to tour the labyrinths of bureaucracy. In this respect we have taken a step backwards. Our principals are suspicious of us, they think we're irresponsible in our spending and that's not true. The other side of the coin is that we're afraid of them giving us autonomy: beyond government provisions, the rest has to come out of the takings – which sometimes is a good thing and sometimes really bad, because the admission price does not allow us the recovery that a private theatre has. So, going out to try to secure the funds that we need, whether through governmental departments or the private sector, can turn into a real nightmare"*.

It is evident that in the case of private theatres, budget planning and the subsequent execution of expenditure is much simpler than it is within the logic of public management. However, the budget's importance as a tool is no less. Just as the mission guides the general management strategy, the budget is the guide for the economic and financial behaviour of any cultural organisation. It is important to underline, furthermore, that there is a direct relationship between the budget distribution and the three strategic projects: so two theatres with the same total spending budget but with different projects, will distribute their budget in different ways.

## 5.2 The costs strategy

To ensure a more comprehensive strategy for forecasting and monitoring costs, we propose the development of a triple analytical approach: economic-financial, functional and by programmes. The first allows the contrasting of fixed costs with variable costs, of regular operating expenditure in relation to investment expenditure and depreciation, as well as differentiating flows in financial assets and liabilities from the real economic flows. The second approach helps differentiate expenditure on personnel from regular spending on goods and services, transfers and investments. Finally, structuring by programmes, areas of responsibility or cost centres allows analysis of a project's different components separately. Usually, the best way of managing these concepts is based on cross-matrix structures.

The economic-financial approach allows access to indicators that facilitate management decision-making; for example, forecasting times of cash-flow shortfall and thus planning payment terms to suppliers, bringing forward income or obtaining liquidity loans or lines of credit. Also, being aware of the evolution of variable costs in relation to fixed costs can facilitate negotiation with artistic groups or companies regarding setting a minimum fee or sharing ticket office revenues. It is also useful for assessing the degree of credit leverage or making necessary investment decisions.

La aproximación funcional es la más comúnmente utilizada. El balance se construye con los datos contables. Permite conocer los montos totales de cada línea de gasto y su evolución temporal, así como diferenciar los gastos corrientes de los de inversión. Asimismo es útil para evaluar la rentabilidad y la capacidad de endeudamiento de la organización.

The functional approach is the most commonly used. The balance is constructed using accounting data. It enables knowledge of the total sums of each line of expenditure and their evolution over time, as well as differentiating operating

expenses from investment expenditure. It is also useful for evaluating the profitability and borrowing capacity of the organisation.

The approach by programmes helps to account for each of the theatre's projects or sub-programmes separately. This approach supplies the relevant information to the management and to the teams of each programme, area or centre of responsibility, by incorporating indirect or general costs under the specific item headings available to those responsible, and allows comparison between one programme and another.

*Matrix 1:*

***Contracts with explicit involvement of human resources according to the impact on indirect costs by areas of activity***

| Areas of activity<br>Contracts                       | Artistic | Management and administration | Technical | Operational services | Professional consulting |
|--|----------|-------------------------------|-----------|----------------------|-------------------------|
| Permanent salaried staff                             | ■        | ■                             | ■         | ■                    |                         |
| Fixed-term salaried staff                            | ■        | ■                             | ■         |                      |                         |
| Professional works contract                          | ■        | ■                             | ■         |                      | ■                       |
| Freelancers  | ■        | ■                             |           |                      |                         |
| Contract through temporary employment agencies (ETT) |          | ■                             | ■         | ■                    |                         |
| Venture capital contract                             | ■        | ■                             |           |                      |                         |
| Business agreement                                   | ■        |                               | ■         | ■                    | ■                       |

As with all cultural projects, the influence of human resources on performing arts activity is key. For this reason it is worth considering budget items according to whether they directly or indirectly involve personnel costs. The following two matrixes show different types of contracts that imply, or not, the explicit participation of human resources by cost centres or major programmes. This

approach enables evaluation of the scope of each type of contract from the perspective of direct and indirect costs, and at the same time reflection on interactions with other management variables (personnel engagement and reliability, security, quality or internal competitiveness, among others).

If the analysis is focused on those contracts that explicitly include the participation of human resources, it is possible to differentiate between the organisation and the personnel under its supervision. This first matrix shows the different possibilities for contracting personnel and allows evaluation of the direct and indirect costs of each contract that exists. Thus, for example, a large part of the operating services (cleaning, security or logistics) can be provided either with permanent salaried staff, or alternatively via temporary employment agencies or the subcontracting of specialised services companies. The implications of each of these contracts in other operating or even investment costs of the organisation are clearly different. Whereas if a company is contracted, it includes in its price quotation all the indirect costs (machinery, uniforms, consumables, insurance, training or logistics), if the personnel are in-house staff, the theatre assumes all those costs. In contrast, in the case of contracts via temporary employment agencies or salaried by project, the temporary nature of the contracts reduces part of the indirect costs borne by the theatre. If instead of operational services one thinks of management and administration functions, one can add to the mentioned indirect costs those connected to the office (computers, desks or supplies).

When dealing with professional contracts per project, very common among artistic personnel and professional advisers (lawyers, tax advisers and journalists), and occasionally in the case of producers and technical personnel, the repercussion on indirect costs is between low and intermediate. Finally, singular cases occur where the theatre shares investment and risk with some professionals of prestige or companies in co-production. In these cases, a large part of the indirect costs and part of the direct costs are borne by these agents. Evidently if the project is a success and profits are obtained, they will receive their part.

The theatre's management must evaluate which type of contract is most suitable, not only taking into account the influence on direct and indirect costs, but also thinking about the quality of services, the involvement and reliability of personnel, the upkeep of the infrastructure and equipment, safety conditions, or the maintaining of the experience or know-how by the institution. In short, in terms of internal and external competitiveness. For example, many theatres prefer to rely on one technical manager (as permanent salaried in-house personnel), since that person knows the institution's mission, share its culture, and cares for the infrastructure and equipment as if it were their own; therefore they only outsource personnel when the volume of activity requires this.

The matrix below presents the most usual contracts that involve the explicit participation of human resources according to each of the theatre's major programme areas. Sharing this information with the heads of each area, both in terms of contract conditions and the costs involved, enables them to be jointly responsible and ultimately means saving on resources.

Matrix 2:

**Common types of contracts by theatre programme areas with explicit involvement of human resources**

| Programmes                                |                             | Artistic production | Artistic performance | Management and administration | Current maintenance |
|---|-----------------------------|---------------------|----------------------|-------------------------------|---------------------|
| Contracts                                 |                             |                     |                      |                               |                     |
| <b>Expendables</b>                        |                             |                     |                      |                               |                     |
| <b>Utilities</b>                          | Electricity                 |                     |                      | •                             |                     |
|   | Telephone, Internet         |                     |                      |                               | •                   |
|   | Air conditioning            | •                   | •                    | •                             |                     |
| <b>Subscriptions</b>                      | Networks, federations       | •                   | •                    |                               | •                   |
|   | Press                       | •                   |                      | •                             | •                   |
| <b>Insurances</b>                         | Occupational                |                     |                      |                               | •                   |
|   | Audience                    | •                   |                      | •                             | •                   |
|   | Commercialisation + touring | •                   |                      | •                             |                     |
|   | Infrastructures             |                     | •                    | •                             | •                   |
| <b>Transports</b>                         |                             |                     |                      |                               | •                   |
| <b>Copyrights and exploitation rights</b> |                             |                     |                      | •                             | •                   |
| <b>Rentals</b>                            |                             |                     | •                    |                               | •                   |
| <b>Capital and equipment investment</b>   |                             |                     | •                    |                               |                     |
| <b>Interests and depreciation</b>         |                             |                     | •                    |                               | •                   |
| <b>Taxes and charges</b>                  |                             | •                   | •                    |                               | •                   |

Not all of these costs correspond to operating expenditure, i.e. originate from the theatre's activity and its maintenance. A performing arts facility must plan with extreme care its investment strategy, in all that refers to improving the building and its services and in improvement of the performing arts activity. Technological renewal is one of the more complex budget items to manage, as the speed of obsolescence of the equipment makes amortisation difficult.



Correct forecasting of costs facilitates the resolving of many contingencies, which for a theatre's management is crucial, since creative processes are by their very nature singular and unpredictable. Moreover, reducing costs is equivalent to increasing income, since it reduces the deficit or increases the margin. Favouring competitive procurement processes among potential providers, contracting services through outsourcing and designing swap or exchange strategies also all contribute towards saving on expenditure. With regard to this last aspect, Carlos Elia talks about how they finance one of their services: *"In the case of the magazine, we also achieve financing through advertising exchanges. I say exchanges, because we request services and we pay for them with advertising which we place both in our programmes and in the magazine"*.

### **Author rights and related issues**

Although it is possible to obtain income through author rights from the theatre's own productions, the more usual situation is that a performing arts facility must pay to exhibit in its programme works that are the fruit of artistic creation. This payment is the remuneration that corresponds to the creators or holders of the author rights of a work, which in the case of audiovisual or phonographic recordings can also extend to their performers. In short, to be able to use a work requires the authorisation or licence of its authors and performers, or from the respective holders of such rights. In general, these rights are managed by copyright organisations, which are those that assign them – usually in return for payment – for a pre-set time and a delimited territorial range. The conditions of such a transfer are established through contracts signed between the authors or their representatives and the theatre.

In the West, this way of remunerating creators and performers forms part of the legal regulatory system on intellectual property and is structured according to two major models: the copyright model, used in the English-speaking world, and author rights, the predominant system in the rest of countries.<sup>14</sup> In the copyright systems, the rights to a work are considered like any other asset, and, therefore, the author can transfer them and completely disassociate himself or herself from the work, whereas in the author rights system, there is no possibility of total disassociation between authors and their work because this system includes moral rights which an author cannot renounce. The legal system in force in each country obviously sets the limits within which the contracts can be drawn up.

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14 The literature available on author rights is plentiful. In addition, copyright collective management organisations offer information on their respective websites. An interesting introduction to the subject can be found on the website of the World Intellectual Property Organization: <http://www.wipo.int/>

In the majority of countries, organisations exist that take care of the collective management of the rights emanating from a work, representing the playwrights, composers, choreographers or performers vis-a-vis theatres or similar presenting organisations. Also, authors can task the representation of their works to professional agents that connect them with those institutions and with other actors in the performing arts markets. This allows them to focus their energies on their creative activity and, furthermore, benefit from the experience and the knowledge of the representative agent. The number and nature of the representatives vary in accordance with the norms of each country. It is necessary to take into account that the market for performing arts works is highly internationalised, therefore the creators need representatives not only in their own countries, but on a worldwide level. In this sense, the collective management organisations and specialised agents make up a network that acts as a representative of the creators in other countries. Knowledge of these networks enables a theatre's management, among other business possibilities, to expand the theatre's repertoire with new works.

In the case of author rights for dramatic works, in general, the legislation usually assigns the author some 10% of the total takings of the show. This percentage may vary according to the specific characteristics of the work in question, and is part of the negotiation between the parties involved. For example, if the work includes music and choreography created especially, then the composers and choreographers will receive a separate percentage that is set by common agreement. In the case of author rights for musical works, the sum of the author rights of the composer is also around 10% and is independent of the performance rights that the work may generate. For their part, the authors of choreographic works do not often have organisations that take charge of the collective management of these types of works, therefore the rights are managed individually in conditions that are negotiated between the creator-choreographer (or holder of that right) and the theatre. It is necessary to take into account that the choreography is inseparable from the music with which it is performed; therefore the respective authorisation will also be necessary.

The adaptation and exploitation of a passage from a show originally designed for other languages (for example literary or television) also generates author rights. The costs of licences for their exploitation will depend fundamentally on their characteristics and the degree of success obtained in the original language. Moreover, the exploitation rights are independent of the medium used to exhibit the work, which means that a separate assignment may be carried out for each of them.

As for performers, musicians, dancers and actors, they have a right to compensation when the works in which they have taken part are reproduced by other media (for example, the broadcasting of functions via streaming, cinema or television).

In most countries, a work's exploitation rights expire in a term that ranges between 50 and 100 years counting from the death of the author, at which time they become public domain. After this period the works can be used without asking for permission and without cost. It must be taken into account that in some countries in Latin America (Argentina, Paraguay and Uruguay), the paying public domain still exists, which means a tax must be paid to the state.

At present, there is strong debate on different aspects of author rights, especially on the limits of their application, but also on their assignment, their control and the distribution of the profits they produce. One of the main subjects stimulating this debate is the challenge associated with digitalisation and distribution via the Internet. In the live performance sphere, the perception of rights is less subject to argument and has historically been accepted by the different participants in the market, however the different possibilities for reproduction of the theatrical/musical work via other media also affect the performing arts sector.

From the perspective of the head of an organisation that produces and/or presents live shows, we can mention two key issues for the correct management of author rights. The first consists of envisaging in each contract the different possibilities that may be presented in each work, with the greatest degree of detail and breakdown possible. In this way, the aim is to avoid letting any differences that may arise between the parties becoming a legal issue. In pursuit of this objective, maintaining fluid contact with lawyers or solicitors specialising in the subject is of vital importance for a theatre. The second is to include the forecast of costs (and if the case arises also of income) generated by the acquisition (or sale) of rights in a specific section of the budget.

### 5.3 Sources of financing

The funding of a theatre may come either from the exploitation of its own resources, or from contributions from third parties. Both are closely linked because without powerful own assets that attract demand (an attractive programme, a solvent track record and tradition, or a singular building, among others) then it is unlikely that the public administration or private investors and donors will be willing to contribute their resources.

Beyond this traditional classification, it is possible to distinguish between the core services offered by the theatre (its programme in the broadest sense) and the providing of a series of complementary services (catering, shop, parking, etc.) that add value, give service and fuel the programme. The first justifies a

large part of the income (ticket offices, governmental contributions, business sponsorship, etc.), but the complementary services contribute to the budget, expand the theatre's offering and better predispose the attending audience towards enjoying themselves. They can be developed at public and private theatres alike, and their variety and dimension will depend on the economic and social context of the territory and on the physical characteristics, prestige and management of each theatre.

Below each of the more common sources of income are analysed, leaving for the next section the particular case of the public contribution.

### **Pricing: revenue from shows and other activities**

As a general rule, the main own income generated by the theatre organisation is the sale of tickets for shows via the ticket office. In a more marginal way, other contributions to the budget are revenues originating from other activities such as courses, workshops, publications or exhibitions, when these are not free of charge.

The key to these functioning properly consists of facilitating the act of purchasing for the user or customer, at the right price and by all the means possible (from the traditional physical ticket office to purchase via the Internet, telephone or ad hoc services available). The digital processing of this information not only has major benefits from the viewpoint of the financial strategy, but also from that of marketing.

Daily control of ticket sales allows strategic financial, communication and commercialisation decisions to be made: *"The admission tickets sales system is permanently on my desk; I can see in a moment every ticket that is sold, information provided by the company that provides us with the service, but we have the control of the system"*. points out Gerardo Grieco. On a financial level, it enables analysis of the behaviour and results of the different shows and other activities programmed, from those produced in house to those produced by third parties. In the latter case, it enables decisions on the convenience or not of sharing ticket office revenues or what fixed part should be guaranteed as a fee for the company. This is important both for the shows already running, since it has consequences in terms of meeting the economic and cash-flow forecasts – or in the degree of satisfaction of the artistic providers – as well as for deciding future strategies for contracting (or hiring or lending to) third parties.

Figure 17:

**Sources of income**



The prices policy fundamentally conditions the potential for own income, as well as the reaching of demand targets. Its design requires experience and management of historical own data and data on the competition (providing it is available). Each show has a different audience potential, therefore deciding whether to programme it (or in which size space to do so, if various spaces are available) and at what prices to pitch the tickets, determines the possible economic results. The degree of occupancy of the venue and the number of functions programmed related to the costs of each production, are key indicators for determining the profitability of a show in a particular space.

In some cities, for example Barcelona, the occupancy rates of the venues also conditions a percentage of the value of public subsidies, therefore a good choice of programme by each theatre and its associated prices policy not only affects the volume of revenue taken from ticket sales but also the final value of the municipal contribution.

To maximise income and audience at the same time, it is important to segment the prices. These may differ according to the day and time of the function, the location of the seat at the venue and the different groups the audiences belong to, or a combination of all three criteria. Also the shows may have different prices according to the genre or type of work, their cost and the audience they are aimed at.

Differentiating based on the day and time of the functions, as is usually done by cinemas, is not very common in the majority of theatres. However, it is an alternative to be considered for busier functions, especially if combined with other forms of price discrimination.

Once over a certain venue size, theatres can charge a different price per seat according to the location with respect to the stage (depending on its closeness, visibility or reputation). Italian-style theatres, designed in their day to be profitable, have an architecture that facilitates segmentation, whereas some of the more modern theatres, with very good visibility from any location and with few physical barriers, make it more complex. In general, the large lyric theatres, which usually have several floors of seats over the stalls, apply greater segmentation than smaller theatres. Alternative or smaller-sized venues usually have a single price. Whenever possible, it is recommendable that the number of seats in each area and the increase in price between them responds to the morphology of the demand function.<sup>15</sup>

Today, the development of digital sales tools has enabled greater flexibility and the adaptation of prices to the evolution of demand, as is done with the sale of flight tickets or hotel bookings. The combination of dynamic demand forecasting with price offers or agreements with different sales channels, using particular segments of the available seating plan, enables maximisation of occupancy and consequently of income.

Many theatres, especially those with a greater prosocial commitment, usually have differentiated prices according to different audience groups: children and young people, students, unemployed, senior citizens or people on a low income,

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15 According to the price's elasticity or sensitivity to it for each demand segment.

differently-abled groups, etc. These concessions can embrace the entire offering or be intensified according to determined circumstances or objectives (specific programmes or spaces, days with lower audience attendance, or offering only for a limited number of seats, for example). Greater or lesser generosity towards certain collectives will depend not only on the mission, values or objectives of each cultural facility but also its economic capacity and the corresponding demand for self-funding. In any event, it is important to bear in mind the repercussions on the facility's operating account.

Another frequent strategy, which if well studied brings benefits for both the theatre and for its most loyal audience, is the season tickets policy. The reduction of the admission price not only enables the audience volume to be expanded, but it also improves the theatre's cash-flow and income. On a financial level, building loyalty among the audience through an attractive discount (usually between 15% and 25%) leads globally to higher income. Also, collecting payment at the start of the season (or in instalments for very expensive season tickets) improves the treasury's liquidity. Another possibility consists of offering special prices to large groups, with or without an institutional structure, and in particular to organisations with which collaboration agreements are reached: companies, unions, education centres, associations, etc. In some cases it is possible to sell complete functions, outside the programme, to interested organisations (professional congresses, business conventions and others).

One last possible strategy is the result of integrating the price of certain additional services into the cost of admission, which gives the audience a greater sensation of good service or exclusivity (VIP ticket). For example, for shows with an interval (or at the end of the function), an exclusive catering and/or parking service can be offered for audiences prepared to pay for this attention; it is also possible to include discounts on in-house or third-party services (restaurants, shops, parking, crèche, etc.).

### **Philanthropic patronage and business sponsorship**

Patronage, in other words private contributions without any demand for direct compensation beyond social recognition and the odd token benefit, is usually more common in cities and countries where a deep-rooted tradition of philanthropy exists (along with a certain favourable fiscal treatment). In any event, the more prestige and relationship with the local identity that a theatre has, the easier it will be to attract resources via patronage and sponsorship. An attractive programme and active participation within the community also help to give prestige to the management and to develop interesting contacts that can lead to philanthropic contributions to the institution. Having specialised personnel and counting on adequate strategies makes it easier to obtain

funds and contact with new patrons, even in small cities and towns. In effect, a well-planned task of closeness and persuasion towards those people in the community with the highest financial incomes, social contacts and artistic sensitivity can give surprising results.

Philanthropic patronage is usually complemented by business sponsorship operations. Companies (but not, in contrast, some of their foundations) seek an explicit return on their investment, centred in general on image and communication (and accompanied by benefits of a fiscal kind). They also value the set of services that the theatre can offer them. These may include seats for functions, the offer of an exclusive show for customers, suppliers and staff, the use of the facilities, and meetings or meals with artistic personnel, among many others.

Receiving funds from sponsorship is easier in those theatres with greater prestige, with the most popular quality programmes (with famous performers or hit shows) or that are reference points in the community where they are located. Sometimes, being publicly owned can be an advantage, for example when the company seeks to court favour with local politicians. In other cases, as pointed out by Gerardo Grieco: *“Sponsorship, the sale of special functions, of galas, are all policies that we have implemented in a deliberate search for complementary income. I want to insist on the importance of these policies: they create a partnership that becomes strategic, because they connect you with companies, and strengthen and validate the artistic, political and social task of the theatre. Of course, it is a conditioned alliance: you are in a public theatre, therefore you cannot just do anything”*.

However, for theatres located on the periphery, in smaller cities or towns, or for more alternative or avant-garde venues, achieving private financial participation is difficult. Given the lack of interest from companies, the heads of these theatres must make a great effort to find their respective niche: fundamentally with nearby companies or exchanges of services with like-minded media outlets or professionals.

Moreover, one thing is a willingness to contribute resources and another is the level of generosity of companies. The first aspect depends on the sensitivity of their directors or owners towards artistic activity. Additionally, different branches of economic activity are more oriented towards certain artistic genres, through symbolic or practical proximity (a certain predisposition of the luxury sectors towards lyric theatre or of beer and soft drinks producers towards modern music). Also, the existence or not of any tradition or practising of business sponsorship by each company, a question often linked to the tradition in its country of origin. The second aspect depends more on the closeness of the decision-making centres of the companies to the cultural facility. The closer they are, the more



generous they are, both due to the level of personal involvement of the directors with the community and the free rein threshold that large companies may give to their executives situated at territorial branches.

Unlike theatres in English-speaking countries where fundraising historically constitutes a base for financial support, at the majority of European and Latin American theatres the professionalised search for donors and sponsors is relatively recent. This lack of tradition and experience leads to insufficient advantage still being taken of the potential of performing arts facilities to attract these types of resources. Moreover, at some public theatres or at private venues with a markedly independent artistic line, resistance exists linked to the possibility that funds received through sponsorship may imply the denaturalisation of the mission or the loss of certain values included in it. In any event, it is important to be aware of the limits that one must not accept or exceed, and value the contribution of sponsorship and patronage to enable the continuity of the performing arts activity.

The following dialogue illustrates the possibilities and problems faced by some directors of Spanish public theatres in their quest to secure sponsorship:

**Francesc Casadesús:** *With respect to external contributions, I ask myself: what kind of return has the greatest value for the sponsoring companies? What is most convenient for us?*

**Juan Calzada:** *For one of our operas we raised 30,000 euros. In exchange we gave away 30 admission tickets, a post-function cocktail for their guests, 2 admissions to the box, the logo, a presence at the press conference and, at the end, a drink with the singers.*

**Alfred Fort:** *We have rates stipulated for patrons, sponsors and collaborators. Furthermore, at the TNC we hire out everything: venues, restaurants... it is surprising what prices people will pay for a space here.*

**Francesc Casadesús:** *When evaluating what one receives and what one gives in return, I think that compensation in kind is very important, especially with the media.*

**Juan Calzada:** I think that it's extremely interesting; we do it with local newspapers. However, remuneration in kind does not always enjoy continuity. For example, we managed to reach an agreement with Renfe (the Spanish railway company) to bring over the Compañía Nacional de Danza and the lyric season with the Orchestra of Córdoba. Renfe contributed free of charge almost 100 tickets in exchange for being the official transport for the opera season. But the following year we did not get anything because they changed the person in charge.

**Francesc Casadesús:** *There are other interesting examples, the result of the traditions of origin of some companies: a French gas company, interested in organising educational acting workshops for its employees, pays us for the programme on creation of audiences and workshops for the local area. In France there is greater commitment from companies and unions to interact with the theatres.*

In times of crisis, when the public contributions and audience revenues weaken, there is a tendency to promote strategies for seeking sponsorship. This is not the best time, because the resources of companies for such activities are also reduced. This is an activity that must be thought about strategically in the long term, as companies tend to change their priorities. Symbolic services that the theatre provides for them today may lose value over time.

For that reason it is important to carry out a strategic reflection, in the long term, that incorporates the local experience in sponsorship and patronage, but that takes into account, also, other forms of social contribution to the performing arts project. These many range from promoting volunteer work, a form of philanthropy that does not produce direct income but does allow cost savings and strikes a positive note between the theatre and the community, to the development of crowdfunding projects or, at the limit, Pay What You Want-type experiences.<sup>16</sup> Beyond their limited economic contribution, these mechanisms entail intense levels of involvement with committed community collectives. The setting up of digital crowdfunding platforms has meant the rebirth of collective fundraising programmes with a long tradition (many theatres were built following the predecessors of this model). At present they are used for more occasional or small-scale projects, and their success depends on the capacity to emotionally engage large collectives through the social media networks. In any event, encouraging the growth of a good circle of friends, patrons and volunteers, has returns in terms of audience, more resources and greater recognition.

## **Income through advertising**

The use of certain sections of the theatre building, whether outside or inside, for installing items designed to communicate advertising messages for products offered by other companies can constitute another financial resource. In cases where this is possible (it is not always so because of regulatory restrictions or an

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<sup>16</sup> Pay What You Want (PWYW) consists of asking spectators at the end of a show to contribute the amount they consider appropriate for paying the artists and guaranteeing the sustainability of the production. Originating in street theatre, it does not provide large revenues but is used at small venues as a mechanism of solidarity and adaptation in periods of crisis.

unfavourable social context) it is necessary to proceed with maximum care, both to avoid dysfunctional aspects or visual pollution and to preserve the building's aesthetic and/or historical value.

The spaces most used for advertising are usually the show programme (or other communication leaflets), outside canopies, the reception area and, in some regions, the stage curtain. The website is also a space for exchanging indirect or direct advertising.

Some productions, especially the more commercial ones, incorporate certain non-conventional advertising mechanisms, such as including company brands in a more or less subtle way on the stage set, costumes or as props (drinks brands, clothing, accessories or the signposting or mention of commercial establishments).

### **Shop and catering services**

If the theatre building so allows, having a space for catering and if possible for a specialised shop can be an extremely good idea. In the case of the bar (or restaurant), as well as providing a service that people attending the functions are grateful for, it may attract other people during the rest of the day if the facility is well situated –quite a common reality for many traditional theatres – and has direct access to the street. This can be a good opportunity to publicise the programme to potential audiences. Of course, the quality of the food offering is fundamental, which means it will be essential to ensure that the service is run by specialists. A key aspect is ensuring the soundproofing of spaces assigned to these types of activities with relation to the areas where shows and rehearsals take place.

The service's economic viability is important for the theatre. Not only can it contribute financial resources, but it can also guarantee a quality offering that complements the facility's global service (at non-exorbitant prices). A catering service that charges prices exaggeratedly higher than market prices, taking advantage of the captive audience attending the venue, although a deep-rooted tradition – at least already mentioned by Benedetto Marcello in 1720 – can be damaging for the theatre's image. Another question is: who should provide the service? Except at small theatres where the person who attends the audience can provide a minimal bar service, or maintain vending machines, the best approach is to outsource the service. The larger the theatre's volume of activity, the more profitable the bar or restaurant may become, which means the two fuel each other.

In the English-speaking world, where the need to cover costs through own resources has traditionally been higher, the catering service during the intervals, with reservation mechanisms and a wide-ranging service – including

sales inside the auditorium - means that these revenues can be very sizeable. There exists, however, a conflict open between the management's intention of increasing these types of services and the resistance found in some theatre spheres. Certain artistic personnel feel that it denaturalises the mission and the reputation of the theatre; technical staff and ushers are also not happy about having a longer working day. The solution consists of finding a balance that enables maximising income, avoiding unnecessary symbolic costs, without detracting from the artistic activity and its reception. Unfortunately, the current tendency to present shows without intervals does not help to achieve this balance.

Meanwhile, having a specialised shop is quite common in prestigious theatres in large cities, especially if there is an important affluence of tourists, since it is another attraction for visitors interested in taking away souvenirs of their stay. The shop at these theatres may become (although it does not always achieve this) a lucrative business unit by selling a large quantity of articles linked directly or indirectly to the performing arts activity. At smaller theatres or those located in small cities or towns, it is also possible to have a shop, but it is not always sustainable from an economic perspective. In all cases, before taking the decision to incorporate or maintain a shop at a theatre, it is important to evaluate thoroughly the exploitation model and the relationship between investment, potential benefit and institutional projection.

As is the case with the catering service, outsourcing the shop to a specialist company may be a good idea, as they have greater expertise than a structure designed to produce and/or present shows. In any case, it is important not to lose sight of the objectives: providing a better service to the community, increasing profit and improving the theatre's prestige and brand. For this reason it will be necessary to select with great care the products to be offered (from videos and books with the successes of previous programmes, to book-related items, stationery, tableware, craft goods or diverse accessories). Where possible, it is worth incorporating the theatre's logo on some products, since in addition to adding resources this contributes to disseminating the theatre's name (merchandising).

## **Rental of productions, equipment and spaces**

A production theatre can find a source of income (and of prestige) in the rental of some of its productions, or parts of them. Theatres with a greater tradition have large storage areas with costumes, hairdressing items and diverse props that can be loaned to other theatres and companies. It is also possible to hire out lighting, sound or recording equipment, and associated professional services.

Another resource that the majority offer on a hire basis consists of the various spaces in the building: presentation rooms and auditoriums, foyers and anterooms, and on occasions, rehearsal spaces, storage, offices or multi-purpose premises. All this generates complementary income, especially when this activity is run by specialised staff.

As in the case of seat pricing policies, here too it is possible to have positive discrimination strategies when loaning spaces or reducing hire prices for certain collectives. This is a way of fulfilling the facility's mission and amortising the collective investment made, but for the administrator of the theatre it represents a reduction in potential income. Making known the true value of the loan is a good way of educating on costs. In this sense, it is important to clearly formulate the regime of the uses of spaces by the different potential collectives: amateur theatre companies, schools, non-profit organisations, local associations, departments of the owner institution, political parties, companies, etc. The more transparent the criteria (free use, discounts or full rate) the more the margin for discretionality is reduced and this facilitates relations between the theatre's management and the facility's social and political environment. In cases where there is an operating contract, these aspects, as well as their justification, are detailed and evaluated over the course of the period.

### **Other sources of funding**

The sale of sub-products with the theatre's image (merchandising) may be a profitable source of income and not just a communication tool, when the volume of business generated –the result of the prestige and potential size of the demand– exceeds the costs. Resolving the tension between the marketing and financial logic will decide the price, and therefore the demand and its income. Few theatres manage to generate substantial income from the sale of sub-products. Having distribution channels, not just in the theatre shop, is fundamental for an effective result from this strategy.

Some theatres whose own productions are of a very high quality manage to obtain income from exploitation rights. These may proceed from the sale of the complete production (its overall staging, with or without cast and technicians) or of partial aspects of the production (script, scenery and costumes). Another possibility is the sale of different audiovisual exhibition rights. Again, this possibility only arises when the production has prospects for success.

In exceptional cases, when the building housing the theatre is characterised by its major architectural singularity or offers unique panoramic views, it is possible to obtain income from guided tours. The case of the Palau de la Música in

Barcelona, the only auditorium to be declared World Heritage by the UNESCO, obtains 21% of its income from this activity.

Finally, it is important to take into account atypical funding. Some theatres may be the holders of assets or rights, external to their cultural activity, that provide them with some income (bank accounts, trusts, funds, etc.). In countries such as the United States, it is common to receive a donation whose capital cannot be cashed but whose returns can (shares, housing rental, etc.).

## 5.4 The public contribution

One of the main sources of funding for live shows in the majority of countries comes from the public budget. According to the characteristics and resources of the cultural policy, the volume of funds available and ways of accessing them may change. Two major mechanisms exist for accessing such funds: direct contributions via public spending and tax benefits. The larger part of the publicly-owned performing arts sector is financed with funds originating from the expenditure budget, whether direct contributions by the owning administration or grants. For its part, the private sector is fuelled both by transfers it receives from the government and by tax benefits. The latter can, in some countries, be sizeable. The tax benefit can also directly reach consumers via reduced taxes on ticket purchases (VAT) or donations. This latter mechanism also benefits theatres as it encourages demand.

### The case of private theatres

The mechanisms through which the private sector achieves public funds are related with the cultural policy of the country where it is located and its capacity to associate as a collective and thus manage to convince the public powers. This lobbying activity, strengthened over the course of time with the construction of legitimising arguments, allows the consolidation of mechanisms (grant funds, operating contract systems, or tax benefits typology, for example) and means counting on a greater or lesser volume of global governmental resources. The latter also depends on the economic and budgetary situation. Within this scenario, tax benefits are more opaque to public opinion than subsidies and direct transfers.

Once the framework is established, each theatre –as well as the other performing arts system agents– tries to obtain maximum resources. For this it is essential to have in-depth knowledge of the system and the ability to present proposals and projects adapted to the governmental policy directives. In the majority of countries the independent sector legitimises its access to public funds based on

its contribution in social and artistic terms, although what it receives is very much inferior to the contributions made to public theatre. For its part, the commercial sector sets its demands in relation to the volume of the audience served and its capacity to interact with the star system. In this case, support is channelled mainly through an indirect route, through tax exemptions and with occasional subsidies for the infrastructure.

## **The case of public theatres**

The funds that public theatres receive from the administration may come to constitute a very significant part of their income, in much of Europe and Latin America alike, which is mainly due to two reasons. The first is that since one of public theatre's central missions is democratisation of access to it, the parameters of theatres' pricing policies are not set by the market but are the result of a political decision, therefore in many cases they are insufficient to cover costs. One extreme of this situation is formed by public theatres with a marked prosocial orientation, in which many of the activities of their programme (or in some cases all of them) are presented free of charge or for a symbolic price.

The second reason is their size. In effect, the majority of theatres with in-house production and opera houses are public because their natural operations structure is unfeasible within commercial profitability logic (to cover their costs, admission prices would have to be so high that there would not be sufficient audience to ensure sustainable functioning over time). In the case of peripheral public theatres, dedicated exclusively to presentation and with very little competition in their catchment area, it is possible to survive without excessive costs if programming is at the company's risk, since in this case the public sector only covers the regular operating costs. The type of productions presented under such conditions is irregular, often semi-professional. When the local administration wants to offer a programme of a higher quality it assumes all or part of the fee that the companies or groups request.

The main institution that contributes resources is the administration that owns the theatre. In Europe it is common for the majority of public theatres to be municipally owned, but that they also receive contributions from regional and national governments. In Latin America, this situation is more unusual because there is a greater political identification between the performing arts facility and its administration (in other words, its political chiefs).

The typology of income per activity of a public theatre is very similar to that of other theatres, but the proportion contributed by each source varies. On some occasions it cannot charge the same prices for social or political reasons, but

making better use of all the sources of funding possible, according to each theatre's characteristics, is desirable.

A singular aspect of some public theatres, especially when they do not have their own juridical personality, is not being able to count directly on what has been produced by any of their own resources. Not being able to make use of that money has a demotivating effect on the management, as expressed by Juan Calzada: *"Being able to count on the ticket office takings seems very obvious but it is not always the case, and that causes a dual problem: first, who cares whether you make four or four hundred, and second, if you have made a lot today, tomorrow you'll receive a lower governmental contribution; in other words, what the administration does is punish you. From my point of view, what a theatre achieves should serve to play, create, and grow artistically, to provide better services and attract larger audiences"*.

From our perspective, the funds that the public administration allocates to theatres should be in relationship with the mission or mandate that is assigned to each. Of course, their total amount will be determined by the possibilities that the general economic situation allows in any given period, and will be the result of political negotiation regarding the general distribution of public resources. The theatre directors consulted here all agreed that, unfortunately, in most cases their participation in the debate over budgetary assignment is very limited, and in some cases, even non-existent.



6.

# Marketing, communication and institutional relations

## 6.1 The performing arts system and its audiences

The role of performing arts in contemporary society has changed. On the one hand, it competes with a large number of alternatives for leisure, many of them highly attractive technologically, but on the other, some of its expressions – especially music – continue to attract enormous attention. Young people devote their time to virtually sharing interests, chats or videogames, and dedicate less time to traditional cultural consumption (reading, going to the cinema or theatre, listening to the radio or watching television). Attracting the attention of young people is a difficult challenge. As Alfred Fort affirms: *“Many young people aged between 18 and 30 never come, because they are not in the least bit interested in what we do. The problem is in the plays that we present and the type of shows that we offer. Perhaps we don’t know how to choose suitable events or communicate them”*. When they have received a good education, and therefore possess an important cultural capital, their interests take them to other places: those that have a community value or a major media presence in society, especially sport. Tempting them to return to the more static or conceptual performing arts is motivating work, but it requires imagination and closeness to the behavioural logics not only of these young people, but of a large part of the population.

In this respect we ask ourselves: How can we, from the performing arts, expand cultural capital among the different population typologies? How can we transform the potential public into regular audiences for dance, theatre, the circus or non-majority musical genres? Clearly it is necessary to design communication strategies capable of breaking down the barriers that exist, based on the underlying motivations in the community and apply them to different typologies of public. As affirmed by Ricardo Szwarczer, who was director of the Teatro Colón, the Opéra de Lille and the Festival Grec de Barcelona: *“We cannot treat the performing arts audience as a simple consumer”*. In this sense, knowing the market and analysing it in depth may provide some of the necessary keys for interpretation. This is not a simple market; rather it is necessary to understand the deep motivations of the different types of spectators and their evolution.

Spectators of the performing arts (and of cultural activities in general) are not passive subjects of the experience, but participate actively, as much in the entertainment as in the emotional and intellectual dimensions. Their entire being, consciously and subconsciously, is affected by these and to what degree they are affected will depend to a large extent on their prior knowledge and their life experience, which constitutes a personal asset that contains and produces cultural values. Of course, natural sensitivity also has an influence, along with the social and community environment.

The social task of increasing the community's cultural capital, in its diversity and richness, demand directed and coordinated efforts, which almost without exception require imagination, strategy and financial resources. This aim demands a holistic perspective, with analysis of social behaviours, as well as of the logics of the performing arts market and public policies. Diverse perspectives complement each other in this reflection and in the design of strategies that respond to them: the sociological, the educational linked to sociocultural development and marketing contributions.

In the development of cultural capital, the theatre behaves as an extension of education. For this reason, in our opinion, the state must assume an unavoidable function, a fundamental role together with families, professionals and educational and cultural institutions.

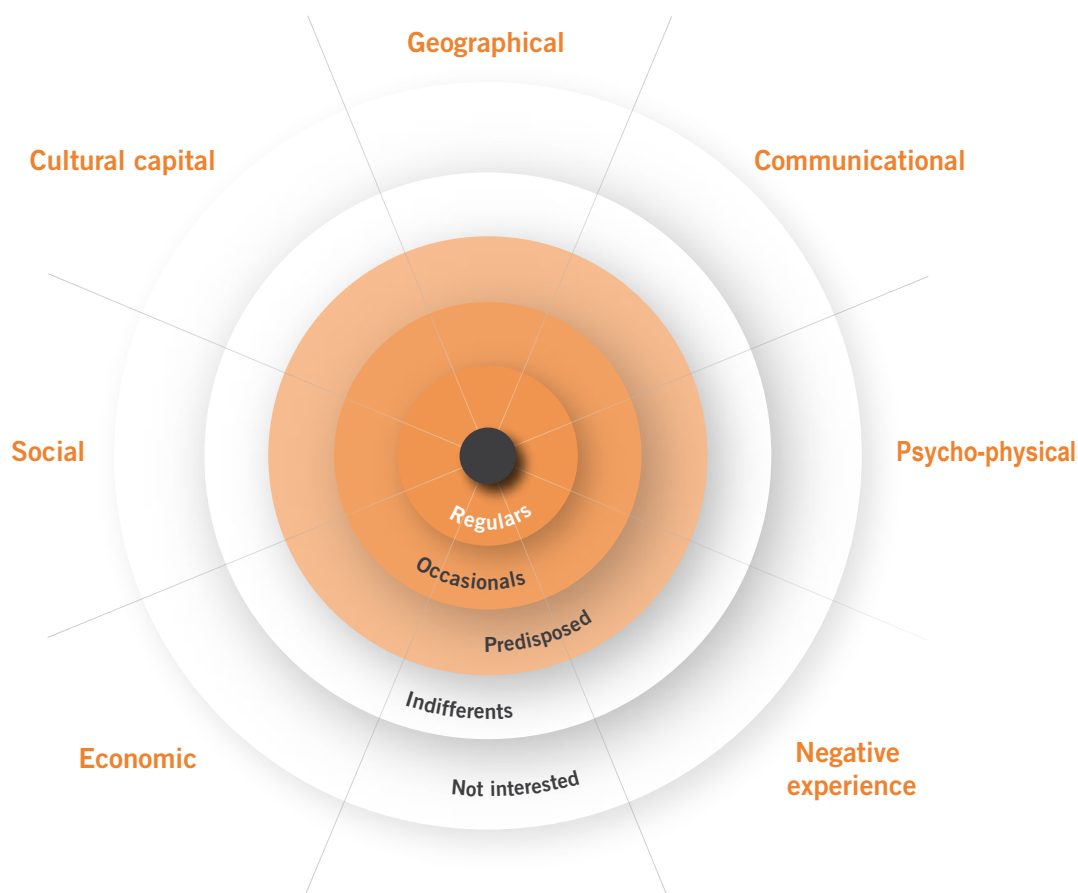
Being able to fully enjoy the performing arts show – theatre music, dance or circus, among others – requires the spectator to undergo a learning process that can only be realised through practical experience. This does not mean that a person attending for the first time will not enjoy themselves, but that their enjoyment will be increased, better tuned and more refined as they gain more experience and are capable of perceiving deeper meanings and more complex nuances in each artistic expression. The theatre spectator is more a case of nurture than nature.

### **Motivations and barriers to access according to audience typologies**

In any person, the process that occurs from the onset of the desire to attend a live show until its effective fulfilment is very complex and can be studied based on different motivations, including psychological, economic or social motivations. It is important that a theatre team is familiar with each of them in order to guide the set of strategies for audience development, both from the marketing and communication perspective and from that of educational and community development.

Figure 18:

*Barriers to access by audience typologies*



To start, it is important to distinguish between the different potential audiences, in other words those whose prior experience and cultural capital stimulates them to attend live shows, and those it is aimed to bring closer to theatre for the first time. In other words, distinguishing between the audience and the “non audience”; and in this second block, between people who could be interested (we would call them potentially willing), those who are simply indifferent and those who after trying it decided to opt for other alternatives (and are unlikely to change their opinion). As for the audience that does attend, frequency among regular audience and sporadic audience marks a first distinction, but a detailed analysis of their characteristics, values and attitudes allows for finer tuning. As suggested by Lucina Jiménez (2000), the audience member is the

great unknown or rather the great imagined, since he or she is thought of as a “spectator constructed from the very biography and fiction of the creator” (p.158). It is important, therefore, not to allow oneself to be deceived by this illusion and to be extremely analytical in one’s approach.

Colomer and Sellas (2009 pp. 43-46) propose different spectator typology classifications, based on factors such as education level, regularity of frequenting live shows, geographical distance to the theatre or festival, the person’s life cycle (where age is combined with level of autonomy or family dependence), the benefit expected or obtained (learning, escapism, and various different types of enjoyment). With all this they propose to create a taxonomic map of specific audiences for each facility and relate it with the respective social, political, economic and cultural contexts.

Using this type of analytical approach it is possible to plan effective strategies. It is worth pointing out that the statistics available show that the majority of performing arts activities bring together a quite limited percentage of the population in all Western countries, being higher in large cities with a broad and varied offering, and very low in the rural world. This reality shows both the size of the difficulties to be faced, and the large space to be won over in the social consideration of performing arts shows.

Acting to expand the regular audience is much more efficient, in particular when attracting spectators from other theatres in the same city, or when a sporadic attendee is transformed into a regular one. However, true social legitimacy should come from the expansion of all audiences, interesting them in a broader performing arts programme.

In any event, each of the categories of audience mentioned faces specific access motivations and barriers. In general terms, it is possible to distinguish between seven main barriers to accessing performing arts activity: economic, geographical, cultural capital, social, psycho-physical, communicational and those produced by negative past experiences.

These barriers are modulated according to the type of performing arts genre and combined with each other. For example, self-exclusion from an opera may be greater than from hard rock, because opera is considered to be an activity by the elite for the elite. However, for a lover of the lyric genre with few resources and who lives far away, the main barriers will be economic or geographical; the more of a fan they are, the less sensitive they will be to the admission price and the distance. Without this social prejudice involved, the case of a young man who attends a pop-rock festival with friends is not so different: he will be prepared to pay a lot in relation to his level of income, travel a long way and sleep badly in

order to participate in the event, undergo the collective experience (and be able to talk about it). In the case of the circus, the memory of a clown scene, banal but that made them laugh as kids, does not incite adults to attend shows of this genre; it requires a new experience, of good contemporary circus, to radically update their initial perception.

An excess of indiscriminate and impersonal information, that does not transmit emotion or singularity and that does not respond to an explicit need for an indifferent potential consumer, is transformed unconsciously into a communicational barrier. For many collectives with limitations of a physical or mental type, going to the theatre has traditionally been off limits. This barrier, linked with a lack of social understanding as well as of learning and of continuing cultivation of cultural capital, in many cases becomes almost insurmountable. Some theatres, in collaboration with the associations that group them together and the support of proactive foundations, are advancing in reducing the effects of this barrier. However, a large space to be conquered still exists, and for this a combination of marketing and community development strategies provides a broad range of tools.

In the opposite sense, numerous positive motivation factors exist. Among them is the possibility of socialising, forming part of a community and feeling important in it, with the advantage of the contagion or network effect. Also, the possibility of learning new things, of studying in depth, of feeling pleasure and undergoing attractive experiences. Furthermore, being able to be a participant in an exceptional experience, perceived as a unique opportunity not to be missed. All these motivations are modulated, again, according to prior experiences in each of the different expressive fields. Thus, for someone with little experience in the performing arts, an experience such as a singular evening together with an emotional group filling a hall or the reception of a personalised invitation to attend the inaugural gala of the performing arts season with their partner, may be especially motivational. A common problem for any type of spectator is the question of the risk involved in attending an event not verifiable in advance, since they do not know whether it will fulfil their prior expectations. Of course, ways of reducing this risk exist, such as finding out the opinion of specialist critics, consulting people who have already seen the show, finding out about the artists, or watching trailers for the play or previous shows on the Internet.

The non-existence of barriers of an economic, cultural, social or geographic nature do not alone make a reason or motivation to attend a live show, whereas motivations allow the majority of barriers to be overcome. It is for this reason that marketing and communication strategies, associated with a finely-tuned and committed programme, usually give good results.

## 6.2 Marketing and communication strategies

The marketing and communication strategy should be constructed in an integrated way that is consistent with the different objectives. Each planned action must be coherent in itself, but at the same time respond to a general strategy. A first step consists of knowing the theatre's positioning in the market to try to modify any deficits and negative aspects and at the same time, reinforce the positive ones. A second step involves connecting the programme proposals with potential audiences. For this it is necessary to have the most in-depth knowledge of them possible.

In the sphere of cultural management, marketing is at the service of the institution's mission and of its artistic and territorial projects, i.e., of the product (Colbert and Cuadrado, 2003). From our perspective, a market study should not determine what type of product is offered only according to demand or circumstantial opportunities, but it is yet another instrument for taking decisions. The marketing plan should be the result of an in-depth and ongoing dialogue between different theatre professionals, not an imposition from the "marketing people". It is just as important that the artistic director listens to the head of marketing as it is for the latter to be capable of proposing a strategy in line with the theatre's artistic proposal and mission.

In the case of commercial theatres, it is evident that one offers what one believes that the market can accept; one seeks the success and sustainability of the business project, in line with the self-assigned mission. In the case of theatres that are more artistically and/or socially committed, where economic viability is limited to sustainability, marketing is a support strategy, with instruments that help them to position themselves, make themselves known and attract the specific audiences at which they are aiming.

From this perspective, a theatre may consider three major marketing strategies linked to key objectives: a) defining an own profile and a brand image with the objective of building the theatre's positioning in the market; b) knowing the audiences – real and potential – with the aim of constructing relational communities with them; and c) communicating the centre's programme with the aim of increasing the size and frequency of its audiences.

### **a) Construction of the profile and of market positioning**

With the aim of building on the positioning of the theatre in the market, the first step consists of knowing the place that it occupies in the local, national or international performing arts system. All theatres have a history –even those that have only opened recently– that provides them with their own profile, good



or bad, that has been gradually constructed over time. Analysing it requires an external view, not conditioned by prejudices or vain illusions. From this point, the work from the marketing department consists of defining, together with the rest of theatre's management team, the desired profile and market positioning, and of planning the process of transformation of the inherited image into the desired image.

The design of this profile and its resulting brand is a fundamental task in which external professionals can also participate. It includes physical and immaterial aspects, and is translated into all the internal and external image expressions, from the logo to the style of the centre's signage and advertising, from the decor and furniture of the venues to the uniform of the staff dealing with the public. Since any action that is carried out from the theatre with an impact outside is a form of communication, it is essential to be equipped with a comprehensive strategy. As Gerardo Grieco affirms: *"Everything communicates, from how you are treated on the telephone to how you are given your ticket, although the most important thing for a theatre continues to be what people say about it"*. To make this challenge operational, it is vital that the attitude of the personnel and internal communication are in tune with the brand image that has been defined. A well-designed profile can, to a certain extent, indirectly guide suitable spectators to the theatre's artistic options and social commitment. In any case, many imaginative alternatives exist to communicate an attractive profile.

## **b) Community-building with the public based on audience analysis**

Building a community of reference is essential in any establishment for artistic dissemination. This can be done in a finely crafted way, thanks to personalised knowledge and/or on the basis of the intelligent use of microdata associated to CRM.<sup>17</sup> The loss of personal contact represented by the growing substitution of sales from the ticket office by digital sales systems is compensated by the greater knowledge and possibilities for interaction permitted by CRM. It is necessary, in any event, to invest in the extraction of knowledge and crossed analysis of the data and to propose strategies adapted to each reality.

For small theatres with limited audiences and a well-defined profile, the question is how to gain in-depth knowledge of the public in order to propose interesting offers that provide the opportunity to grow. In line with this latter challenge, Margarida Troguet proposes distinguishing between the figures of "audience members" and of "complicit spectators". Due to their leadership qualities, the

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17 'Customer relationship management'. Specialised software that enables the processing of microdata from the sale of admission tickets.

latter are given differential treatment; they are offered more comprehensive and in-depth treatment, with proposals to access activities reserved for small groups (visits to productions in process, meetings with artists or participating in the programme selection process), and they are granted benefits or special offers. Other alternatives, explored in the previously mentioned European project BeSpectACTive!, consist of empowering the audience in the different processes of creation, production or programming.

For its part, the use of CRM enables in-depth knowledge of the behaviour of the anonymous mass formed by those who purchase tickets, thanks to the crossing of an enormous quantity of data: frequency, number of people accompanying, preferred genres, seat typology and selected prices. All this is processed together with other personal data in possession of the system, processed anonymously. Rigorous analysis and an intelligent communication strategy enable targeted messages to reach each micro-collective, according to previous consumption options. Sharing data and analysis with other cultural facilities in the local area enriches the knowledge of the cultural audience and expands alternatives for interaction with them.

### **c) Communication of the programme**

To influence the behaviour of audiences the fundamental point, from the marketing perspective, is to be equipped with a good communication strategy. In this regard, Kotler and Scheff (2004) point out: *“In order to communicate, you have to inform, persuade and educate the target audiences regarding their alternatives, the positive consequences of choosing a certain line of action and the motivations for acting (and often for continuing to act) in a particular way”*. Informing implies putting within reach of all the possible audiences the objective data necessary to help them to make an informed decision: title of the show, artistic casts, venue, date, time, price and method of buying tickets, complementary services offered, etc. Persuading means inducing another person through reasoning to adopt a decision in a certain direction, in this case attending a show or other theatre activities.

Thus, every communication action that contains anything more than basic information referring to the show, carries the intention of persuading. Educating consists of supporting the personal process of discovery, enjoyment and forming of cultural capital of a theatre's audiences. In short, a theatre's management should take into account these three aspects of communication when planning their actions in a comprehensive way. With regard to this, Mercedes Guillamón comments: *“The communication strategy is very closely linked to the programming policy and to the sale of the shows. A central objective of both is to build loyalty among the audience, get them to return”*. Another should be attracting new audiences.

The communication strategy must go much beyond simply a relationship with the media or providing information via the institutional website. Ease of accessibility to information, the clarity of the message and non-invasiveness are some of the main principles to bear in mind. From there on, all kinds of strategies can be developed to ensure a presence among each of the target audiences sought, from an exchanged presence as the result of agreements with other operators to a mutually beneficial relationship with the media.

The most efficient persuasion strategies are those based around highlighting motivations. Showing in the messages that the theatre disseminates people who are enjoying themselves, who are feeling moved, who are discovering new worlds, who are sharing or recognising themselves as an active part of society; all this helps to persuade numerous collectives that are not always eager to attend. In this sense, the social media networks (such as Facebook, Twitter and Instagram) are very useful tools, as they incorporate the opinions of users who share their emotions. Together with these, it is fundamental to use the power of visual and audiovisual communication. It is not only a case of designing the best posters, but also of having an active presence in channels such as YouTube and Vimeo, optimised by an expert in the subject.

Moreover, explaining the reduction of some barriers is also a form of persuasion. For example, announcing among the collectives concerned the remodelling of a part of the theatre to facilitate attendance by people with wheelchairs or a new service of simultaneous translation for deaf people; all this contributes to increasing theatre's presence and to strengthening a more inclusive society.

Not everyone behaves in the same way, or has the same relationship expectations towards the theatre. The occasional audience, of those people potentially predisposed towards performing arts shows (perhaps because they buy cultural magazines or go to see exhibitions) may be tempted if they are given the opportunity to undergo an attractive experience, reducing the objective and subjective barriers that separate them from the live format or certain genres of theatre, music or dance. From an educational perspective, useful for attracting the attention of a sporadic but culturally demanding audience, actions can range from drawing up dossiers with the forthcoming works to be premiered, with interviews, criticism and comments, to encouraging audiences by using more participative and empowering strategies (such as open rehearsals, debates with artists following the function, workshops with companies in residence, etc.). Both the dossiers and all the written and audiovisual materials used must be maintained live and accessible to other audiences in the theatre's reception area or on its website.

Another possible strategy consists of programming activities not only from the artistic viewpoint but also in their communication dimension. Thus, incorporating the organisation of a festival into the theatre's regular programme enables new audiences to be attracted and a greater media impact to be obtained, as well as adding depth to the facility's performing arts offering. Results are also given by programming on exceptional days or at exceptional times (late-night sessions or Theatre Day), in unusual spaces and in informal atmospheres..

More difficult are people who, while they bear no hostility towards the performing arts world, are totally indifferent to the phenomenon. It is worth devoting additional effort to them and carrying out cross-boundary marketing, which is tough but, when success is achieved, can be a great satisfaction. With these people, it is quite useful to establish relations with all kinds of organisations (unions, companies, sports clubs, centres for the elderly, religious groups, etc.), more to take small shows or other activities to them than to bring them to conventional performances at the theatre.

To improve all these strategies it is best to count on a good own team plus the advice of specialist consultants who are familiar with many other theatres and facilities, and in this way to benefit from their accumulated knowledge, the latest advances and their professional perspective. Theatres must rethink the resources available (economic and human) to expand audiences, and train their teams to connect with the different types of potentially willing publics.

## 6.3 Available instruments

Ensuring good design and planning of the marketing strategy enables the development, in all its potential, of the set of instruments at your service. In this sense, it is worth dedicating sufficient economic and human resources to achieve the objectives planned.

Six major instruments enable the preceding strategies to be implemented:

a) pricing; b) distribution and sales channels; c) advertising; d) relations with the media; e) boosting engagement with social media networks; and f) customer care.

### **Pricing: tariffs, promotions and season tickets**

Pricing, beyond its influence on income, is an excellent tool for attracting audiences. According to the objectives defined for each type of public and activity, it is possible to establish finely-tuned strategies. At the majority of

theatres, shows are paying events but complementary activities are largely not. While book presentations or chats with artists are free of charge, since they allow the educating of the public and positioning of the theatre before the community, courses and visits to the building for tourists at historical or monumental theatres are usually paying activities.

According to the type of audience and the objectives one wants to achieve with each of them, the prices can cover a range that goes from free of charge to the market maximum, passing through different alternatives. In the case of very poor socioeconomic contexts, where the destination public cannot afford the costs of admission, free-of-charge entry is a valid tool for attracting and educating them. In these cases, covering of the direct costs by the state, non-profit organisations or even private individuals (the artists themselves) is the only way of ensuring that the service is provided.

**Regarding the old debate on free admission or not as a tool for attracting new audiences, various heads of theatres give their opinion.**

**Gerardo Grieco:** *The prices policy is an important factor in the relationship with the public. Uruguay is used to things being free of charge. Thinking that free means more accessible, this ultimately devalued theatrical activities. It is more effective to offer rehearsals free to students, NGOs and other economically disadvantaged collectives.*

**Mercedes Guillamón:** *Free of charge offers may help to some degree, but all it does is facilitate that those who are already theatregoers go to the theatre more often; but a person who has never entered that theatre before does not.*

**Juan Calzada:** *I believe that the problem is related with the perception of the expensive and the cheap. In other words, theatre is not at all expensive in comparison to a Real Madrid – Racing de Santander match at 240 euros a ticket, or a rock concert. However, often people find a theatre show expensive at 6 euros. The perception exists that what we are offering does not allow people to have such a good time as with other proposals; that is the problem.*

The modulation of prices is not easy to apply. It is not just a question of how much the public can pay, or the different audience typologies, but that as a marketing tool one must take into account the psychological dimension and its repercussions in attracting the public. People's perception is linked to tradition, i.e. to local uses and customs, which means that proposing significant brusque

increases in the prices has notable political and demand-related costs. Moreover, the type of product and the ownership of the venues also count; while people are prepared to pay a high price to attend a festival that is in fashion, or a comedy or a musical offered by a commercial theatre, that same public will consider it abusive if the organiser is a public organisation. Even so, it is important to make participants aware of the costs of the live show and that discounts or free offers reach the target audiences that really need them or it is aimed to reach. The pricing policy must be at the service of the mission and the strategy of the cultural facility's management.

In any case, to attract segments of the public who are interested in going to the theatre but have insufficient economic resources, as usually happens with students, the unemployed, retired or elderly people, or communities that are particularly marginalised, it is possible to reserve a certain number of admission tickets with a discount, organise special functions for them at a different price, as well as offer at a lower cost a number of tickets that have not been sold until shortly before the function. It is also possible to play with the days and times of the functions, or the location of the seat in the audience. In the opposite direction, prices can be increased when associated or added to special services (reserved places, catering service included, or parking, among others) or at functions with the greatest demand (inauguration of the season, weekend with respect to functions on working days, etc.).

Beyond social inclusion objectives, the pricing policy is extremely useful as a tool for commercial promotion. One of the most habitual mechanisms consists of offering a season tickets system. From the viewpoint of the spectator, this facilitates the purchase of a certain number of tickets at a discounted price. Season tickets can be individual or per group, closed (limited to predefined functions) or flexible and open to the spectator's choice, which allows a range of possibilities for attendance.

Closed season tickets, beyond forcing the theatre to have the programming dates at the time of the sale of the ticket, present advantages and disadvantages for the audience. With respect to the advantages, people attending can organise their agenda in advance and perceive being part of the collective that goes to the theatre on those days (sharing with them, and with third parties, what they saw and the planned programme). Among the disadvantages are the difficulty of changing the dates (unless the season ticket allows flexibility) and the inclusion in the package of shows that generate different degrees of interest. This model presents more benefits than drawbacks for the theatre (having a loyal audience, knowing in advance the level of occupation of the venue day by day, or counting on the revenue in advance). Open or flexible season tickets are somewhat more difficult to manage, but extremely useful for attracting contemporary audiences

(for example, professionals with variable agendas). In the particular case of young people, who do not want to condition their diaries and make decisions at the last minute, offering them specific season tickets gives a better result.

Many other promotion and discount instruments related with the prices policy exist. Each manager should carefully analyse the benefits and costs that, at any given time but also from a comprehensive medium-term view, they may involve. Abusing discounts may lead certain audiences to want more. Among the most common formulas that can be mentioned are 2x1 (two tickets for the price of one), deferred 2x1 (right to an admission in the future), a flat rate for loyal audiences or collectives of young people, exchange of invitations with other cultural facilities, discounts for last-minute purchases or the benefits of being a member of particular collectives, among others. The more strongly the theatre has and implements a relational marketing strategy based on CRM and on segmented analysis of the response of the audience to the mailing of information by Internet, the easier it will be to offer a la carte proposals that respond to the needs and patterns of behaviour observed.

## **Distribution and sales channels**

The physical ticket office has not been the only sales channel for some time. Booking and purchasing via telephone, automatic cash machines, via specialised online or mobile services – and many more that are on their way – have revolutionised distribution channels. The digital media have transformed the information and perception of the spectator at the time of selecting a price and a seat; we can no longer sell them what we want. The implementation of dynamic prices (with flexible zoning) will gradually become the norm and should allow improvement in the rates of attracting, retaining and building loyalty among the numerous and varied audiences that may attend the activities programmed.

It is fundamental to be able to count on an efficient sales system that enables the public to acquire admission tickets in a convenient and secure way with sufficient advance notice and that, also, offers the theatre the confidence of a good accounting record, easily verifiable in real time. This system is no longer exclusive; rather, numerous channels and platforms share access to the audience. The use of commercial platforms for ticket sales implies a cost (for the theatre or for the spectator) but they are excellent channels for offering promotions to the sporadic audience and to provide information on the profile of spectators. As has been commented previously, when introducing the CRM concept, intelligent but non-obtrusive use of this information enables communication and the offering to each spectator profile of the most adequate proposal (and at a price that maximises the theatre's mission and its diverse objectives and strategies).

Every type of public behaves in a different way before the different channels (according to age, socio-educational level, technological mastery or level of income) therefore it is important to modulate each of the strategies for attracting audiences. In any case, with regard to market analysis and the design of promotional campaigns, it is fundamental to negotiate with the different commercialisation platforms the providing of statistical data on purchasers. The majority of CRM servers or some specialist analysis companies provide extremely useful knowledge but it is essential to be aware of the enormous value that can be extracted from the data.

Even so, ticket offices located in the theatre building itself have not disappeared. With respect to these it is important to reflect on the coverage of the opening hours, the reading clarity of announcements to the public or the number of employees necessary to avoid queues forming, with the aim of increasing service quality. Ticket office personnel are the organisation's representatives before the customer during the sales act and at that precise moment they play a decisive role. This is why it is necessary to plan ongoing and specific training programmes for them.

## Advertising

Advertising is the traditional mechanism for communicating the brand and the product, and inciting the purchase of admission tickets and complementary services by the public. There are numerous formats and media from which to operate. As the fundamental part is the message, it is necessary to reflect in advance on its effects on its targets. This is why the design of the message is crucial, in its written and visual dimension, with respect to the theatre's brand and to each of the shows or complementary activities. A mistake in design has direct effects on audience attendance. Proper selection of the professionals responsible for this task and dialogue with the theatre team helps to find the best solutions.

Controversy exists regarding the level of incisiveness of the message, since its reception by a diverse audience may generate greater or lesser acceptance or rejection. According to the cultural values of the audience, the reputation and mission of the theatre, and the performing arts proposal itself, it is necessary to implement appropriate ideas. For example, Juan Calzada intends to provoke with his suggestion: *"We should do like the British do when they launch their films saying: love-sex-violence, and then in the subtitle: King Lear. That is offering a form of enjoyment, not an obligation"*. Undoubtedly there is still a long way to go, from provocation to poetic suggestion, but each facility needs to travel its own process.



The most commonly used formats are billboards, outdoor posters or banners (hung on street furniture or placed on building façades), postcards and flyers, as well as the theatre programmes themselves. Their positioning in suitable places (busy bars and shops, emblematic buildings or public transport) is extremely effective. A second alternative consists of buying advertising space in or organising exchanges with different media outlets. The effectiveness will depend on their market penetration and cost. Another area for running advertising is the Internet, from the theatre's own website, through social media networks or specialised services. It is also important to incorporate the theatre's brand directly or indirectly onto different casual consumption products (merchandising), such as t-shirts, stationery, pins or varied accessories (bags, handkerchiefs, sweets, etc.).

Finally it is a good idea to calculate the volume of budgetary resources to be devoted to advertising. A cost-benefit perspective – per show and global – can be useful, in particular given the never-ending pressure applied by advertising agencies and their professionals.

## **Media relations**

Media relations are fundamental for making known the theatre, its programme and its activities. Both parties benefit from this relationship, as theatres need loudspeakers to reach society and the media need to fill their pages or minutes with information of interest to their audiences. Sometimes, the media themselves seek out the theatre to write their own articles or give body to their programmes (background articles on the performing arts medium, its institutions and protagonists, or television programmes on the performing arts world or traditional arts). In this case, the synergy is double.

Each medium has its own language and syntax, which it is necessary to understand and master. The generalist press, which lives from the sale of newspapers, advertising and public support, devotes a number of pages to culture and shows, and, according to their prestige, may publish culture supplements. In their pages, theatre occupies a marginal position. However, maintaining good professional relations with the section editor and specialist critics, if they still exist, is key. Knowing the characteristics and cultural interests of their readers is an essential factor for deciding whether to give them breaking stories and where to invest in advertising. In general, the greater the advertising investment, the more space for news, interviews, critics and comments the theatre will obtain.

The specialised press, increasingly scarce in printed format, is aimed at the specialised audience and the professional environment. Its main utility from the marketing perspective is that of constituting a space to publish, without too many difficulties, any interviews and comments on the theatre's activity. This

material can be reused to fuel the theatre's website, posters and social media networks. These publications also provide an opportunity for gaining information on the situation of the sector and on interesting experiences (which could be open to adaptation). Investing in advertising, although not necessarily giving a major return in terms of audience, is a good idea for helping the survival of these types of media.

The radio medium, traditionally a great ally of the theatre, also fulfils the role of being an affordable dissemination platform. Its invitations, with interviews and comments, are combined with the offer of free tickets for listeners. In smaller localities, local radio is probably the most effective communication medium.

In the opposite sense, accessing television programmes is much more complex, especially when dealing with large-audience channels. In these cases, the greatest success consists of achieving a few seconds in the news programmes. This is only possible when what is offered has major public interest, or in sporadic cases, when the programme's director is particularly in tune with the theatre. Usually, cultural programmes and magazines are more receptive to presenting performing arts proposals. Cultural channels, when they exist, allow easier access, but in contrast their capacity for influencing the public and attracting audiences is more limited. Another option is publicly owned channels. With these it is possible to negotiate with more possibilities, since making people aware of cultural activities in their respective city or country forms part of their responsibility.

In any event, this dissemination requires a prior internal preparation and a capacity for adaptation to the requirements of the television medium. These are usually of a technical and temporary nature (at the time and on the day imposed by the television production companies). Filming several days before the show's premiere means having everything ready and ensuring the availability of the artists for interviews.

Communication with the media, in the case of large theatres, is usually in the hands of a professional journalist or a press office; these can be internal or external. In facilities with fewer resources, the head of marketing (sometimes the managing director) takes charge of these tasks. In all cases, having a good list of contacts with media professionals is crucial, and as far as possible, so is dealing with them personally.

## **Boosting engagement with social media networks**

The other great communication window is formed by the social media networks, in their broadest sense. The Internet, with its numerous functionalities, has radically changed the world's ways of communicating and interacting.

Given the high socio-educational level of the performing arts audience, communicating with them via this medium is increasingly effective. However, as their age increases, this collective's access to the Internet becomes more precarious. For this reason, traditional methods must be combined with digital ones, but it is clear that the latter have a better cost-efficiency ratio. For reasons of synergy, it is a good idea to link up the different media available, from managing the press to maintaining the website, and boost engagement with the networks that the theatre uses (Facebook, Instagram, Twitter or YouTube).

A second communication instrument based on the social networks is the use of the world of mobile telephones. A host of apps exist, especially for smartphones, that enable the network effects to be multiplied. Many of them are the same as those mentioned in the previous paragraph, but their access is via telephone. Others, such as telephone messaging or WhatsApp, require access to personal telephone numbers.

Its potential to be highly invasive makes the use of mediators even more necessary than on the exclusively Internet-based social networks. The question of intromission (not only linked to the data protection regulations) and the legitimacy to use them from a cultural facility must be approached with the utmost care.

Each network has its own grammatical code, which means it is important to write the messages transmitted via them with the aim of expansion in a suitable way. At the same time, the naturally interactive nature of these media obliges the theatre to correspond with all those people who contact via them. Important messages or exchanges should not be left without an answer.

A fundamental question consists of calibrating which mediation system transmits the best credibility. People looking for show times will trust the information shown on the theatre website, but if they want to see what's on in the whole city, they will look at the information published by the press or institutional or specialised websites. If they want to find out more in-depth information on the show to decide whether to buy tickets, they will give more credibility to the opinion of independent experts, as a result of their prior browsing experience. They will also look at the theatre's website or YouTube to see video clips of the work or previous shows by the same company. However, the greatest reliability will be found by resorting to word of mouth, but in digital format. For this reason, ensuring that the theatre has a proactive attitude, feeding the social networks and looking after relations with bloggers and digital critics, is essential.

## Direct customer services

The relationship with the audience begins long before their arrival at the theatre, through the numerous communication tools available (web, advertising, social media networks, etc.). One of those with the greatest transcendence is direct contact with the facility's staff, either by telephone or correspondence via the different Internet interfaces, or alternatively directly in the theatre's reception area. This relationship conditions – positively or negatively – the “word of mouth” that reaches the public. If people feel well treated, they start to enjoy the theatregoing experience even before the show begins. Friendliness and good humour from those in contact with the audience, from the first telephone contact up to showing them to their assigned seat and including at control on the door, the cloakroom and other complementary services provided by the theatre (such as parking or bar/restaurant) plays a fundamental role in creating an agreeable atmosphere. This staff behaviour should necessarily be complemented by the proper functioning of the theatre systems that ensure the comfort of those attending (lighting, cleaning, air conditioning and safety and security).

Ensuring suitable attention to the public will necessarily require a prior process of selection and training of personnel (own or subcontracted), as well as providing the training, material and information resources necessary to resolve contingencies. As for profiles, choose people who are pleasant, empathetic and also problem-solvers, sensitive to the performing arts task and with a desire for self-improvement and a customer service vocation. It is also useful to have a regulatory framework so that they can perform their work in the best conditions possible and that evaluation mechanisms exist for correcting any poor habits. Procedure manuals must indicate anything from what to do if two people occupy the same seat to how to resolve a telephoned bomb threat, or how to greet someone who is arriving or leaving.

In any event, direct attention to the public by staff must be in line with the image that the facility transmits via all of its media. Friendliness, affability, respect and openness towards differences must impregnate the website design or advertising as well as the behaviour, clothing and language used by staff.

## 6.4 Institutional relations and protocol

Institutional relations fulfil three major functions. Firstly, they allow positioning of the theatre's image, especially in the mind of the political, social and artistic establishment. Secondly, they facilitate the forming of specific bonds of trust with the different agents who interact with or may condition the life and future of

the theatre. Finally, they are another medium for social communication. Protocol is a tool at the service of institutional relations that helps to guide the behaviour of organisers and participants.

Where political personalities are involved, especially at public events where more than one is present, it is necessary to negotiate with the respective protocol officers the order of rank without forgetting the target audience of the event (informing in case of delays, for example). At the event, receiving personalities at the door and dealing with the requests of those accompanying them, without altering the planned management, requires skill and empathy. Care of VIPs demands planning, care of the finest detail to avoid spurious susceptibilities, and being able to distinguish between the fundamental and the superfluous while taking into account the long-term cost-benefit of the resources invested in the actions described.

Other instruments at the service of institutional relations include invitations. These are distributed among the artistic sector, and to public officials, sponsors, patrons and the press. With the artistic world this is done in the spirit of fair play, an exchange and self-promotion relationship; in the case of some particularly interesting functions, it is also done to introduce a reference point or new language to the local performing arts community.

As for public officials, a triple motivation exists: they bring legitimacy, a media impact and, in cases where governmental support is received, inviting them is a way of showing the work carried out. As regards sponsors and private patrons, beyond whatever has been agreed, it is a way of strengthening the relationship and thanking their generosity. Lastly, inviting the press multiplies the impact and the dissemination, as has been commented on previously.

In general entries by invitation are concentrated on the day of the premiere, although a small number can be reserved for other functions. Beyond invitations to shows it is important to ensure that these same collectives are acquainted with the set of activities organised by the theatre, from the presentation of the season to the presence of artists in residence, or in a prioritised way, all kinds of one-off events.

This task requires one to have not only a good agenda of contacts, but also personalised knowledge. All types of theatre, from the smallest to the largest, whether public, commercial or independent, can benefit from the development of a coherent institutional relations strategy that is adapted to their needs.





7.

# Material resources and services



## 7.1 Infrastructure management

At the start of this book we pointed out that although the essence of the theatrical phenomenon has not varied over the course of time, what have changed – and substantially – are the related technological aspects; just as the management processes necessary to construct and deliver shows to the public and artistic parameters have changed too.

Adequate management of these resources implies taking into account that some respond to ad hoc demands, i.e. those that cannot be standardised (as happens, for example, in the materialisation of the production project, which is largely a highly crafted process). At the same time, other resources are designed to maintain operational a space where performances and the public coexist on a daily basis.

Firstly, the building itself –in the material and functional sense– needs ongoing investment and maintenance. Secondly, the setting up, presentation and/or touring of shows also involves the use of other services as well as the acquisition of specific items, which can often be reused. Some resources cross both of these aspects of theatre operations, such as, for example, risk prevention and safety controls, technical systems and stage sets, among others. It must be taken into account, furthermore, that some resources will be provided by professionals or by specialist companies that are external to the theatre.

A rapid classification enables one to distinguish between basic services, technical services and professional services. This distinction becomes relevant when tertiarisation is used as a tool to improve management efficiency, because in that case each category brings with it different consequences for the organisation so they require different selection processes. These services are composed, according to the facility's dimensions and possibilities, of:

- **basic services:** cleaning, maintenance, security, logistics, insurance, healthcare and first aid; and, in the majority of cases, catering and cloakroom.
- **specialised technical services:** lighting, sound, press and communication and ushering; and, in some cases, design, translation and subtitling, recordings (video recordings and photographs), instrument tuning, launderette, costume-making, shoemaking, make-up and hairdressing.
- **professional advice services:** legal, fiscal, accounting and auditing.

## Paradoxes in the incorporation of technology

The use of modern technology, both in show production processes and in administrative and building maintenance systems is, first of all, inevitable. Any shortfalls in this respect are immediately perceived (and rejected) by theatre users. Furthermore, their use in the shows is important for the expression of the artists and also, in many cases, to attract the public, as expressed by Carlos Elia: *“It is unfortunate that many theatres have fallen behind in accessing the latest technologies, when their influence on raising artistic quality is evident. Fortunately, some scenographers propose virtual stage sets to us and that obliges us to adapt. Moreover, not doing so would lead to us losing our audience to other cultural or entertainment activities that use them as an attraction factor”*. However, Gerardo Grieco explains the following paradox: *“We have become so technology-dependent that if the technology doesn’t work properly, there is no function. At the same time, technology systematically raises costs. Especially staff costs, because you’re going to need more personalisation, more specialisation. In the old days, on our stage, the technology consisted of tied ropes, fabrics and trolleys oiled by some men. Today we have 48 motors controlled by a computer. And there is not a show that does not screen at least one image. We have changed a great deal, but it is also important to recognise that technology makes things more expensive”*.

Managing the tension between the two positions, given the impact of technological modernisation, must be done in such a way that it does not excessively affect the facility’s finances. On top of its incorporation into the production and presentation of shows, the use of technology also enables the theatre’s global management to be made more efficient. The implementation of digitalisation enables control of a very broad set of operating systems, from accounts and administrative operations to control of the building’s lighting and air conditioning, the detection of equipment failures, the planning of exchanges of consumables or renewal of equipment, the standardising of parts replacements or saving energy, among others. All this leads to a significant improvement in the organisation’s overall efficacy and efficiency. Meanwhile, the decision to incorporate technology

directly into the show requires dialogue between the theatre management and each project's artistic and production management. In each case they should assess the advisability of its application, seeking a balance between the theatre's economic possibilities, the intrinsic quality contributed and the expected impact on the audience.

## **Building and equipment investment and maintenance**

All buildings designed for theatre presentations are meeting places that, on a daily basis, receive a considerable flow of people who circulate around its facilities. The audience, artists and staff employed put its systems to the test continually. At times of activities, the number of people on the premises can vary from a few dozen to several thousand in the case of large theatres. Over the course of the day, the theatre provides the audience and its professionals with different services, some explicit (catering, cloakroom, bathrooms) and others that are not noticed until they fail (e.g. air conditioning or lighting). In the worst case scenario, if an emergency arises, it is essential to have prepared (not only for legal reasons) an evacuation and safety plan.

In addition, the personnel based there also need suitable areas for carrying out their work. The artistic team requires rehearsal rooms and dressing rooms that are quiet and clean, with bathrooms and hot water. An efficient administration needs large spaces equipped with furniture and suitable computer and communications technology. The stage machinery and its operators, as well as broad "shoulders", require free heights above and below the stage level to move the rigging and sufficient storage space for storing the stage sets (Astacio and Ibañez, 2009). At theatres with in-house production, it is important to envisage where the workshops will function, especially if services such as costume-making, launderette, make-up, hairdressing and shoemaking are internalised, as they may come to need considerable space.

The production processes are, by their very nature, eminently operational, and this requires an advanced technical infrastructure. One of the challenges for production theatres is keeping this infrastructure up-to-date, without succumbing to the temptation to invest more than their own possibilities allow. In this sense, their more advanced equipment should be made available to the rest of the sector (with the corresponding reinsurance) and, at the same time, if possible, resources with sporadic or occasional use should be shared with other production centres.

A building that complies with all these demands requires a design that not all architects or companies are in conditions to provide. The construction and/or remodelling of buildings for staging performing arts will require great specialisation

and experience. Many of the best theatres, that in their day had a good structure and good equipment, need to be refurbished and updated. Physical obsolescence not only affects theatres built two centuries ago, but also many that are no more than three decades old. In all cases, the architectural project should be the result of ongoing dialogue between teams of architects, specific experts (acoustics and lighting) and the theatre's different professional staff.

All of the above engages the management –and also the entire workforce– in different maintenance processes whose execution must be planned and organised with the regularity that each of the operating systems demands. In short, the theatre building concentrates the attention and use of a large quantity of material resources and services.

This is by no means an easy task and may become even more complicated in theatres that operate in listed buildings of historical value, where any intervention on the structure requires permits that take a long time and resorting to specialists for their effective resolution. Employing an internal technician, with experience and training, to be responsible for maintenance and for communication with external professionals in these cases is practically essential.

## **Hazard prevention and safety control**

Safety is known to be expensive, but dodging the issue is even more costly. This is true in both economic and especially social terms. Not investing in safety means constantly running risks both for staff and for the attending audiences. Theatre buildings are areas of high risk for various reasons: regular occupation of their facilities, but with variable flows of people; high flammability of those materials that provide the best acoustic and aesthetic conditions (fabrics and wood); or high-consumption electrical installations, largely of a temporary nature. They are also a place for the expression of emotions that on occasions may generate public order problems. For this reason the building and public usage codes, as well as the regular controls, are especially careful. In the majority of countries there are increasingly stringent regulations regarding control and safety during shows. It is important to be familiar with these and apply them.

Strategies for maintaining safe conditions for the building and its activities, actions for preventing accidents, and the taking out of insurance policies may each involve the audience or different groups of staff, and all require careful attention from the management. With regard to the building, the existence of a safety curtain, fireproofing treatment for coverings, the permanent presence of emergency personnel (in some cases including the fire brigade), easy access to portable extinguishers and well-planned evacuation routes (signage, emergency doors, lighting or audio) are also essentials.

Together with these, it is necessary to ensure there are contingency plans, safety regulations and specific usage manuals for each task or occupation (backstage, ticket office, treasury, light and sound, artists, etc.). With the aim of creating a work culture around audience and worker safety, it is necessary to organise awareness-raising and training courses, as well as fire drills. As already commented, the prevention and safety strategy requires a considerable but unavoidable budget.

## 7.2 Supplier and provider management

Obtaining the material resources and services necessary to maintain the theatre in good functioning condition involves, firstly, identifying possible suppliers or providers for each of them. The next step along the pathway towards developing a consistent suppliers policy consists of periodically classifying them, based on own and third-party experiences, according to quality standards, price, payment terms and compliance. A possible classification method for the different levels of providers is to group them according to the type of service provided, which enables distinguishing between providers of complex services with a high added value, the major suppliers of capital goods, services and high-consumption perishable goods, and, finally, small local suppliers and providers of common goods and services.

Theatres require a system of providers and of purchases adapted to their needs. This is not always obvious in some excessively bureaucratic administrative systems. One solution consists of separating the management of purchases for the production and presentation of shows, which are highly specialised, from that of those with more generic destinations, especially in public theatres. In this respect, Carlos Elia comments: *“A costume designer wants two metres of fabric from a certain supplier, and another two in another colour that the previous supplier does not have. How do I justify that before the administration that the theatre depends on? And how many procedures and forms must small providers, sometimes foreigners, complete? It's impossible. Of course, we sort it out, but everything ends up costing more”*. On the other side of Río de la Plata, Grieco adds a self-critical viewpoint from the management of a public establishment with management autonomy: *“The more responsible you are for your own autonomy, the more responsible you are for your own bureaucracy. I think that sometimes at management level we do not show sufficient maturity. We all protest, but when they give you the cash and things have to be done properly, it requires a type of management that not all public theatres are prepared to adopt. It is very easy to blame the minister for the economy, the administration or the system. It is good to recognise this in order to avoid trying to take the easy route”*.

By outsourcing of services to specialised companies it is possible to achieve greater efficacy and reduction of costs. This is, undoubtedly, a very useful tool but one that must be used with care, firstly to avoid losing know-how and control of the service and also, to avoid affecting the degree of commitment that personnel have towards the organisation.

**An interesting virtual exchange on outsourcing and cost reduction on both sides of the Atlantic.**

**Domènech Reixach:** *In the initial project for the Teatre Nacional de Catalunya, it was envisaged that the stage sets would be made at the theatre itself and we managed to change that. In Catalonia there is a whole network of companies that produce highly specialised and fine quality stage constructions. Giving them work meant giving them some wiggle room, supporting these companies that also work for the private theatres. A similar thing happened with costume-making. Moreover, maintaining a stage set construction workshop with mastery of all the techniques is very expensive and each scenographer asks for different things. We produce, yes; but by way of outsourcing many of the services.*

**Leandro Iglesias:** *At the public theatres of Buenos Aires, outsourcing means making a political decision, it is no longer a mere question of management. Perhaps some tangential or complementary aspects can be outsourced but we must take great care there is a heritage that we must look after at stake. In other words, I think it's fine to outsource services as long as they have nothing to do with the theatre's specific production activity, for example cleaning, security or the transporting of instruments.*

**Jaume Colomer:** *At one theatre in Catalonia they have contracted out all the services, even the ticket office and the technicians. For the time being it is working for presenting shows, but to produce shows it creates problems for them. To create culture you need a minimum of committed staff from the top down, even if you have debates or fights, but they must all be absolutely committed. If not, tomorrow a spotlight will break and nobody will care.*

**Juan Calzada:** *In our case we have outsourced our maintenance, cleaning, security, loading and unloading, and all the hostesses and ushers except for the house manager. As we need them to be committed to our project, we work to train the workers of the companies providing the technical services to us; we give them training in addition to that which the company is obliged to give them, and occasionally we even fight for their wages.*

8.

# Management evaluation



## 8.1 The concept of evaluation and the question of quality

From the perspective of the management of a project or organisation, evaluation is the procedure that enables its evolution to be ascertained with the aim of improving it. Whenever any project needs to be designed and implemented, evaluation contributes towards fulfilling the mission and achieving the targets forecast based on a process of information that is fed back into the planning, execution or operational management. As has been seen throughout this book, the projects that make up the basis of a theatre's management materialise in different complementary strategies for managing resources (financial, human, communicational, material and technical). Each of them can be evaluated based on a constructed system of indicators that responds to specific interpretation models.

Evaluating artistic projects is rather more complex than evaluating standardised processes, because of their intangibility and the long-term impacts (direct effects and externalities) that are usually included in their objectives. The majority of them have a strong subjective component linked to diverse value perceptions that cultural activity has for society at large and for its different collectives. The danger lies in justifying any action, in some cases even deficient management, behind the excuse of their subjective and intangible nature, i.e., the difficulty for measurement that is characteristic of artistic processes (Muro, 2007). The generalisation of standard processes with indicators that are not suitable or adapted to the reality of artistic projects makes evaluation procedures vulnerable to easy criticism. To overcome both approaches, the issue must be tackled with greater rigour.

Among the specifics of theatre evaluation, a prominent question is the complex one of measuring quality. In any service, quality has both tangible and intangible attributes. Among the first, one could mention opportunity, accessibility, precision, continuity, comfort, courteous treatment or price. Among the intangible attributes are prestige, associated social status or the sensation of the experience undergone.

The latter are particularly important in the cultural sphere, but in any case the perception of quality is the result of comparison between different attributes, all more or less tangible or symbolic. These attributes not only affect the theatre's end product –defined in its mission statement– but lead to continuous improvement in the set of processes that accompany it.

Thus, applied to a performing arts facility, if the ticket sales system is well designed and managed, and consequently the audience can make a quick, problem-free purchase instead of spending hours queuing, their satisfaction regarding their overall experience with the theatre grows. In other words, it is not sufficient to offer a good play performed by great artists, but the entire set of services offered – whether central or peripheral, tangible or intangible – should be provided in the best way possible. All of this is what we call quality.

However, while poor management is quickly noticed by the user (for example a problem in the air conditioning system), regular good functioning may well pass unnoticed. When we get accustomed to a certain level of quality, we note in relative terms both its deterioration and its improvement, but not its maintenance. In contrast, being accustomed to seeing good plays does not mean one will not feel satisfaction for the last one enjoyed. The perception of quality depends on previous experience and the expectations that one has. Therefore it is fundamental to analyse quality not only from the “objective” viewpoint of what is on offer, but also taking into account the subjective experience of others, be they the audience, other professionals, the media or the umbrella organisations.

In the majority of production processes, having protocols for different attributes helps to objectify the concept of quality. However, in the creative field it is very difficult to define protocols, since on top of technical quality there is artistic quality (more or less intrinsic to the product and defined by the artistic system) and the perception of this by the receiving community. Reflection on artistic quality has received the attention of numerous thinkers over the course of time, based on seminal contributions from the likes of Kant and Hegel. In this text it interests us to the extent that it enables improvement of the management of a performing arts facility and fulfilment of the proposed mission.

Thus, a system where the quality of the artistic product is integrated with its models (conditioned by its endorers and in direct evolution with the proposals that are generated) marks the guidelines of whether something has quality or not. With respect to the quality perceived by the audiences, the capacity for emotion and connection with their symbolic reference points establishes the difference. A good word-of-mouth dynamic or, these days, going viral on the social networks, are clear manifestations of the social perception of quality (in both positive and negative terms).

From the institution's perspective, artistic quality is reached when a show manages to achieve attributes, complementing Fernandez Torres (2007), such as:

- transmitting emotion, moving the audience and having an impact on it
- referencing situations or contexts
- holding dialogue with references from past masterworks
- generating languages, metaphors and symbols
- coherently combining the expressive and technical resources available
- innovation and differentiation in the contents and in the way of sharing and communicating them
- ...

Beyond aesthetic preferences, artistic quality exists in commercial and avant-garde theatre alike, and is independent of the genre (review, musical, drama, comedy, dance, circus, classical concert, jazz, pop-rock, etc.). The parameters that enable its measurement in the different performing arts genres or languages are not always directly related with success, since this is an ambiguous term. The concept of success means, in our understanding, fulfilling the theatre's mission with the resources available. When artistic quality forms an explicit part of the mission, success cannot be accomplished without simultaneously achieving an adequate level of artistic quality.

For Kotler and Scheff (2004), the most important factor for the success or failure of an artistic product is its artistic quality: *"Taking short cuts that negatively affect an organisation's artistic quality is the best route for achieving failure. Quality is much more important than marketing tools such as price and promotion. Marketing strategies may attract customers, but if the experience in itself is not satisfactory, there is no promotional technique that will make them repeat. In addition, spending money on advertising and promoting an inferior product is useless, not to say counter-productive"*.

Each society in each historical period develops legitimisation channels to decide on the artistic value of works, productions and performers that best reflect the more or less established canons of quality. Academia along with critics, journalists and specialists, today joined by recognised bloggers, are constructing a prescriptive system that is recognised but undergoing constant evolution. Some artistic directors of emblematic festivals or theatres also fulfil the prescriptive role by influencing both other programmes and the public that takes them as a reference point.

The result that a show will achieve in terms of artistic quality cannot, however, be completely guaranteed a priori. With the live show, it is possible to sign up the best performer but impossible to ensure that on the day of the event,

no unforeseen physical or psychological setback will arise that means the degree of emotiveness or technical excellence foreseeably expected is not achieved.

Together with artistic quality, it is also essential to analyse technical quality. This focuses, fundamentally, on improvements in processes carried out by the organisation and their impact on the final product. The more standardisable parts of technical services (security, accounts, cleaning and maintenance, among others) are easier to manage and evaluate if one can count on instruments such as guidelines, procedures, logs, inspection proceedings, or training plans and records. Their documentation permits quality certification (Lovelock et al., 2004). Technical quality can improve if specific manuals exist for tasks, formal self-assessment procedures, and automatic reception procedures for complaints, needs or demands of users (through surveys or other methods of obtaining information). Also when problems presented by customers or users receive an immediate response. An indicator for measuring this is the percentage of satisfied customers or users.

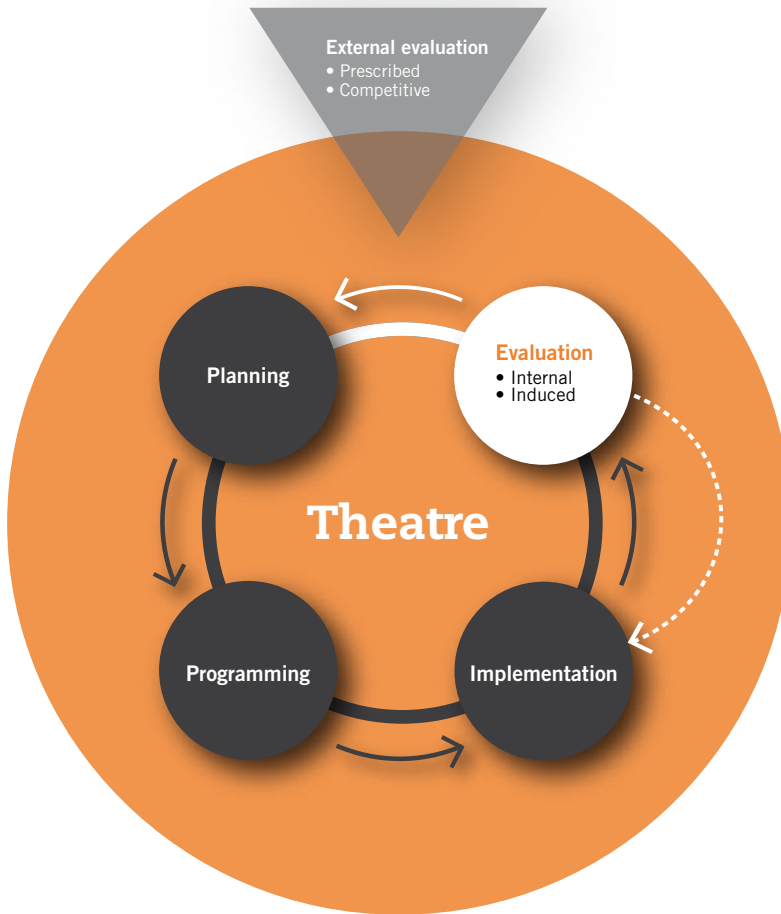
When the perceived quality of the services falls too low, it will be the user community that will make the situation evident, directly or via the media. At private theatres, managers will need to find the way of reversing the situation because a loss of audience automatically affects the project's economic profitability. Meanwhile, at public theatres it will progress from being a management problem to become a problem of a political nature. As a last resort, liability is commonly settled with substitution of the management, even though the problem may not have been their exclusive responsibility.

## 8.2 Evaluation typologies

The management of all cultural projects requires, besides good planning, adequate control and evaluation mechanisms. When evaluation is integrated into the process of planning-programming-execution led by the management staff themselves, it is easier to correct deviations and achieve the goals pursued, since rather than fixing the results after the facts, it enables interaction on the fly in the consecutive planning, programming and execution processes.

Figure 19:

***The role of internal evaluation and external evaluation in a venue management process***



In any event, evaluation can be approached from two complementary dimensions: internal and external. Firstly, the organisation itself and its management need tools internally that enable them to find out how the project itself and each of its strategies are evolving. For this they define objectives and indicators associated with balanced scorecards. An alternative method consists of the management itself conducting evaluation processes in which people – from inside or outside of the organisation – participate, either through collection mechanisms for complaints or suggestions, or by promoting qualitative approaches by external experts or auditors.

Moreover, a theatre is in debt to the society that sustains it (or to its partners), since it receives public and/or private funds to fulfil its mission. External evaluation can be imposed from supervising bodies (for example, the institution on which the theatre depends or that grants subsidies to it). Another external evaluation alternative arises when a project is presented to an open call for proposals or a competition, being evaluated in accordance with the criteria of the sponsoring institution. This would be the case for a theatre that puts itself forward to a call for applications relating to grants, subsidies, private foundations or international cooperation agencies. Many of these calls have preassigned objectives that condition the project proposal (certain objectives and strategies, as well as the logical and administrative procedures that form their base), which forces the theatre to adapt its intentions or project if it wants to be in with a chance of winning. A more or less transparent procedure, with sufficient deadlines, independent juries and public scoring scales, incentivises participation.

Evaluation imposed by supervising bodies is usually poorly received and criticised by the organisations. It is often a simple administrative procedure, with few practical consequences. While this evaluation may be a chore, and poorly adapted to the specific reality of theatre or performing arts projects, used internally in an intelligent way it can be a spur that applies pressure to all levels of the organisation – from the management down to the last collaborator – and enables improvements in efficiency. As Àngel Mestres affirms: *“Models that evaluate or audit your enterprise, although demanding greater effort, facilitate your job”*.

In the specific case of public theatres, it is necessary to comply with the general procedures affecting all state organisations. These are highly standardised, designed to check compliance with regulations and governmental objectives, and general or specific for each project (based on what was planned). In general, they do not reflect the specific aspects of cultural facilities. For this reason, Leandro Iglesias makes this proposal: *“It is difficult for the Ministry for the Economy or Public Administrations to propose administrative mechanisms that are flexible or suitable for a reality such as that of theatre. The public servants of these ministries view it from the perspective of the auditor. If we offered a standardised monitoring plan, with a language adapted to both the administration and the reality of theatre, everything would be easier. It would be clear that we are public servants with the obligation of accountability, not only in political terms but also from a social viewpoint”*.

### 8.3 Internal evaluation, indicators and management control

Internal evaluation is only possible if goals and objectives have been defined in advance through a strategic diagnosis process in harmony with the mission. The different organisational models for theatres –public, for profit or not-for-profit– condition the form of management and, therefore, what is evaluated and how it is carried out. Ways of programming, of assigning responsibilities and of budgeting differ enormously among these types of facilities. In other words, it is not possible to evaluate different ways of managing a theatre using the same parameters. For example, the possibility of keeping a hit show running for two seasons is perceived as a success for a private theatre but is straying from the mission in the case of a public theatre. Furthermore, improvements in efficiency have a much higher cost within the bureaucratic framework of the public administration than in the case of a for-profit facility where the owner makes the decision and reacts quickly without the need to follow any determined procedure.

In any case, any good evaluation process is initiated at the time of planning. In it, generic aims, valid for a broad typology of theatres, are transformed into strategic objectives, adapted to a determined space and historical time. These strategic objectives materialise as a number of operating objectives and are built up around a limited set of programmes (production, programming, education and territorial development, among others). Each programme is ultimately broken down into a long list of actions. What is planned and executed at each of these levels can be evaluated. For this, three categories of indicators can be distinguished: process, result and impact. The first enable examination of whether, strictly in terms of efficiency, the action developed was carried out using the minimum resources possible, complying with the envisaged standards. Result indicators measure the achievement of the objectives, whether operative or strategic. Finally, impact indicators aim to evaluate whether the project's mission and major aims were ultimately realised. These last two types of indicator thus analyse the level of efficacy achieved.

Regular repetition of evaluation and control procedures at different levels and in different sectors is the most specific and yet simple way through which the theatre, like any other organisation, can get to know itself fully in order to improve and become more effective and efficient in achieving its objectives. The procedures necessary for correction feed back into the system, improving performance.

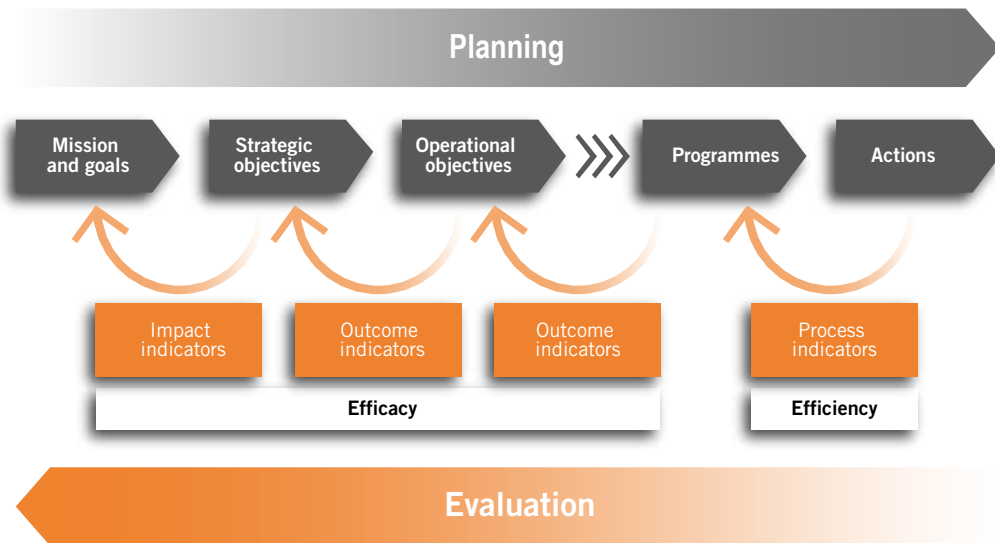
Depending on its own situation, the management of each theatre can conduct different control and evaluation procedures. Usually the aspect taken into account first –and unfortunately often the only one– is the response that the artistic programming offered has obtained among the public (measured, for

example, by the total number of tickets sold or the occupation rate) and by the impact in the media (number of references published and quality of the criticism).

However, evaluation is much more difficult. Let's imagine that a theatre's explicit mission consists of reaching the maximum number of people possible. Given the fixed capacity of a venue, one of the operational objectives will consist of filling the venue at all the functions. Also, and independently of the resources available, the aim will be to programme the maximum number of functions per year that the space and the receiving community allow for.

Figure 20:

### *The indicators development process*



However, the occupancy rate indicator (the indicator most commonly used to measure the aforementioned objective) measures not the total number of different people but the number of people filling the venue. The impact sought will not have been fully accomplished if the people attending are always the same people. This result indicator will only become an impact indicator if the theatre in question programmes one single show over the course of the year, since the vast majority of people attending do not usually go to see the same show several times.



As the majority of theatres programme various shows over the course of the year, two ways exist of estimating the total number of different people that have attended. The first consists of conducting a survey among the audience, a more precise system but also more expensive; the second, is using the microdata originating from the sale of admission tickets and inferring the typology of the public.

Another fundamental aspect for a theatre is that of the evaluation of the performing arts programming. The concept of quality, as already discussed, depends on the relative scale of values and on the expectations generated. For the artists, the opinion of critics and influencers in the artistic world is fundamental. For the theatre's management, and depending on its missions and objectives, as well as the opinion of the professional critics, also important may be other indicators of an economic, educational or social type. For example, the price paid to put on the show in relation to the revenues obtained, a better reception from the audience this season against that of another avant-garde work three years ago, or an increase in the number of young people holding season tickets. Ultimately, the performing arts programming is in truth evaluated by the public, in its numerous dimensions. As Salvador Sunyer comments: "Who really evaluates the programming to the greatest and best extent is the public, when we are talking about an educated public that is demanding with respect to quality thresholds."

Beyond numerous specific difficulties, it is possible to advance in the construction of indicator systems that show the behaviour of different theatre sectors more precisely. In this respect, one of the most commonly used tools in various types of organisations is the balanced scorecard (BSC).

## **Balanced scorecard**

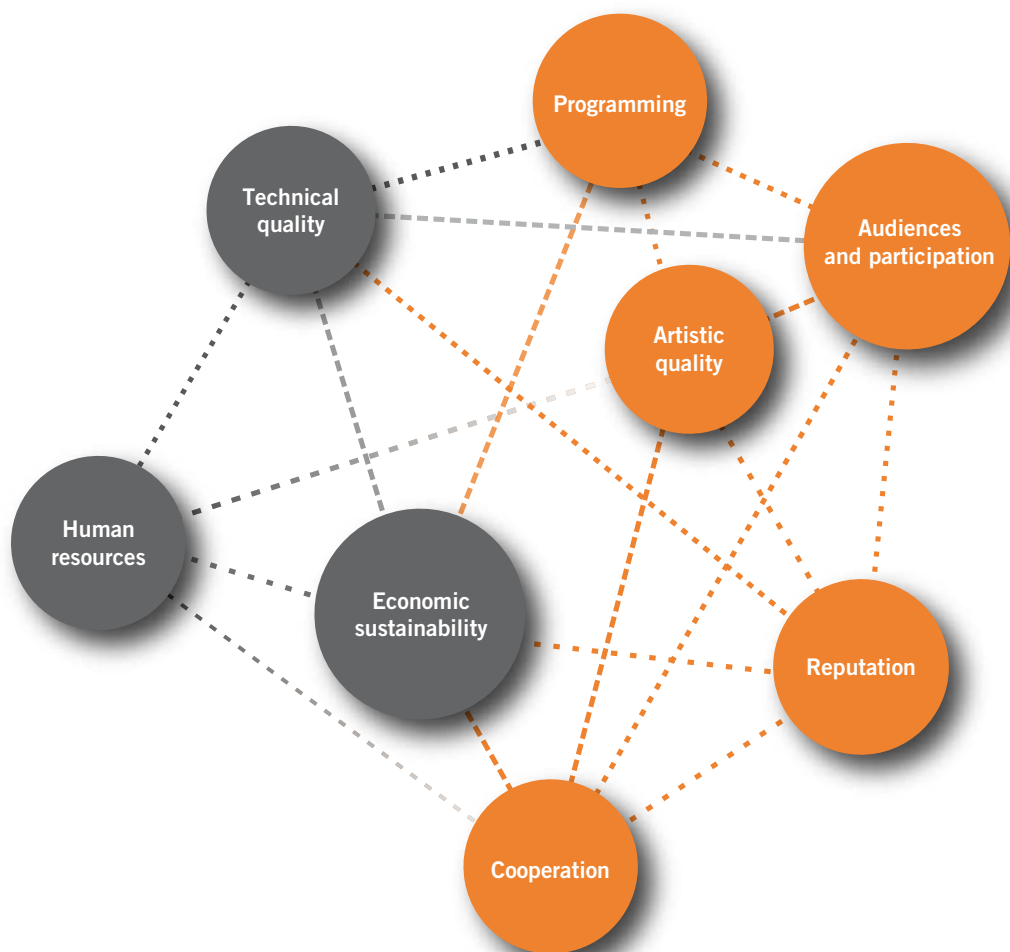
This tool is, in essence, a systemised set of qualitative and quantitative indicators, whose periodic monitoring and evaluation allows a greater knowledge of the theatre's situation as well as its evolution. Consequently, decision-making can take place with a much more objective basis than pure intuition (Asuaga et al., 2007). Although it is possible to start by drawing up an elementary scorecard, with the aid of technology currently available it is possible to process a sufficient number of indicators so as to have information, in real time or within a suitable term, on the progress of each and every one of the theatrical organisation's sectors. There are theatres that use programmes involving cooperation with university departments to work on these subjects and provide each other with feedback and academic reflection.

In any event, the idea is to select those indicators that best enable regular monitoring of the organisation, with variable analysis periods. In addition to weekly or monthly reports, others may focus on longer periods. When selecting

the indicators it is important to take into account the ease of obtaining data and the level of use of the information compiled for decision-making. Evidently, the indicators and indexes to be constructed and their relative importance will depend on each theatre's mission and, of course, on its particular characteristics (size, programming, location, etc.).

Figure 21:

**Areas to evaluate in a theatre**



It is a good idea to construct a balanced scorecard by areas of responsibility (finance, communication, human resources, etc.), as well as by projects or programmes, as they enable more detailed monitoring of the process of implementation of the strategies and the achievement of objectives. Also, it is worthwhile selecting the more synthetic and significant ones to present them to the board of directors, to other supervisory bodies or society in general. It is important to bear in mind, however, that the media as well as many politicians, focus fundamentally on audience data and reputation, without taking into account other important fields of intervention. Practically all of these are inter-dependent on each other, but they are unique and require specific evaluation indicators, in terms of both the process and the result or impact in the long term.

### **Proposal for indicators and analysis procedures**

A large number of possible indicators exist, both quantitative and qualitative. A limited list is proposed below, for illustrative purposes, of basic data for constructing indicators organised by evaluation fields or areas.

#### **a) Programming and performing arts production**

- Shows programmed by typology of genre, nationality, season, production
- Productions and co-productions (premieres, re-runs, tours)
- Functions offered by typology of show and audience (general, family, school, specific collectives, etc.)
- Complementary activities by typology (conferences, book presentations, courses, congresses and seminars, etc.)
- Activities external to the mission, by typology of beneficiary (community, political-unions, businesses, etc.)
- Venue downtime
- Rehearsals time
- ...

#### **b) Audiences and participation**

- People attending by typology of spectator and activity (children, students, tourists, women, members of other organisations, differently-abled people, low income, etc.)
- Participants in complementary activities
- Volunteers and members of advisory groups or friends of the theatre
- Admissions by invitation according to objective (expanding audiences, contacts with political powers, dissemination in the press, obtaining of sponsorship, development of relations with sector professionals, etc.)
- Observation of the degree of satisfaction of audiences and volunteers

- Complaints from the public and their resolution time
- Followers on the social networks
- ...

#### **c) Artistic quality**

- Positive critical reviews published in the general press, in specialised magazines or thematic blogs
- Programming of in-house productions at festivals and leading theatres
- Awards and distinctions received
- Observation of the audience reaction caused by the show's artistic dimension in terms of emotion, social or artistic contextualisation, personal or collective identification, appreciation of metaphors, symbols or stage languages, or capacity for empathy and communication from the stage to the audience
- ...

#### **d) Reputation**

- References in specialised publications and thematic blogs
- National and international invitations received
- Prizes obtained
- Participation of well-known artists
- Journalists and critics attending
- ...

#### **e) Cooperation (and interaction with the performing arts fabric)**

- Co-productions
- Attendance at international congresses
- Participation in national and international networks
- Cooperation agreements, by typology of agent (community associations, education centres regional public services, professional collectives or other cultural institutions) and purpose (expanding audience, co-producing, strengthening the community, exchanging information, etc.)
- Independent artists, technical experts and companies involved in the performing arts project
- ...

#### **f) Economic sustainability**

- Offer of localities by show and season
- Admission tickets and season tickets sold
- Price of tickets, season tickets and services offered
- Total revenues, from ticket sales, sponsorship, grants, rights, etc.
- Personnel spending by typologies

- Other expenditure: consultants, logistics, supplies, maintenance, etc.
- Presentation costs: fees, author rights, dissemination and communication, etc.
- Investments (in production, rights, technical equipment, building, etc.)
- Rentals (productions, venues, etc.)
- Loans, interest rates
- ...

**g) Human resources (in terms of satisfaction, cohesion, commitment and productivity of personnel)**

- Hired professionals (artists, technical experts, administration staff, with special skills), by geographical origin, age, gender or speciality
- Hours worked
- Hours sub-contracted
- Remuneration scale by personnel typologies
- Level of basic education and ongoing training
- Personnel focused on meeting targets, not on working hours
- Timetable flexibility in strategic periods
- Permanence in the organisation of key professionals
- Labour conflicts and resolution period
- Internal sociability conflicts and resolution capacity
- Improvement proposals and contributions by personnel
- Internal sociability activities
- ...

**h) Technical quality (in use of the building and in production and presentation)**

- Safety incidents occurred (electrical, computer, stage and stage machinery, accessibility, etc.)
- Incidents and complaints at the theatre regarding dealings with the public (information, ushering, crowding, poor service, cloakroom and lost and found, medical care, bathrooms and cleanliness, air conditioning, etc.)
- Incidents related to in-house production and with suppliers (scenography, wardrobe, logistics, materials, etc.)
- Delays in rehearsals, productions, premieres or others (measured in time)
- Imbalances with the technical riders of in-house or third-party productions
- Administrative incidents (delays in payments to suppliers, legal and judicial problems, etc.)
- Ecological sustainability (energy consumption, use of recyclables, sustainable logistics, etc.)
- ...

To obtain indicators, these data systems are contrasted with data from other theatres or from previous years. Indexes are obtained based on reference variables such as:

- time (day, month, year, etc.)
- inhabitants of the locality, catchment area or tourist population
- seats available
- facilities and performing arts or cultural production in the catchment area
- income level in the catchment area
- ...

The contrasting of the data with the reference variables gives rise to different types of indicator. Some are used only to measure a particular field, while others can be used to measure different fields, strategies or objectives. For example, the number of admission tickets sold divided by the number of seats available, i.e. the venue's percentage of occupancy, enables estimation both of how far the offer meets demand and of potential income or, in time terms, the adaptation of the potential demand flow towards a determined show.

When comparing with other realities it is important to weight each specifically. For example, the number of followers on the social media networks does not in itself evaluate the level of virtual following of the theatre's activities, rather it is necessary to consider its growth in relation to the resources invested (for example, whether or not there is a community manager), the size of the town or city where it is located, the level of income or spread of smartphones in the area, among others. Another indicator that is heavily used but also makes little sense in isolation is the number of season tickets sold by a theatre. This will depend on the value of the season ticket discount in relation to the individual admission price, on the attractiveness of the programming offer included or the possibility of admitting changes, among others.

All managers must construct their own indicators scoreboard according to their reality and the objectives and strategies they aim to measure and evaluate. As many scoreboards may exist as management profiles or areas of responsibility exist in a theatre, regardless of whether they are assumed by different people or concentrated into one, as in the case of a small theatre. Some indicators may be shared, such as venue occupation percentage, since –beyond the limitations previously expressed– this is useful both for the programmer and for those in charge of audience development. Another example of interest for both the artistic and the communication directors, concerns the intensity, quality and buzz generation potential of comments on the social media networks following a premiere.

However, in general, the head of marketing and communication needs different indicators to those needed by the technical manager, the artistic director or the financial chief. Thus, for example, the rate of absenteeism or of personnel turnover fundamentally facilitates the job of the human resources manager, or the rate of delays in repairs by external providers affects, first and foremost, the technical head. Others have more ambiguous use, for example the number of monthly visitors to the website by geographical origin while enabling evaluation of the communication strategy also informs regarding the project's territorial reach. Meanwhile the evolution of the number of different sponsors and the amount that they contribute as a percentage of total income specifically concerns the head of fundraising, who is often the general director, but it is also of concern to the financial chief.

In the public sector, various results provided by the scoreboard can also be shared with the community to show the principal results of the management, as done by the Teatro San Martín under the management of Carlos Elia. He relates: *"We have management indicators and we have developed a balanced scorecard model adapted to the characteristics of our organisation, which helps us to set clear, precise and realistic goals. Every year, we publish the results in our magazine, as if to say to the community: 'This is how we did'. We are alert to the evolution of all the indexes"*.


In short, having adequate control systems, external and internal alike, helps ensure management transparency and improves the organisation's efficiency. Furthermore, in the case of public theatres, it allows their management to position itself better vis-a-vis other sectors of the public administration, and also vis-a-vis society as a whole. However, it is necessary to point out that the habit of periodic and systemic control and evaluation is not yet ingrained as a habit in many theatre organisations, therefore only a few have initiatives in this direction, dedicating time and resources to undertaking these types of actions.





9.

# Epilogue



Performing arts management is a much less bohemian and much more complex affair than it is perceived to be socially. Its successful execution requires well-prepared professionals with certain qualities – attitudes, skills and knowledge – that go beyond those of the managers of other service organisations. It demands a mix of managerial, artistic, social interaction and even political skills and competencies, which implies a holistic and interdisciplinary approach. It is important to be endowed with strong artistic sensitivity, complemented by knowledge of the field, to be able to dialogue and understand creators, performers and specialised critics. Also necessary is solid leadership capacity to direct organisations that operate in the midst of a diversity of logics in tension: aesthetic, political, technical, economic and social. In addition, it is vital to know how to deal with strong personalities, with deep convictions, an essential factor for generating quality proposals. For this it is key to know how to transmit, inside and outside of the organisation, clear and agreed messages, appropriate for each environment and for the profile and logic of each target. All this in a sphere, such as the cultural sphere, where the evaluation parameters available need to be contextualised and interpreted accurately in order to respond appropriately to non-conventional situations and challenges, where contents and symbolic and intangible messages are particularly relevant.

Within this context, managing performing arts projects can generate notable insecurities. A good manager will constantly be asking himself or herself, often without clear answers at the ready: what is the value of what we are proposing for our reference communities, both today and thinking about tomorrow? What weight do we give to local programming and artists against the prestige and alternative approach of those from elsewhere? How do we reconcile the expectations of the traditional theatregoing public with the expansion of audiences and the need to assume aesthetic risks? How do we know how to find and measure an adequate relationship between investment cost and the quality of the resulting product? What admission prices structure should one propose, taking into account different typologies of public, when one has only sketchy knowledge of how the

demand for a new show will function? How do we reconcile the interests of the different professional groups (artistic, technical, administrative, communicators or educational staff) that interact with the theatre?

These questions, and many more originating from responsible reflection, can be hugely stimulating and motivational. Beyond their objective difficulty, they can only be suitably tackled if there is a strategic approach, dedication and curiosity, as well as an ongoing process of self-training and co-learning with professional communities of reference.

The essential core pillars of theatre management do not change significantly between one country and another, or between a major metropolis and a small provincial town. Every theatre must give considerable thought to its artistic, production and territorial development project, which in some cases will be extremely ambitious and in others, more humble. At the same time, as seen in the great variety of theatres covered in previous chapters, the idiosyncrasies of each type and of their social environments require specific management and leadership strategies. The crucial point is that these respond to the mission, explicit or not, that each theatre project proposes, facilitating its incorporation into the theatre system of reference. Different management models can exist, based on particular types of ownership or options for governance, but what is essential is that each facility finds its place in the performing arts system.

In some countries possessing a very well structured performing arts system with major influence from governmental policies, as in the German and French cases, for example, the mandate is clearer: each actor is familiar with the reference framework for the system and available resources exist to fulfil the respective missions. In other geographical and institutional latitudes, the task is more arduous as one must help to construct a coherent system and cultural policies, on top of the everyday task of managing one's own theatre. In this case, it is necessary to be aware of the functioning of the markets that form part of the system – consumption, production, professional-labour and rights markets – along with their main influencing agents and the distribution and value mechanisms that mobilise them.

In the midst of the 21st century, managing in a traditional, apparently antiquated sector such as that of the live performance is rather daring. The accelerated transformation through which we are living, with changes in references whether they be cultural (ethical, aesthetic, linguistic, identity or genre), geopolitical (values and democratic praxis, governance models, regional integration processes or a loss of the perception of distance) or economic (globalisation with the uniformization of consumption and the ubiquity of resources, the worldwide crisis or the volatility of prices) substantially affects the performing arts world too.

Within this context, the role of technology is crucial. It affects our form of interacting and relating; of producing, distributing and consuming; of learning and of being informed. It closes certain gaps and opens up other new ones. Applied to the performing arts world, today it is possible to attend the season's inauguration at La Scala in Milan from the stalls of a theatre and, simultaneously, from a cinema in Cape Town or a sofa in a house in Amazonia. However, despite it being the same show, the experience and the community relations are totally different. Technology is also generating new functional illiteracy, especially among the older population. The speed and intensity of the changes, beyond the question of accessibility, is transforming the parameters of taste. This has effects both on demand and on the characteristics of the contents proposals of the new generations, in terms of sound volume, image speed or simultaneity of stimuli.

Contemporary societies are highly diverse. Their base education and the construction of cultural capitals do not respond to standardised processes. People's interests are varied and the language of many performing arts proposals only reaches a minority. Should theatre only respond to the legitimate ambitions and motivations of the men and women of the performing arts and their habitual audiences, formed with and in harmony with the proposals that the sector –in its numerous but limited facets– offers them? How does one relate to other artistic languages (films, television series, videogames, pop-rock festivals, etc.)? And in the performing arts world, why do proposals like those of Cirque du Soleil attract audiences that never enter other theatres? Is it a question of themes or of formats? Of marketing campaigns or of language? Of star systems or of social approval?

The vast majority of members of the younger generation do not find a language of their times in many of the performing arts. They seek the mirror of their concerns or interests in other, closer media, with paces and languages far removed from the artifice or abstract proposed by the former. Something similar happens with the migrant population, originating from rural areas or other countries, as they do not find or recognise references in performing arts proposals. Many of them have never visited a conventional theatre. On the rare occasions that they are offered something of interest to them (a reference from television or their country of origin), their behaviour differs from the dynamics of regular audiences, since they use very specific communication channels or interact with the offering differently (for example, buying their tickets at the last minute). This situation forces the adaptation of programming and communication strategies, sales modalities and prices policies to each case.

For the person in charge of a performing arts venue, all these changes are an additional challenge to manage, motivational but also demanding. They require one to listen to a changing reality, analyse it in depth and take the appropriate

programming and management decisions to help the growth of the sector and of the social and artistic communities of reference. In this sense it is worthwhile having a data collection and analysis model that is as professional and systematic as possible to improve decision-making and multiply the project's impact.

All processes of change generate opposition and unease among the theatre's personnel and its traditional audiences, but it is difficult to justify any increase in resources (public or private) if one does not increase the activity and the social and/or economic return on them. This is a collective challenge, in which governmental policies play an important role.

Cultural policies have played a determining role in the construction of the performing arts systems in the majority of Western countries. Their aims have gradually evolved decade after decade, but the majority of infrastructures and programmes have been maintained. Updating facilities and programmes requires, if one wants to be honest with respect to contemporary needs, an in-depth reflection that will involve taking decisions that are sometimes controversial and will most probably generate resistance. It is not a matter of disregarding the extremely valuable legacy received, but of adapting it to a world in change whose value systems are undergoing transformation, and opening it up to interpretation by new generations. With this perspective, one must consider: should the state continue setting up, managing and maintaining public theatres? In what types of places and circumstances? What should be done with these facilities if the conclusion reached is that they are not helping to structure a competitive and high-quality performing arts system? As regards the set of projects promoted from the administration, which ownership and management models are the most effective? Which result and impact indicators provide the best measurement of achievement of targets in governmental cultural policy?

The age in which public administrations invested significantly in major performing arts infrastructures has practically come to an end. Exceptions may exist, but it is difficult to imagine such a prolific period as that experienced in a large part of the West during the last third of the 20th century. Investment and public spending on culture is up for debate; its legitimacy is not as great as we would like. When an economic crisis sets in, for most of the population and its representatives, culture is considered the icing on the cake, not a backbone on which to construct a development model adapted to the community. Cultural proposals funded totally or partially by the state coffers are not perceived as having a value equivalent to that of education, healthcare or social services. Is responsibility for this attributable to culture sector for proposing activities widely perceived as non-essential for collective activity and happiness? Or has it simply been incapable of explaining the intangible value, not just the economic impact, of something that is essential for life in society?

A question of social efficiency exists. In many theatres sustained by public resources, the potential of the facilities and even of the professionals in charge of them is much greater than the demand for them. In economic terms, one could talk of infrastructure inefficiency, as more intensive use would enable many more functions and activities. Independently of the constant lack of financial resources and of the extra costs involved in maintaining a theatre active during long hours of the day, in most projects the personnel and technical media exist, but there are not sufficient audiences to appropriate the space and use it. This idle venue capacity could be resolved with diverse cultural alternatives or proposals adapted to each place, taking into account the interests of the different communities around it. In some cases it is possible to assume the functions of a multi-purpose cultural centre; in others, to put the facility at the service of educational proposals, for production or rehearsals by other groups, or promote its use by other artistic collectives and expressions. In any event, the key consists of finding the professionals and audiences that breathe life into and justify the facility. There remains much work to be done, and a theatre may be an exceptional space for social and artistic confrontation and participation.

Within this context, what role is played by the concepts of quality and artistic excellence? Are they synonymous with exclusivity or can they also be attributes that are attractive to large collectives and add value to society as a whole? From our viewpoint, quality can be achieved in all artistic genres and languages. Diverse perceptions, scales and codes for evaluation exist that depend on the historical context, its values and its goals. Measuring this process, which includes subjective aspects but is objectifiable, is difficult but it is possible. In particular, if parameters are considered such as the capacity to evoke emotion or build the community, in connection with the symbolic references particular to each field and to the communities that interact with the proposals. Success cannot be achieved without quality.

To achieve the artistic, social and economic objectives envisaged and reach quality levels in harmony with them, it is advisable to count on a good institutional governance model. Processes such as decision-making, distributing responsibilities and evaluating the results achieved depend on the institution's values and procedures, as well as its organisational culture. The performing arts and live show sphere, beyond the styles of governance prevailing in each country's public or private sector, has difficulties constructing governance models that are transparent, effective and efficient. Discretionality in decision-making processes and a certain bohemian spirit – chaos is viewed as a value in many creative processes – do not help to achieve the planned objectives. A strategic approach is extremely useful for overcoming poorly developed praxis in governance.

Selection of the team and the distribution of responsibilities is a crucial question for the artistic organisation, meaning that its human resources – directly employed or associated – constitute its main asset. Cultural production is a work-intensive activity. The talent, inspiration and dedication of its creators mark the difference with respect to other proposals. In the live show, performers and technicians are present in all their representations. The possibility of substituting these people with machines is minimal. Pampering this asset is the main responsibility of a performing arts director.

Having sufficient financial resources to set up and implement a project is the objective for any team. But the financial question alone does not guarantee artistic quality or a high level of response from the public. The same objectives can be achieved with very different budgets. Should we, according to this premise, condemn the sector to working with ridiculous budgets that will imply ongoing self-exploitation? Evidently the answer is no. Perhaps everything depends on the objectives proposed. If funding comes basically from the self-exploitation of artists and technicians, the impact will be almost non-existent in terms of the recovery of the performing arts scene, of the theatre's territorial development or in terms of audience development. Certain objectives require considerable resources, but it is fundamental to know how to adapt ambitions and spending budgets to the resources available, whether awarded or self-generated.

In summary, managing a theatre means taking into account the multiplicity of aspects that make up the performing arts language and organisation. A partial approach, focusing solely on financial or communication aspects, or in contrast only on the artistic proposal, will not permit the full realisation of all the potential benefits possible from facilities designed to inspire, share emotions and offer moments for tears, laughter, reflection and dreaming.



10.

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This book starts from a comparative analysis on theatre management in order to reflect and propose on models and strategies of intervention applicable to all types of cultural venues. Strategies should be adapted to the reality and possibilities of each sectoral and territorial context. Managing cultural organisations is presented as the synthesis of three complementary projects: the artistic proposal, the production project and the strategy for community territorial development. In the second part of the book, these three projects engage in dialogue with traditional management strategies: human resources, funding and costs, marketing and communication, material resources and services, as well as evaluation models.

The work is nourished by the professional and academic experience of the authors, complemented with a number of professionals' quotes from different Latin countries, both of America and Europe. In the foreword, Milena Dragićević Šešić, UNESCO Chair in cultural policy and management and former rector of the University of Arts of Belgrade, situates the Latin experience in the international context. She claims the need to take into account different perspectives, beyond the Anglophone literature, that enable to manage artistic production and presentation from a local viewpoint while considering the wealth of experiences and existing management models at the international level.

The result is a thought-provoking book, stemming from a holistic approach which takes the shape of a systematic and scalable proposal incorporating several diagrams. It contributes to a rich in nuances conceptual reflection, in dialogue with the referents of strategic management, cultural economics and cultural policy.

## **Lluís Bonet**

*Director of the Cultural Management Programme at the University of Barcelona, he is an expert in cultural management, politics and economics. He has been awarded with the CAC Research Prize, has served on numerous international award juries and is conference speaker in more than forty countries. He has been previously president of the European Network of Cultural Administration Training Centers, vice president of Abacus cooperative and of the Association of Arts Administration Educators and board member of the Club Català de Cultura and the Association of Cultural Economics International.*

## **Héctor Schargorodsky**

*Director of the Cultural Observatory and the Master in Administration of Organizations in the Cultural and Creative Sector at the Faculty of Economics of the University of Buenos Aires. He is part of the Governmental Administrators Association of Argentina. Expert in cultural policies for the UNESCO. PhD in Administration, he is also an actor and professor of theatre graduated from the Escuela Nacional de Arte Dramático. He was manager of the Teatro Nacional Cervantes and consultant for the Directorate-General of the Complejo Teatral de Buenos Aires.*



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