

A thesis submitted in partial fulfilment of
the requirements for the degree of
Doctor of Philosophy

Halcro, K. 2008. *Stakeholders: a source of competitive advantage? An analysis of the influence of stakeholders on the strategies of independent, rural, Scottish museums during their organisational life cycle*. PhD thesis. Queen Margaret University.

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STAKEHOLDERS: A SOURCE OF
COMPETITIVE ADVANTAGE?
AN ANALYSIS OF THE INFLUENCE OF
STAKEHOLDERS ON THE STRATEGIES OF
INDEPENDENT, RURAL, SCOTTISH
MUSEUMS DURING THEIR
ORGANISATIONAL LIFE CYCLE

K HALCRO

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requirements of Doctor of Philosophy

QUEEN MARGARET UNIVERSITY

2008

ABSTRACT

Data indicates that Scottish museum attendance is rising annually, yet anecdotal comments appear to contradict this evidence. Explanations for this dichotomy are inevitably complex and varied, but variations in organisational performance have been explained by the Resource-Based View, which argues an organisation's competitive advantage stems from its ability to access and use resources. This perspective is examined through the concept of stakeholder theory.

This thesis investigates the influence stakeholders have on independent, rural Scottish museums during the organisational life cycle, and whether this is a source of competitive advantage. The research involved an exploratory survey to scope the characteristics and environment in which Scotland's museums were operating, but also a typology for further research. The outcome was to adopt a phenomenological approach to investigate fourteen independent, rural, museums strategies during the organisational life cycle, drawing on stakeholder models proposed by Mitchell, Agle & Wood (1997) and Jawahar & McLaughlin (2001). This process involved interviewing 141 stakeholders to discuss their experiences in shaping these museums' strategies.

Using narrative analysis, it emerged that these museums' strategies were influenced by different stakeholders during the organisational life cycle and this is reflected in a model developed from these findings. Growth museums were characterised by either an entrepreneurial leader or a board of trustees working in collaboration with key paid staff to access resources, particularly funding. By contrast, mature stage museums were dominated by a definitive stakeholder centred on a group of trustees who also occupied other stakeholder groups, notably volunteers and the community. This definitive stakeholder provided these museums with many of their resources, which proved to be an organisational strength, but also a weakness. The museum in decline and which ceased trading during this study, closed as a result of losing the definitive stakeholder's confidence and withdrawing funding. It was evident that stakeholders did influence museum strategy, but the definitive stakeholder explained a museum's competitive advantage.

Keywords: museums, strategy, competitive advantage, organisational life cycle, stakeholders

ACKNOWLEDGEMENTS

I am indebted to numerous people who have helped me during this research, some named, others anonymous, but I gratefully acknowledge their help and encouragement, particularly the help of the Business Faculty at Queen Margaret University.

First of all my thanks must go to my supervisory team: Professor David Kirk, Professor David Edgar and Professor Ian Carradice whose constructive criticism and supportive comments sustained me through the trials and tribulations of this work. Your ideas and feedback provided me with inspiration and hope; thanks are not enough.

It is unfair to single out specific people at the museums I visited, but I would particularly cite the following whose willingness to be involved and encouragement to others to participate enriched this work: Helen Armitage, Susan Bradman, Alistair Bruce, Janet Butterworth, Pat Duncan, Robert Ferguson, Jim Fleming, Ian Garner, Ian Haveron, Lorna Jappy, Brian Lessels, Ann Matheson, Brian Montgomery, and Tony Watson.

One group who deserve my gratitude are my former colleagues and directors at Museum of Communication, Burntisland who proved such a useful sounding board.

Finally my wife, Susan and my daughters, Emily and Kirsty who encouraged and motivated me; it seems clichéd to say it, but this work belongs to you. Thank you

DECLARATION

While registered as a candidate for the degree for which submission is hereby made I have not been a registered candidate for another award of any degree awarding body. No material contained within thesis has been used in any submission for an academic award.

Keith Halcro
Queen Margaret University

September 2008

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Organisations, acronyms and websites

Department for Culture, Media and Sport (DCMS) is the UK government department responsible for museum policy (www.go-wm.gov.uk/dcms), although since devolution in Scotland, Wales and Northern Ireland its remit has focused on England.

Department for Culture, Sport & Tourism is the Scottish Executive department responsible for museum policy within Scotland (www.scotland.gov.uk)

International Council of Museums (ICOM) The International Council of Museums (ICOM) is an international organisation committed to the conservation, continuation and communication to society of the world's natural and cultural heritage, present and future, tangible and intangible. Created in 1946, ICOM is a non-governmental organisation maintaining formal relations with UNESCO and having a consultative status with the United Nations' Economic and Social Council. (www.icom.museum).

Museums Association (MA) is an independent trade body funded by its members across the UK to lobby government, as well as offer training and development to its membership (www.museumsassociation.org)

Museums, Library and Archive Council (MLA) is a non-departmental public body, sponsored by the Department for Culture, Media and Sport to

- provide leadership
- act as a powerful advocate
- develop capacity within the sector
- promote innovation and change

Created in April 2000 the organisation replaced the Museums and Galleries Commission (MGC aka Re:source), and the Library and Information Commission (LIC), (www.mla.org.uk)

Scottish Arts Council (SAC) (www.sac.org.uk)

The Scottish Arts Council is a public body dedicated to

- increasing participation in the arts
- supporting artists in Scotland to fulfil their creative and business potential.
- placing the arts, culture and creativity at the heart of learning.

Scottish Museum Council (SMC) represents 211 museum organisations within Scotland, and acts as lobby organisation and lead body for non-national museums within Scotland. (www.smc.org.uk)

Thesis Structure

Chapter One provides a rationale for the research within the context of stakeholding and the Scottish museum sector, and the aim and objectives that flow out of this rationale. The chapter also explains the different methodological approaches used in this thesis to initially map Scotland's museums and then more fully investigate a number of independent, rural, Scottish museums.

Chapter Two examines the concept of strategic competitive advantage, in particular the resource-based view theory. This theory offers a proven strategic framework within which a stakeholder approach can be contextualised. The literature evaluates the idea that organisations possess a set of resources that are rare, valuable, difficult to imitate, and difficult to substitute; and that an organisation's stakeholders provide it with a set of unique resources as a basis of competitive advantage. The literature will explore strategy within museums, but given the paucity of specific literature within this field, it also considers not-for-profit and tourism literature, two disciplines associated with museums.

Chapter Three charts the descriptive, instrumental and normative angles of stakeholder theory: before examining two stakeholder models: Mitchell, Agle and Wood (1997) and Jawahar and McLaughlin (2001). The chapter concludes with an investigation into stakeholding literature within tourism and not-for-profit organisations.

Chapter Four This chapter considers the role stakeholders have played in transforming museums within a UK setting, but more specifically, it examines how this evolution has affected Scotland's museums, and how this British/Scottish practice mirrors other countries' experiences to highlight the similarities and differences that are occurring within the world of museums. Discussion will consider what a museum is, and how it has developed because of changing stakeholder expectations and the consequences of these expectations. The chapter then identifies and explains Scotland's museum stakeholders and their relative salience.

Chapter Five This chapter explores the thesis's methodology and the decision to use an exploratory survey to scope Scotland's museums, before adopting a phenomenological approach to investigate fourteen independent, rural, Scottish museums, and a consideration of the methods used, including face-to-face interviews. The chapter concludes by highlighting any possible ethical implications.

Chapter Six offers selected findings of 153 Scottish museums to present a picture of Scotland's museums, before more critically investigating: fourteen independent rural Scottish museums and the influence of their stakeholders on their strategy and whether these stakeholders shape strategy differently during the life cycle of a museum.

Chapter Seven concludes by drawing together the findings to offer a stakeholder model integrating the definitive stakeholder, strategy and the organisational life cycle. The chapter then identifies further areas of research.

CHAPTER 1: INTRODUCTION

1.1 Introduction

This chapter explores the rationale for examining the role stakeholders play in shaping the strategy of mainland Scotland's, rural, independent museums during the organisational life cycle; particularly the idea that stakeholders may be a source of competitive advantage in creating a sustainable strategy for these museums. It considers this issue in the context of its benefit to research, practice and policy, which are then reflected in the aim and objectives listed. The chapter subsequently discusses the research approach adopted to tackle this problem. This includes the need for a survey to map Scotland's museums, as a precursor to using a phenomenological approach to assess the influence of stakeholders on independent, rural, museums in mainland Scotland.

1.2 The research problem

This thesis examines the role stakeholders play in shaping the strategy of mainland Scotland's, rural, independent museums; a museum typology identified as under-researched, but requiring investigation (Scottish Museums Council 2002b; Scottish Executive 2003b). Although this typology is under-researched, the wider museum sector's importance to Scotland is recognised politically (Scottish Executive 2000; 2001; 2002; 2003a; 2005a; 2006), socially (Scottish Museums Council 2000; 2001; 2002a; 2003; 2004; 2005) and economically (Scottish Museums Council 2002b; Scottish Museums Council 2005). Socially and politically Scottish museums have been cited as an invaluable vehicle for educating society and developing social cohesion (Scottish Museums Council 2002b; Scottish Executive 2005a; O'Neill 2006a), whilst their economic importance can be measured quantitatively in terms of employment and income generation.

Statistically, visiting a museum is one of Scotland's most popular leisure activities (Scottish Tourist Board 1994; 1997; VisitScotland 2003; 2005) and

museum attendance has risen in recent years (Scottish Museums Council 2001; 2003; 2006), yet anecdotal evidence suggests that many museums are not part of this experience (STB 1997; SMC 2002b, SMC 2005b). Explanations for this dichotomy are inevitably complex, but have included competition from other tourist activities (Rintoul 2002), as well as location (Scottish Museums Council 2002b). Location is cited in other rural literature, as a barrier to customers and skilled labour, and used to explain the small-scale nature of operations (Halcro & Lynch 2003; Irvine and Anderson 2004; Kajanus 2000; McAdam, Convery & Armstrong 2004; Pioch & Byrom 2004). These opinions suggest that a number of factors explain a firm's performance. A widely held view is that a firm's performance rests on its ability to respond to its environment, but it is argued this perspective fails to explain adequately variations in organisational performance. These differences, the Resource-Based View contends, lies in an organisation's ability to access and use resources, particularly those that are rare, valuable, difficult to imitate, and difficult to substitute (Campbell, Stonehouse & Houston 2004; Dess, Lumpkin & Eisner 2007; Hill & Jones 2001; Johnson, Scholes & Whittington 2005; Thompson & Martin 2005). An example of this resource is an organisation's stakeholders (Frooman 1999; Frooman 2002; Glunk & Wilderom 1999; Hillman & Keim 2001; Jawahar & McLaughlin 2001; Kolke & Pinkse 2006; Litz 1996; Nwanko & Richardson 1996; Riahi-Belkaoui 2003; Rodgers & Gago 2004; Rowley 1997).

Stakeholders are individuals or groups who have a direct stake in an organisation and can affect or are affected by an organisation (Bourne & Walker 2006; Buchholtz & Carroll 2003; Donaldson & Preston 1995; Freeman 1984; Freeman & McVea 2001; Jawahar & McLaughlin 2001; Kaler 2003; Mitchell, Agle & Wood 1997). Typically, stakeholders include investors, employees and managers, customers, local communities, suppliers and business partners (Buchholtz & Carroll 2003; Frooman 2002; Schwager 2004 Thompson & Martin 2005). The role these groups and people play in shaping museum strategy has not been fully explored, whether in a Scottish, British or international context.

The lack of empirical stakeholder research, not only within the museum sector, but across all contexts is noted (Lewis, Hamel & Richardson, 2001; Shropshire & Hillman 2007; Smith & Fischbacher 2005; Steurer 2006; Tsai, Yeh, Wu & Huang 2005; Winn 2001). This lack of empirical underpinning hinders the development of stakeholder theory, but similarly a lack of knowledge about Scottish museums hinders policy makers and practitioners from making effective and appropriate decisions.

This paucity of research explains the Scottish Executive's decision to audit Scotland's museum structure, collections policy and funding support (Scottish Executive 2000). This audit presaged the subsequent Cultural Commission, which was an attempt to create a framework that would encourage 'creativity, confidence and well-being in Scottish society' (Cultural Commission 2005). The expectations raised by *The National Audit* and *The Cultural Commission* have provoked considerable comment (Cornwell 2006; Didcock 2006; Jamieson 2006, Museums Association 2006; Nicoll 2006; Scottish Museums Council 2002d; Scottish Museums Council 2006), but it is evident from policy statements, that the Scottish Executive (2006) regards stakeholders to be at the centre of any developments.

"The national collections bodies, in consultation with other stakeholders as appropriate, will be responsible for developing standards for their respective sectors and will contribute to the development of cultural entitlements."

(Scottish Executive 2006:42)

More recently, the Scottish Executive has published its draft Culture (Scotland) Bill 2006 that will require local councils to provide 'cultural entitlements', although the definition of entitlements is open to interpretation, because critically no extra financial resources have been promised to support this Bill (Didcock 2006; Jamieson 2006; Nicoll 2006). This Bill indicates that museums, like many other cultural activities will need to consider strategies that look beyond government funding as the solution; instead, organisations such as museums will have to focus on the resources available to them, if they are to develop a sustainable competitive strategy. This thesis examines a possible solution: stakeholders.

1.3.1 Contribution to knowledge

This thesis' investigation of stakeholders' influence on rural, independent museum strategy is important for four reasons. Firstly, although stakeholder literature proliferates, there is a recurring criticism that it lacks empirical support, consequently its validity is weakened (Steurer 2006). Secondly, there is limited research on the topic of museum strategy (Reussner 2003) and almost no investigation into the role stakeholders play in shaping museum strategy. Thirdly, this is of concern since critics (Ryder 2000; Scottish Executive 2003a; Scottish Museums Council 2002b) argue Scottish independent museums have proliferated with little strategic thought or planning. The consequence is that many are unsustainable and potentially damaging to Scottish museums and tourism. Fourthly, the importance of museums to Scotland has previously been stated, yet Scottish Executive policy towards the sector has been characterised as indecisive and bedevilled by missed opportunities (Didcock 2006; Jamieson 2006; Nicoll 2006; Steele 2007). This research therefore can help to inform Scottish Executive policy, but also guide individual museum strategy.

1.3.2 Contribution to research

It has been variously noted that stakeholding, although a widely used term has attracted limited empirical evidence within the idea of organisational - stakeholder interaction (Lewis, Hamel & Richardson 2001; Shropshire & Hillman 2007; Smith & Fischbacher 2005; Steurer 2006; Tsai, Yeh, Wu & Huang 2005; Winn 2001), maybe because of the formidable challenges in implementing this type of research (Donaldson & Preston 1995).

The literature, which will be discussed in greater detail in Chapters 2, 3 and 4 has often focussed on the issue of identifying or mapping stakeholders, however it has been hypothesised over a number of years that stakeholders can be a source of competitive advantage (Frooman 1999; Frooman 2002; Glunk & Wilderom 1999; Hillman & Keim 2001 Jawahar & McLaughlin 2001; Litz 1996; Nwanko & Richardson 1996; Riahi-Belkaoui 2003; Rodgers & Gago 2004; Rowley 1997). The evidence for this hypothesis appears primarily within

the commercial sector (Hillman & Keim 2001; Kolke & Pinkse 2006; Schwager 2004; Tsai, Yeh, Wu & Huang 2005). Its use within the voluntary sector has been, however more limited, notably to hypothesise on: the principal-agency theory (Abzug & Webb 1999); the process of communicating and managing change (Lewis, Hamel & Richardson 2001); and, the issue of ethics (Bouckaert & Vandenhove 1998). Its limited application to the not-for-profit sector and the absence of any research within the framework of a Resource-Based paradigm indicates a gap in the literature. Furthermore, empirical fieldwork on the idea of stakeholder theory and the not-for-profit sector is limited (Bouckaert & Vandenhove 1998; Lewis, Hamel & Richardson 2001), although Fletcher, Guthrie, Steane, Roos & Pike's (2003) mapping of stakeholder perceptions within the Australian Red Cross fuses effectively intellectual capital and stakeholding to explain how stakeholders shape strategy. Similarly another rare example is Balsler & McClusky's (2005) investigation into effective stakeholder management in not-for-profit organisations; however, its sample size was only three, a limited number on which to base any conclusive findings.

This scarcity of stakeholder literature extends to museums, an industry often regarded as an example of the not-for-profit sector (Johnson, Scholes & Whittington 2005; Moore 2004; Slater 2007; Thompson & Martin 2005). A rare example of research into museum stakeholders is Alexander's (1996) investigation of funding exhibitions in American art galleries. This research examines the process within the theory of resource dependency to explain how curators act towards funders, but within a specifically Scottish dimension the concept of stakeholding has been limited to stakeholder identification or mapping (McLean 1997; Ryder 2000).

This lack of research in relation to stakeholders and museums extends to the wider managerial concept of museums and strategy (Reussner 2003). Although museum management is widely researched (Abraham, Griffin & Crawford 1999; Gilmore & Rentschler 2002; Griffin & Abraham 2000; Kawashima 1998; Lennon & Graham 2001; McPherson 2006; Newman & McLean 2004) the focus of their research has been on specific functions, such

as human resources (Lennon & Graham 2001). However the over arching idea of strategy has received little attention (Reussner 2003), except in terms of strategic marketing and the need to better understand customer expectations (Caldwell 2002; Fopp 1997; Griffin & Abraham 2000; Kotler & Kotler 2000; Reussner 2003). The irony is that practitioners and professional bodies have cited a lack of strategy amongst independent museums as a cause of concern in Scotland (Scottish Executive 2003b; SMC 2002b; Ryder 2002).

1.3.3 Contribution to practice

This concern is a recognition that like many others sectors (Freeman & McVea 2001; Lynch 2003) Scottish museums are confronted with increasing complexity and turbulence, but the conundrum is that despite aggregate numbers increasing through-out the late twentieth century and into the early years of the twenty-first century many museums reported declining visitor numbers (Scottish Tourist Board 1994; 1997; SMC 2002d). This data is supported by the observation that many Scottish museums find themselves in financially precarious positions (Brymer 2002; Cornwell 2003). Location has been offered as an explanation, particularly for those museums sited in rural settings, but many critics argue their difficulties lie in their lack of managerial skills, particularly their strategic capabilities (Fopp 1997; McLean 1997; Moore 2004; Scottish Museums Council 2002b; Scottish Executive 2003b). Ryder (2000) voiced concerns that uncontrolled expansion was creating difficulties for the Scottish museum sector, although her comments were not isolated, since similar concerns had been expressed previously at a UK level (Museums & Galleries Commission 1994).

The expansion of museums in the UK and more specifically Scotland has been driven by collectors who although highly motivated, frequently lack the necessary managerial skills and knowledge. The difficulty is that stakeholders can be blinded by the creator(s)' enthusiasm and overlook their managerial weaknesses, especially the need to understand and act strategically (Scottish Executive 2003b). It observes that many struggling museums fail to understand their place within the wider macro and micro environment, and

thus fail to consider their long-term sustainability within a highly competitive environment. This characteristic has been especially marked amongst independent museums who have accounted for the majority of new museum openings over the last thirty years (Scottish Executive 2003a; Scottish Museums Council 2002b). These weaknesses also typify rural museums, but more empirical research is required to substantiate this belief (Scottish Museums Council 2002b).

This research therefore aims to draw together the theories of Resource-Based View and stakeholder management to create a model that will aid independent, rural, Scottish museums in their strategic decision making.

1.3.4 Contribution to policy

The growth in Scottish museum numbers has paralleled a growth in the UK and Scottish governments' desire to see museums and other cultural organisations embed certain government policies in their organisational practices, notably life long learning and social inclusion (DCMS 2002; DCMS 2005; NEMLAC 2005; Scottish Executive 2004; SMC 2002d; SMC 2005). Implicitly, government is forcing museums and other organisations to demonstrate that they are aligning to government policy, if they wish public funding. This policy although driven by UK government has been explicitly articulated within a variety of Scottish government documents (Cultural Commission 2005; Scottish Executive 2000; 2001;2002; 2003; 2004) and supported by Scottish public bodies such as the Scottish Museums Council (SMC 2000; 2001; 2002a; 2003; 2004a; 2005). Many Scottish museums presumably find these policies uncontroversial, since they are embedded in ICOM, MA and SMC accreditation policies. Their criticism instead focuses on the lack of strategic direction offered by the Scottish Executive (Miller 2002a; Steele 2007; Wishart 2004).

This thesis, by drawing together Resource-Based and stakeholder theories will create a practitioner's model that will also aid government policy towards Scotland's museums.

1.4 Aim and objectives of the research

The research aims to analyse critically the influence Scotland's rural, independent, museums' stakeholders have on these museums' strategies, and to identify linkages between strategic theories; specifically Resource-Based, stakeholder and organisational life cycle to explore the reality of these influences. The outcome of this study will have direct relevance to the Scottish museum sector, but also have relevance to the wider not-for-profit sector.

Falling out of the thesis' aim articulated above, a number of objectives have been identified namely:

1. To analyse the characteristics that define museums in Scotland, particularly in the context of location and governance;
2. To determine who are the stakeholders of Scottish museums and their relative importance, particularly in the context of location and governance;
3. To examine the environment in which Scotland's museums operate, particularly in the context of location and governance;
4. To evaluate the environment within which individual independent, rural, mainland Scottish museums operate;
5. To assess the salience of stakeholders in mainland Scotland's independent rural museums;
6. To examine critically how mainland Scotland's independent, rural museums develop strategy in relation to their stakeholders within the organisational life cycle;
7. To develop a stakeholding model that can aid museums and policy makers in their decision making process within the organisational life cycle

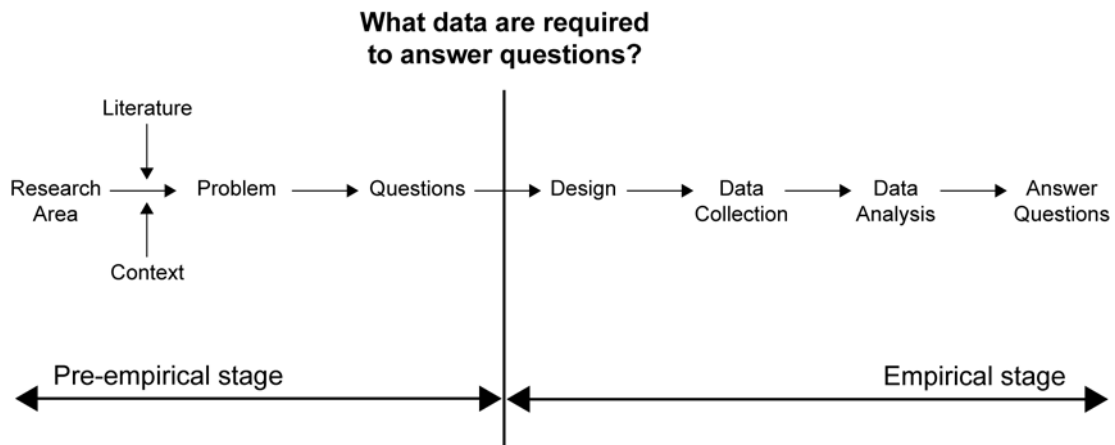
1.5 Research approach

The research approach consists of an exploratory survey to scope Scotland's museums, before undertaking a qualitative, phenomenological approach to investigate the influence stakeholders have on the strategy of independent, rural museums in mainland Scotland during the organisational life cycle.

1.5.1 Background to research approach

This section gives a background to the strategy adopted to investigate the research problem, including the need to first survey Scotland's museums before a more critical examination of a particular museum typology; rural museums could be undertaken. Stakeholder theory and strategy in Scottish museums had been identified as under researched; therefore an inductive process is regarded as the most suitable approach (Blaxter, Hughes & Tight 1999; Brymer 2004; Punch 2003). Edgar (1997:24) maintains that an inductive process allows 'the researcher to build, test and refine theory in an under-theorised field' from the data collected. Punch (2003:42) offers a simple, but effective model (Figure 1.1) to illustrate this inductive process.

Figure 1.1: Punch's simplified model of research without hypotheses (2003:42)



1.5.2 Secondary research

The literature review, which occurs in Chapters 2, 3 and 4 aims to contextualise the research problem, but also, it aims to place the research within the wider field of relevant literature (Blaxter, Hughes & Tight 2001; Punch 2003). This literature review seeks to underpin the aim and objectives by critiquing the relevant theories, notably Resource-Based theory and stakeholder management. This process identifies research gaps, particularly the criticism that stakeholder theory lacks empirical validity and Scottish museums, especially rural and independent ones, similarly suffer from limited research.

The literature therefore seeks to evaluate and synthesise resource based theory and stakeholder theory in the context of museums, but also comparable organisations, especially those in not-for-profit sector and tourism sector. The review also considers literature from these sectors within a rural dimension. This process enables previous work to be evaluated and similar research problems identified within the theory and the practice, particularly the gap in understanding regarding Scottish museums, both rural and independent. The process of a literature review helps to formulate the research design and processes to collect data during primary research (Blaxter, Hughes & Tight 2001; de Vaus 2004; Punch 2003).

1.5.3 Primary research

The research strategies and their findings are discussed in greater depth in chapters 5 and 6. The decision to use a multiple research strategy reflects the inductive nature of this research. At the outset of this thesis, the context and the subject were still evolving topics of interest. The Scottish Executive (2000) had observed that museum policy suffered from uncertainty about the sector's size and characteristics. This lack of clarity therefore made it necessary to scope its structure before it was possible to investigate the sector's stakeholders and their role in independent, rural museums' strategies. The subject matter of stakeholding lends itself to an inductive approach, because the research problem has identified that the theory suffers from a lack of empirical evidence.

The primary data collection consisted of two elements. Firstly, a postal questionnaire to scope Scotland's museums; this would allow analysis of the sector's characteristics, but also the selection of a museum typology based on governance and location. This process would allow subsequently a phenomenological approach, primarily using interviews to explore ideas within a particular typology: independent, rural museums. A variety of authors (Blaxter, Hughes & Tight 2001; Denscombe 2003; Eldabi, Irani, Paul, & Love 2002; and Mangan, Lalwani & Gardner 2004) argue that this multiple research approach allows the researcher to gain a more detailed perspective and richer understanding of the research problem.

1.6 Summary

This chapter has identified a number of research issues that coalesce within Scottish, independent, rural museums. These problems include a lack of empirical evidence to support stakeholder theory, a number of struggling independent Scottish museums, which appear to be strategically unaware, and finally a Scottish Executive whose policies towards the museum sector appear limited. These problems are worthy of attention, because of the theoretical and practical implications associated with this research. Stakeholding has enjoyed widespread academic interest, yet it still faces criticism that it lacks academic credibility, because of limited empirical

research. Similarly, museums play an important part in a nation's civic life: educating, entertaining and conserving. Fusing these two concepts, stakeholding and museums offers an opportunity to assess how stakeholders influence museum strategy, but also consider its application to other not-for-profit organisations. Using a multi modal research strategy involving a survey and phenomenological approach will allow this research problem to be investigated.

The next chapter examines the issue of strategy and competitive advantage, particularly the idea that stakeholder theory can be integrated within the concept of the Resource-Based View, as a means of using stakeholders for competitive advantage.

CHAPTER 2: STRATEGY

2.1 Introduction

The aim of this research is to examine the influence of stakeholders on the strategy of independent, rural museums in mainland Scotland; and whether stakeholders may be a source of competitive advantage during the organisational life cycle. This interest springs from evidence which suggests that many of these organisations are unsustainable (Scottish Museums Council 2002b). Critics (Ryder 2000, Scottish Executive 2003b) have argued that if these museums adopted a strategic approach they would improve their performance and their chances of survival. Their belief stems from the number of museums that have sought funding and/or advice from government and Scottish Museums Council; yet appear to lack a strategy. This correlation between strategy and performance is widely recognised within strategic literature (Anderson & Atkins 2002; Escher, Brabarkiewicz, Frese, van Steekelenburg, Lauw & Friedrich 2002; Faulkner & Campbell 2003; Grant 2004; Hill & Jones, 2003; Irvine & Anderson 2004; Johnson 2006; Johnson, Scholes & Whittington 2005; Laitinen 2001; Thompson & Martin 2005). The

challenge for organisations is to build a strategy around a sustainable competitive advantage (David 2007; Dess, Lumpkin & Eisner 2007; Hill & Jones 2003; Thompson & Martin 2005), but different perspectives exist to explain an organisation's competitive advantage, most notably The Positioning School and The Resource-Based View.

This chapter considers these perspectives, before examining the relationship between strategy and stakeholding, particularly the concept that the Resource-Based View offers a platform for stakeholder theory and therefore stakeholders as a source of competitive advantage. The chapter then discusses strategy in relation to the organisational life cycle, before examining strategy within the contexts of not-for-profit, and tourism to demonstrate theory in practice. The rationale for examining not-for-profit and tourism literature is that strategic management research within museums is limited, yet museums are often cited as examples of not-for-profit organisations (Johnson, Scholes & Whittington 2005; Moore 2004; Slater 2007; Thompson & Martin 2005) and tourism organisations (Carruthers 2003; Lennon & Graham 2001; McKercher & Ho 2006; Scottish Museums Council 2005; Slater 2007).

This multi-disciplinary approach is given added impetus by the evidence that museums are adopting a more commercial mindset by growing their retailing, catering and room hire operations (Farr 2000; Gilmore & Rentschler 2002; Lang, Reeve & Woollard 2006; Ford & Mottner 2002; Scottish Museums Council 2002b). The expansion of these activities has been driven by customer expectations, but it is also a response to financial necessity as museums seek to diversify their income streams. Underlying this demand is government pressure, the sector's largest funder (Gilmore and Rentschler 2002; Travers 2006; Wilson and Boyle 2004). Inevitably, this raises the question: Who does the museum exist for?

2.2 For whom does the firm/museum exist?

Literature suggests the commercial firm is a bundle of assets owned by the shareholder and that the duty of the firm is to maximise profits for the benefit of this group (Argenti 1997; Dess, Lumpkin & Eisner 2007; Friedman 1970;

Lynch 2003; Mintzberg 1983; Thompson & Martin 2005). This neo-classical argument rests on the principle that people are rational and motivated by profit. Within an Anglo-Saxon capitalist model, this principle is underpinned by a fiduciary duty on the firm's directors and managers to act in the shareholders' interest. The consequence of this philosophy is that the firm focuses its attention and actions on satisfying the most powerful group's needs and expectations: the shareholder, to the detriment of other groups or individuals (Campbell 1997; Carroll & Buchholtz 2003; Freeman 1984; Kaler 2003; Venten 2000).

Research indicates that not-for-profit organisations similarly focus their strategy on one particular group (Brown & Kalegaonkar 2002; Ulrich 2004; Johnson, Scholes & Whittington 2005), because it has the power and influence to help or hinder the organisation's mission. The identity of this group varies. Ulrich (2004) contends that it is the board of trustees, although Brown & Kalegaonkar (2002) believe government is the key determinant, because of its regulatory powers, whilst Johnson, Scholes & Whittington (2005) offer a third group: the staff. This group is historically regarded as pre-eminent within the museum sector (Evans 1995, Fopp 1997; Lang, Reeve & Woollard 2006; McLean 1997; Moore 2004), although their observations are based on larger museums, rather than voluntary run museums or museums where staffing levels are minimal.

2.3 Strategy

The literature is suggesting therefore, that the strategies of profit and not-for-profit organisations are influenced by one or more groups, and the greater the group's power, the greater its ability to shape strategy (Balser & McClusky 2005; Dess, Lumpkin & Eisner 2007; Hillman & Keim 2001; Jawahar & McLaughlin 2001; Thompson & Martin 2005). Strategy is therefore a mechanism designed to meet various groups' expectations. Hill & Jones (2003) posit that to meet these expectations the firm must manage and plan the process, since evidence indicates that firms that do, are more likely to satisfy their stakeholders' expectations (Anderson & Atkins 2002; Escher,

Brabarkiewicz, Frese, van Steekelenburg, Lauw & Friedrich 2002; Johnson 2006; Irvine & Anderson 2004; Laitinen 2001).

The argument presented implies stakeholders are manipulating strategy to their advantage, yet a number of commentators (Frooman 2002; Hillman & Keim 2001; Jawahar & McLaughlin 2001; Kolk & Pinkse 2006; Riahi-Belkaoui 2003; Tsai, Yeh, Wu & Huang 2005) maintain an organisation can gain a competitive advantage by manipulating its stakeholders. A feature Dess, Lumpkin & Eisner (2007) assert is at the heart of an effective strategy.

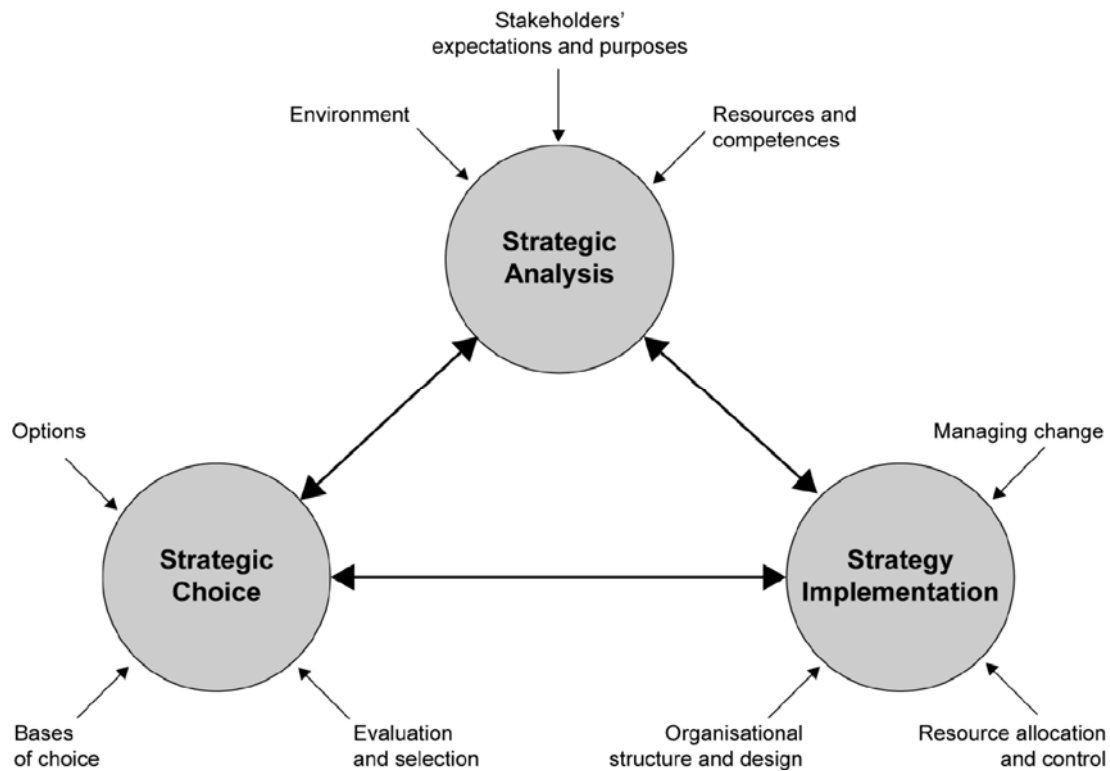
Strategy has been variously defined (Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Faulkner & Campbell 2003; Grant 2004; Hill & Jones 2003; Johnson, Scholes & Whittington 2005; McGee, Thomas & Wilson 2005), a reflection of its evolution from a quantitative planning process to a mechanism designed to exploit an organisation's resources (Appendix 1). However Johnson, Scholes & Whittington's (2005) definition is appropriate, because it draws together the concepts of resources, competitive advantage and stakeholder needs,

“the direction and scope of an organisation over the long term: which achieves advantage for the organisation through its configuration of resources within a changing environment, to meet the needs of markets and to fulfil stakeholder expectations.”

(Johnson, Scholes & Whittington 2005:9)

Johnson, Scholes & Whittington (2005) portrayed strategy as a three stage process: analysis, formulation and implementation (Figure 2.1); a process that is noted elsewhere (Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Faulkner & Campbell 2003; Grant 2004; Hill & Jones 2003; McGee, Thomas & Wilson 2005). Figure 2.1 demonstrates the inter-relationship between these three components and the iterative nature of this process, because of changing environmental factors.

Figure 2.1: Strategic Management process



Source: adapted Johnson, Whittington & Scholes 2005:16

The model highlights the role that resources and competences play in understanding an organisation's strategic position and in determining its choice and strategic implementation. The strength or weaknesses inherent in these resources and competences provide the organisation with a source of competitive advantage, or disadvantage. The ability to attain and retain a source of competitive advantage enables an organisation to achieve superior performance (Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Faulkner & Campbell 2003; Grant 2004; Hill & Jones 2003; Johnson, Scholes & Whittington 2005; McGee, Thomas & Wilson 2005).

2.4 Competitive advantage

Miles & Darroch (2004) contend that strategy is rooted in competitive advantage, yet Moody (2007:111) maintains ‘despite competitive advantage’s wide use, few researchers have attempted to define the concept’; a view similarly expressed by Freiling (2004). Despite Moody’s (2004) claim, she praises nonetheless Ansoff’s (1965) definition for its clarity which subscribes to the notion that competitive advantage lies in ‘the properties of individual products/markets which will give the firm a strong competitive position’. The underlying premise of competitive advantage is that it provides the firm with a means to out-perform its competitors by more efficiently and effectively delivering products and services to the market.

Competitive advantage does not come from being simply different; it is achieved when an organisation exploits and successfully maintains its advantages over its competitors (David 2007; Dess, Lumpkin & Eisner 2007; Thompson & Martin 2005), but ultimately competitive advantage lies with its stakeholders (Klein 2003; Thompson & Martin 2005). The reality though is that competitive advantage is invariably transitory, as competitors seek to mimic an organisation’s strengths and undermine its competitive advantage (Barney 1991; Campbell, Stonehouse & Houston 2004; David 2007; Mintzberg, Quinn & Ghoshal 1998). Porter (1985) argued therefore that sustaining this advantage must underpin the firm’s strategy. Barney (1991:102) defined sustainable competitive advantage as,

“when a firm implements a value creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy.”

Creating a sustainable competitive advantage provides a firm with above average performance and consequently greater rewards for its stakeholders. Historically this performance has been measured using financial metrics, because of their value as an understandable comparator to other performance indicators (Campbell, Stonehouse & Houston 2004). It has been more difficult however to evaluate nonprofit organisations performance using financial

metrics, because of the intangibility of the services offered, the immeasurability of the missions, and the competing demands of stakeholders (Beamon & Balcik 2006). This scenario is changing as growing numbers of non profit organisations search for funding at a time when stakeholders are increasingly demanding greater transparency and accountability (Kaplan 2001). This driver has led many nonprofit managers to adopt or adapt commercial performance indicators (Beamon & Balcik 2006): a practice that has become apparent within museums (Scottish Museums Council 2008).

2.4.1 Competitive advantage and museums

Traditionally museums have been associated with the notion of educating visitors and preserving artefacts, but this strategy engendered a sense of passivity, because it fulfilled the needs of the definitive stakeholder (McLean 1997; McPherson 2006). Sweet (2007) asserts however that museums have had to transform themselves into 'experiences' which engage the consumer and therefore compete for the consumers' attention and resources, both in terms of other museums, but also other leisure pursuits. Implicit is the notion of competitive advantage and the need for museums to develop strategies that will allow them to out-perform their competitors. This contention however is that although museums espouse notions of competitive advantage, the reality is that there is a lack of strategic thinking and practice within many museums, and therefore an understanding of how a competitive advantage can be created and sustained (Fopp 1997; Mann 2007; Moore 2004; Scottish Museums Council 2002b; Scottish Executive 2003). It can be argued then that museums have to demonstrate greater awareness of strategic ideas and concepts, if they are to grow, rather than stagnate and decline, especially given Richards & Wilson's (2006) concern that in a crowded global marketplace, it is increasingly difficult to create a distinctive image or experience.

2.4.2 Competitive advantage amongst independent, rural museums

This need to create a competitive advantage in a global marketplace suffuses all organisations, irrespective of their activities, mission or location. The dilemma for rural businesses is that historically their competitive advantage has focused on the exploitation of difficult to imitate primary resources involving farming or mining, by contrast manufacturing and many service industries have played only a limited role in the rural economy, because of their distance from the market. This barrier has put many rural manufacturing and service organisations at a competitive disadvantage (McAdam, Convery & Armstrong 2004). It is acknowledged that access to the market is problematic, but critics argue their lack of management skills and expertise may explain their lack of competitive advantage (Irvine & Anderson 2004), rather than their distance from the market. This may stem from the limited managerial pool available to rural firms, because of smaller populations, but it may also relate to a reluctance or inability to invest in skills and competences (Watson, McCracken & Hughes 2004). A consequence is that many rural firms rely on ad hoc arrangements to survive, including a tendency to focus on the operational needs of the moment, rather than developing strategic ideas, processes and plans (Brown & Hall 2000; Irvine & Anderson 2004). This tradition of relying on informal arrangements to offset limited skills is arguably changing, as skilled urban migrants move to rural areas in search of a better quality of life (Farthing 2005; Isserman 2001). This is particularly marked amongst Scottish locations less than 30 minutes drive from an urban centre and defined as accessible rural (Scottish Executive 2003), nevertheless inaccessible rural areas i.e. locations more than 30 minutes drive from an urban location (Scottish Executive 2003), continue to struggle to attract skilled migrants, because of the lack of employment opportunities (Scottish Executive 2005).

Salvation for independent museums as well as other rural, not-for-profit organisations may lie in skilled migrants drawn by the lower cost of living, but also as Richards & Wilson (2005) maintain by the appeal of the area's history and tradition. Frequently these migrants are keen to integrate into the

community and have helped to re-define the community's importance to these rural organisations (Eckstein 2001; Halcro & Lynch 2003; Irvine & Anderson 2004; Jones 2006). This success is predicated, however on the organisation investing in these community relationships. The outcome is a network based on social complexities and path dependency that competitors find difficult to imitate. Consequently, independent, rural museums can gain access to rare and valuable information e.g. market information on customers and competitors, which is a source of competitive advantage.

2.5 Competitive advantage and schools of thought

This search for competitive advantage has been variously rationalised, but two different approaches are cited most frequently to explain an organisation's competitive advantage: the Positioning School and the Resource-Based View (David 2007; Dess, Lumpkin & Eisner 2007; Faulkner & Campbell 2003; Grant 2004; Hill & Jones 2003; Johnson, Scholes & Whittington 2005; McGee, Thomas & Wilson 2005; Stonehouse & Snowdon 2007). Freiling (2004) argues though that a third school the Competence Based theory is a distinct approach and not simply an extension of the Resource-Based View, although others regard this theory as rooted in the same principles as Resource-Based View (Grant 2004). The various schools posit that an organisation's competitive advantage reflect internal or external dynamics.

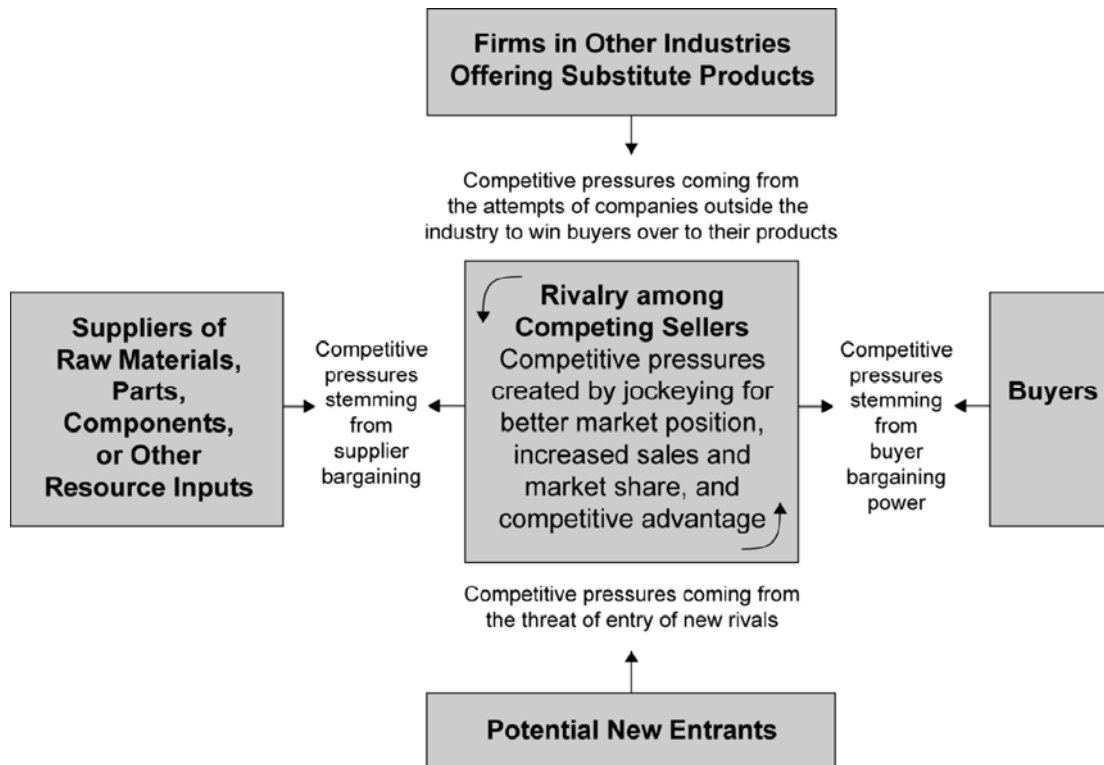
The Positioning School focuses on the role external forces play in determining an organisation's competitive advantage, principally the role industry plays. The contention is that an organisation's competitive advantage derives from an industry's attractiveness and the organisation's position relative to its competitors within that industry. This perspective contrasts the Resource-Based View, which argues that an organisation's competitive advantage is attributable to internal drivers. This school of thought views superior performance as attributable to an organisation's access to rare and inimitable resources and capabilities. Supporters of this theory (Barney 1991, Wernerfelt 1984) believe that competitive advantage stems from its ability to access and exploit these resources, in a way that its competitors cannot replicate. The

contention is that stakeholders can allow or deny access to these rare and inimitable resources and capabilities (Frooman 2002; Jawahar & McLaughlin 2001; Kolk & Pinkse 2006). These two perspectives The Positioning School and The Resource- Based View and its offshoot Competence-Based View are discussed more fully below as a means of understanding the connection between strategy, competitive advantage and stakeholding.

2.5.1 Positioning School

The Positioning School draws on Industrial Organisation economics for its inspiration and highlights the role the industry plays in shaping the firm's strategy (Dess, Lumpkin & Eisner 2007). Industrial Organisation holds that competitive advantage is largely determined by a firm's ability to adapt to and exploit external forces. This line of argument believes an organisation's competitive advantage lies in understanding its industry and positioning itself accordingly, to issues such as economies of scale, barriers to market entry, product differentiation and level of competitiveness. Michael Porter (1980, 1985) is perhaps the most famous proponent of this philosophy and demonstrated the relationship between the firm and its external environment in The Five Forces Model (Figure 2.2). This model illustrates diagrammatically, the influence buyers, suppliers, new entrants, competitor rivalry and the threat of substitutes offer in determining a firm's competitive advantage.

Figure 2.2: Porter's Five Forces Model of Competition



Source: Dess, Lumpkin & Eisner 2007

The difficulty is that the environment is constantly changing and so the relative power of the forces will change, therefore firms are continually jockeying for position within this environment to find and sustain a competitive advantage (Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Thompson & Martin 2005).

Porter's (1980, 1985) model implies that all organisations face these forces, however their impact is felt more keenly amongst smaller organisations; who because of their size have less power to influence the forces. Theoretically, this will be particularly evident in sectors where small firms pre-dominate; an example is Scotland's museums (Scottish Museums Council 2002b). Here the sector is noted for its low barriers of entry (Scottish Executive 2003a); because of arguably low capital costs, limited technical skills and easy access to physical resources; museum artefacts. This is borne out by the growth in the numbers of museums that have opened within the last 30 years in

Scotland, UK and globally (Ginsburgh & Mairesse 1997; Moore 2004; Ryder 2000; Scottish Museums Council 2002b).

The Positioning School is a valuable means of analysing the industry and explaining the source of an organisation's competitive advantage, but a number of caveats exist (Campbell, Stonehouse & Houston 2004; Dess, Lumpkin & Eisner 2007; Faulkner & Campbell 2003; Grant 2004; Hill & Jones 2003; Johnson, Scholes & Whittington 2005; Lynch 2003) which have particular significance to the Scottish museum sector. Porter's (1985) framework excludes government as a force, but government in its various guises influences the museum sector (Brymer 2002; Jackson 2004; Moore 2004; Rintoul 2002). It occupies a number of roles: legislator, funder, and policy maker, which cannot be adequately ascribed to these five forces. A further criticism of Porter's thinking is that it overlooks the benefits of collaborating with customers, competitors and suppliers. An example of this would be a service level agreement (Scotland Act 1998). These agreements allow a Scottish local authority to subsidise an independent museum, if it meets certain professional and political objectives, often with the curatorial support of a national or local authority museum. The Five Forces' Model is also regarded as flawed, since it assumes all organisations operating in the same sector possess similar resources, and downplays individual organisational differences, including the organisation's capabilities to create goods and services.

2.5.2 Resource-Based View

These criticisms suggest that a competitive advantage may not always be satisfactorily explained by the Positioning School (Dess, Lumpkin & Eisner 2007; Hill & Jones 2003; Morash & Lynch 2002). The contention is that because firms have different resources and processes, performance differs (David 2007; Gottschalk & Solli-Sæther 2007; Litz 1996). The Resource-Based View argues competitive advantage lies in the resources an organisation can access and exploit, not in its ability to manage the environment (Barney 1991; Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Idris, Idris & Hussain 2003; Kay,

McKiernan & Faulkner 2003; Kolk & Pinkse 2006; Litz 1996; O'Regan & Ghobadian 2004; Prahalad & Hamel 1991; Riahi-Belkaoui 2003). The Resource-Based approach maintains that firms 'possess' a bundle of resources in the form of assets, competencies, processes, skills and knowledge; and it is their value, rarity, difficulty to imitate and substitute that provides the organisation with a competitive advantage (Barney 1991; Conner 1991; David 2007; Dess, Lumpkin & Eisner 2007; O'Regan and Ghobadian 2004; Wernerfelt 1984). These attributes explain organisational differences and performance, since each organisation possesses a different 'bundle of resources' from its competitors.

An organisation possesses three types of resources: tangible, intangible and organisational capabilities (Table 2.1). Tangible resources include financial, physical, technological and organisational assets, which can be easily identified, such as a museum building or artefact. Intangible assets are more difficult to identify and more difficult for competitors to copy. These are practices that the organisation develops over time and lead to improved results, for instance the development of reputation and the emergence of a brand. Examples include branded goods, such as National Museums of Scotland's calendars and clothing. Finally, organisational capabilities are competences and skills, which the organisation combines to transform tangible and intangible resources into outputs, for example outstanding customer service.

Table 2.1: Resource-Based View of the Firm (adapted from Barney 1991)

Tangible resources

- | | |
|----------------|--|
| Financial | <ul style="list-style-type: none"> • Firm's cash account and cash equivalents • Firm's capacity to source funds • Firm's borrowing capacity |
| Physical | <ul style="list-style-type: none"> • Modern plant and facilities • Favourable location • State of the art machinery and equipment |
| Technological | <ul style="list-style-type: none"> • Trade secrets • Innovative processes • Patents, copyrights, trademarks |
| Organisational | <ul style="list-style-type: none"> • Effective strategic planning processes |

Intangible resources

- | | |
|-----------------------------|--|
| Human | <ul style="list-style-type: none"> • Experience and capabilities of employees • Trust • Managerial skills • Firm specific practices and procedures |
| Innovation and creativity | <ul style="list-style-type: none"> • Technical and scientific skills • Innovation capacities |
| Reputation | <ul style="list-style-type: none"> • Brand name • Reputation with customers for quality and reliability • Reputation for suppliers for fairness, trust and mutual reward |
| Organisational capabilities | <ul style="list-style-type: none"> • Firm competencies or skills the firm uses to transfer inputs to outputs • Capacity to combine tangible and intangible resources, using organisational processes to attain desired end |

Source: Dess, Lumpkin & Eisner 2007

The Resource-Based View maintains that these resources in themselves are not a source of competitive advantage, since competitors may also possess them. Competitive advantage lies in the resource possessing one, or more of

the following attributes; valuable, rare, difficult to imitate and difficult to substitute (Table 2.2), although some writers view valuable and rare as one and the same (David 2007). An organisation will be able to sustain a competitive advantage, as long as other firms are unable to duplicate these attributes.

Table 2.2: Four criteria for assessing sustainability of resources and capabilities

Valuable	Resource is valuable when it enables an organisation to formulate and implement strategies that improve its efficiency and effectiveness
Rare	The resource must be uncommon and rare relative to other competitors
Difficult to imitate	<p>If a resource is inimitable then profits or surpluses are more likely to be sustainable, however in the long run inimitability will not last, therefore managers can develop strategies around one of the following characteristics</p> <ul style="list-style-type: none"> • Physical uniqueness e.g. mineral rights, landscape • Path dependency the process and experiences involved in creating a good or delivering a service • Causal ambiguity, the impossibility of disentangling the cause or explanation of the resource or how it was created • Social complexity the social relations, culture, group norms, that help to more effectively and efficiently use its resources
Difficult substitute	to There must be no strategically equivalent resource

Source: Dess, Lumpkin & Eisner 2007

The Resource-Based View conceptualises the idea that resources provide a basis for action and competitive advantage, if these resources are valuable, rare and difficult to imitate or substitute. The onus on organisations is therefore to identify and invest in current and potential sources of competitive advantage (Barney 1991; David 2007; Dess, Lumpkin & Eisner 2007). Similar thinking underpins the competence-based theory, which some regard as part of the Resource-Based View (Freiling 2004).

2.5.3 Competence-Based Theory

Freiling (2004) nevertheless contends competence-based theory represents a continuum in the theory's development. He accepts that it shares the same roots as the Resource-Based View, which argues an organisation's competitive advantage stems from its more effective/and or efficient control of resources, rather than its external environment (Hamel & Prahalad 1994; Kay 1993; Hamel & Prahalad 1990). Freiling (2004) maintains however that the competence-based theory is a subtle development of Resource-Based View, because of a belief that a firm's competitive advantage stems from possessing the competence to take advantage of these resources, rather than simply possessing access to these rare, valuable and inimitable resources. It is this ability to unpack and harness these resources using organisational, repeatable knowledge that provides an organisation with its competitive advantage (Freiling 2004).

Grant (2004) posits that acquiring and developing this organisational knowledge explains an organisation's competitive advantage and can be viewed as a distinct school; a perception shared by a number of authors (Nonaka 2000; Pemberton & Stonehouse 2000; Stonehouse, Pemberton & Barber 2001). These authors maintain that competitive advantage is sourced in an organisation's ability to learn and apply knowledge, rather than simply accessing resources. This school of thought believes that competitive advantage is supported by a culture that encourages sharing and exchanging skills, competences and capabilities through organisational learning.

Various ideas have been promoted to explain an organisation's competitive advantage, but the Resource-Based View and competence-based approach maintain that it lies in access to rare, inimitable resources, skills and capabilities, rather than the industry. The following section explores the Resource-Based literature in relation to museums.

2.6 Resource-Based View and Museums

There is no literature in the context of core competencies and museums, and very little literature in relation to museums and Resource-Based theory, an

exception is Alexander's (1996) research on American galleries. Her research analysed quantitative and qualitative data regarding exhibitions that investors were willing to fund. Her interpretation was that curators accommodated these investors, since revenues generated by these populist shows allowed the curators to fund more critically acceptable exhibitions. Alexander (1996), however, admits that some of the qualitative data required further investigation, because it had not been systematically analysed. The research provides a worthwhile insight into stakeholders' behaviours, especially funders and curators. The criticism is that the research tends to focus on curatorial responses, rather than a more critical analysis of how curatorial practice is integrated into a Resource-Based framework.

However, Alexander's work is the only serious attempt to synthesise museum practice and Resource-Based theory, yet intriguingly museums offer a rich context to assess the Resource-Based View. Analysis of the sector's resources suggests that its appeal as a centre of learning and enjoyment attracts highly qualified applicants, despite the sector's low salaries (Greiling 2006; Winston 2007). The recruitment of highly qualified staff potentially offers museums a source of competitive advantage compared to many other industries, yet no research to date has explored this idea. This idea of competitive advantage and the Resource-Based View can be applied to each museum, since arguably each collection is theoretically valuable, rare, and difficult to imitate or substitute assets. This source of competitive advantage is particularly marked where the artefact has an historical or artistic significance that extends beyond national boundaries, for example The Declaration of Arbroath, or Terracotta soldiers, as evidenced by the recent British Museum exhibition (Lebrecht 2007).

Quantitatively the most important collections are housed in national, or local authority museums (Scottish Museums Council 2002e), although there are internationally and nationally renowned photographic and maritime collections amongst independent museums. Nonetheless, the National Audit lists only three independent museums, amongst the twenty largest and most significant Scottish collections (Scottish Museums Council 2002e). Intriguingly two of

these three museums; Scottish Fisheries Museum and Scottish Mining Museum Trust have enjoyed significant and recurring Scottish Executive funding since 1999 (Scottish Museums Council 2002e; Scottish Executive 2006). The third museum, the Bank of Scotland Archive may also enjoy similar financial backing from a rich, third party, in this case The Bank of Scotland, although this is not on public record (Scottish Museums Council 2002b). The assumption is that it does benefit to some extent, since the museum is housed in a Bank of Scotland building and therefore property costs are probably minimal. However, it is difficult to make further assumptions since data is publicly unavailable.

These three museums differ from many other independent museums, in that their exhibits are of national, rather than local significance. The reality is that many independent museums' artefacts are only of local or regional significance, and arguably exist elsewhere in Scotland. The conundrum facing many independent museums is that their artefacts are not a source of sustainable competitive advantage; instead, sustainable competitive advantage may lie in their intangible resources and organisational capabilities. Organisational strategy therefore should lie in exploiting these resources and capabilities that are unique, rare, and difficult to imitate or substitute.

2.7 Resource-Based View and Stakeholder Theory

Some stakeholder theorists maintain that these attributes lie in an organisation's stakeholders (Frooman 2002; Hillman & Keim 2001; Jawahar & McLaughlin 2001; Kolk & Pinkse 2006; Riahi-Belkaoui 2003; Tsai, Yeh, Wu & Huang 2005), because each organisation relies on a network of players for its survival and success. A feature of these relationships is that each player will enjoy a different construct with the organisation and therefore each relationship will have the potential to benefit or harm the firm, by increasing, reducing or denying access to resources. The firm therefore has to manage these stakeholder relationships in order to access the resources that provide it with a competitive advantage.

Stakeholder theory argues this relationship can be viewed in descriptive, instrumental and normative terms (Donaldson & Preston 1995), but managing these relationships is critical and centres on transforming the relationship from a transactional exchange to a relational process. Frooman (2002) maintains underpinning these relationships is one of power, but others identify issues of trust (Clarkson 1995) and legitimacy (Mitchell, Agle & Wood 1997) as evident within these relationships. The argument though is that an organisation must move beyond a transactional procedure involving the exchange of goods and services for money, to a relational process rooted in fairness, trust and mutual benefit. Creating a relational process provides the organisation with an opportunity to access rare, valuable and inimitable resources; it also creates a path dependency that competitors find harder to copy and by extension reinforces its competitive advantage (Bowen & Shoemaker 1998; Campbell 1997; Carroll & Buchholtz 2003; Gibson 2000; Jawahar & McLaughlin 2001; Kolk & Pinkse 2006; Reed 2002; Shepherd, Betz & O'Connell 1997; Zadek 1998). The outcome will lead to greater customer sales, more efficient and effective staff, better terms and conditions from suppliers, more generous financial arrangements from funders, and greater support from the local community. But developing these relationships requires time, however Hillman & Keim (2001) observed this process creates an intangible, path dependency which other firms find impossible to duplicate and leads to 'webs of interdependencies', thereby creating a further source of competitive advantage.

The literature has contended that an organisation that effectively manages its stakeholders can access resources that are valuable, rare, difficult to imitate and difficult to substitute, and therefore provide a competitive advantage. The issue however to remember is that over time the organisation's strategy and approach towards its stakeholders will vary according to the needs of the organisation (Jawahar & McLaughlin 2001; Lester, Parnell & Carraher 2003).

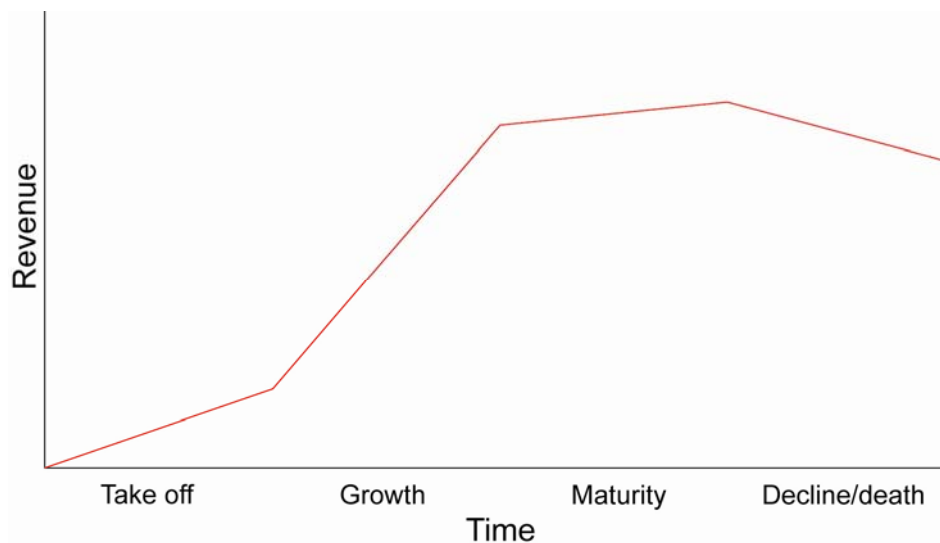
2.8 Organisational life cycle

The organisational life cycle is a theoretical concept which can be used to explain organisational strategy at different stages in an organisation's life. The

organisational life cycle suggests that an organisation experiences different activities and structures as it moves through different phases of its existence, akin to those of a human being: birth, growth, maturity and decline/death (Born 2000). It has proved a popular method of categorising the various stages of an organisation's existence, because of its ability to ascribe various features to each stage (Masurel & van Montfort 2006; Mintzberg 1984; Jawahar & McLaughlin 2001; Lester, Parnell & Carraher 2003; Quinn & Cameron 1983). This knowledge can prove invaluable in organisational decision making, particularly in creating a framework for managing and prioritising stakeholders' needs and expectations.

Various models have been suggested, encompassing between three and ten stages (Lester, Parnell & Carraher 2003), however a four stage model is often cited (Born 2000; Mullins 2005; Quinn & Cameron 1983), consisting of take-off, growth, maturity, and decline (Figure 2.3).

Figure 2.3 Four stage Organisational Life Cycle (Quinn & Cameron 1983)



Some authors however suggest that the organisational life cycle is a not a neat, linear experience, but a looser construct in which the organisation moves back and forth between various stages of the life cycle (Lewis & Churchill 1983; Scott & Bruce 1987). This is particularly evident amongst

small firms (Lester, Parnell & Carraher 2003), organisationally a characteristic of most Scottish museums (Scottish Museums Council 2002b).

Lester, Parnell & Carraher (2003) citing Van de Ven (1992), however contend that irrespective of an organisation's size the key issue for management is to understand how these activities and structures change during the various stages of the life cycle, and how they affect the organisation's relationship with its stakeholders. It is maintained that during take off the firm's management focuses its attention on survival and therefore on attracting revenue/capital. During the growth stage, the organisation's structure is characterised as open and flexible, but frequently dominated by one individual or a small group of people. The outcome is rapid, informal decision making; but strategy is invariably limited and resembles an informal, operational plan with few or no policies to underpin it (Quinn & Cameron 1983; Thompson & Martin 2005).

This strategic practice often continues through to the growth stage, although the organisation becomes increasingly aware of the limitations this imposes and policies and procedures start to emerge. This stage is marked by high levels of stakeholder commitment and a willingness to invest financially and emotionally in the organisation, as they strive to develop the organisation's success (Born 2000). Management's attention focuses on its external stakeholders, notably its customers, funders and creditors, because they provide funding to underpin its growth.

However, as the organisation matures its attention and policies gravitate towards meeting its internal stakeholders' needs and expectations, principally management and staff (Born 2000; Lester, Parnell & Carraher 2003; Masurel & van Montfort 2006). This is a response to the organisation developing guidelines and policies in its efforts to create a more efficient and effective organisation. This process leads to greater conformity and stability, but institutionalism leads to weaker creativity and poorer recognition of its external stakeholders, particularly the customer. A criticism levelled at many national and local authority museums in the UK during the 1980s and 1990s, in

contrast to the younger, more innovative, customer orientated independent museums that started to appear (Fopp 1997).

Decline sees the organisation loses its competitive advantage and customers seek alternative products and services. The effect is revenue deteriorates. Management responds by cutting costs, through redundancies and by reducing its range of products and services, as it seeks to maintain profitability and liquidity. This process sees the organisation focus on its economic stakeholders (Jawahar & McLaughlin 2001), since they are essential to its survival. Strategy now involves the organisation re-developing its existing products and services, or developing new products and services to stimulate re-growth. Alternatively, the organisation fails to remedy its weaknesses, and consequently, stakeholders are no longer willing to support the organisation and death ensues (Masurel & van Montfort 2006).

The organisational life cycle offers a model highlighting the changing nature of a firm's relationships with its stakeholders. Crucially though by developing a relational experience with its stakeholders the firm can enjoy access to rare, valuable and inimitable resources, although at any given time, some stakeholders will be more important than others, in delivering organisational strategy (Jawahar & McLaughlin 2001). These relationships though can explain a firm's strategy, as the firm seeks to access resources at specific points in its life.

2.9 Strategy in context

The lack of relevant strategic literature within a museum context means that it is appropriate to draw on comparable literature. Museum literature has variously been ascribed to culture, heritage, arts, tourism, and not-for-profit contexts, but arguably culture, heritage, and arts organisations share a common philosophy, that any profits or surpluses generated are re-invested in the organisation, not dispersed to shareholders. They are in effect examples of a broader grouping, not-for-profit and therefore should behave in a similar manner to museums (Johnson, Scholes & Whittington 2005; Moore 2004; Rentschler, Hede & White 2007; Thompson & Martin 2005). However the growing commercial activities of museums suggests that is valid to examine tourism strategy, since museums have been identified as part of the wider tourism sector (Carruthers 2003; Lennon & Graham 2001; McKercher & Ho 2006; Ryan & Higgins 2006; Slater 2007), including the Scottish Museums Council (Scottish Museums Council 2005).

2.9.1 Strategy and not-for-profit organisations

Researchers have become progressively more interested in the not-for-profit sector, because of organisational developments and because of their increasing size and complexity (Balsler & McClusky 2005; Barrett, Balloun & Weinstein 2005; Crittenden 2000; Fletcher, Guthrie, Steane, Roos & Pike 2003; Hankinson & Lomax 2006; Myers & Sacks 2003). Arguably, though strategy in not-for-profit organisations shares many of the features of commercial entities, but there are philosophical and practical differences (Brown & Iverson 2004; Morris, Coombes, Schindehutte & Allen 2007; Moxley 2004; Thompson & Martin 2005).

Philosophically the mission of a not-for-profit organisation focuses on its cause, rather than profit; this affects the strategic process. Firstly, decision-making is often slower and more cumbersome, since stakeholders expect to be involved in decision-making. Secondly, strategy has focused on how to find funding, rather than a broader understanding of how the organisation fits within its environment and develops its resources (Brown & Iverson 2004;

Katsiolouides & Tymon 2003; Myers & Sacks 2003). Historically private donations and limited commercial activities have funded the majority of not-for-profit activities (Brown & Kalegaonkar 2002; Guo 2007; Morris et al 2007; Myers & Sacks 2003), but rising costs have forced many not-for-profit organisations e.g. museums to adopt a more explicitly profit driven approach by developing retailing and catering activities. It has also ironically encouraged not-for-profit organisations to seek government funding. This has created tension amongst stakeholders, fearful that the need to secure commercial or political funding will undermine the organisation's aim (Johnson, Scholes & Whittington 2005).

The evidence suggests that some not-for-profit organisations have adopted strategic management processes drawn from the commercial world (Brown & Iverson 2004; Katsiolouides & Tymon 2003; Myers & Sacks 2003), including the Positioning School or the Resource-Based View paradigms (Aleong 2001; Brown & Iverson 2004). Aleong (2001) argues this decision may relate to the lack of models grounded within a not-for-profit paradigm, or as some have commented (Brown & Kalegaonkar 2002; Guo 2007; Morris et al 2007; Myers & Sacks 2003) it is easier and quicker to apply existing strategic thinking, than develop new models. However it is recognised that much of the research to date has been located within an American setting, a reflection of American political initiatives and consumer demands during the 1980s and 1990s (Rhodes & Keogan 2005).

Data however, indicate the majority of not-for-profit organisations are small medium size enterprises (SME) (Hankinson & Lomax 2006; Myers & Sacks 2003) and literature and empirical evidence suggest SMEs lack the resources, the time and the skills to adopt managerial ideas, especially strategic concepts (Analoui and Karami 2003; Gray & Mabey 2005). The practice instead is to rely on operational plans or ad hoc processes (Katsiolouides and Tymon 2003), consequently SMEs rarely produce strategic documents (Analoui and Karami 2003; Gray & Mabey 2005; Hewitt-Dundas and Roper 2001; Schindehutte and Morris 2001). The reality is that SMEs have more in common with other similar sized organisations, rather than with larger

organisations within the same sector, because they are confronted by similar issues of limited resources. Literature suggests that SME good practice is often transferable across sectors, because of shared experiences and similar organisational issues e.g. lack of resources.

2.9.2 Strategy and tourism organisations

This problem of accessing resources afflicts many tourist organisations, because they are overwhelmingly SMEs (Haber & Reichel 2007). Watson, McCracken & Hughes (2004) argue that operational needs, rather than strategic planning or thinking characterise many tourist SMEs, where firms behave strategically Tribe (2005) maintains they act in a manner similar to other organisations, although he suggests that tourism organisations draw on the Positioning School to explain competitive advantage. Pechlaner & Sauerwein (2004), by contrast contend that there is a lack of empirical evidence to explain how tourism organisations strategise, but this argument is maybe cultural, since Pechlaner & Sauerwein are Austrian. There is nonetheless evidence to indicate that ideas of competitive advantage exist within tourism literature, for example Positioning School (Irvine & Anderson 2005; Jackson & Murphy 2002; Williams & Ferguson 2005) and Resource-Based View (Haber & Reichel 2007; Halcro & Lynch 2003; Kaplan 2007; Pratten & Lovatt 2002).

The Resource-Based View within tourism literature has focussed on tourist firms stretching their tangible resources, notably buildings to provide multiple uses. Pratten & Lovatt (2002) found that rural, public houses were providing space for postal services and groceries in an attempt to generate extra revenue. Similarly, Halcro & Lynch (2003) identified that rural hotels often doubled as a quasi-community centre. More recent literature (Burnett & Danson 2003; Haber & Reichel 2007; Kaplan 2007; Watson, McCracken & Hughes 2004) has indicated that intangible resources and organisational capabilities offer a more promising source of competitive advantage. Burnett and Danson (2003) discussed the idea of branding, but a recurring theme has been managerial skills, as a source of competitive advantage (Haber & Reichel 2007; Kaplan 2007; Watson, McCracken & Hughes 2004).

Tourist destinations have often relied on physical resources, as a source of competitive advantage, but Haber & Reichnel (2007) see the critical element as human capital, particularly managerial competences in explaining competitive advantage. A similar theme is expressed by Kaplan (2007) in the context of South African tourism. The perceived strength of South African tourism has been its wildlife and beaches, but Kaplan (2007) maintains that other tourist destinations can offer comparable, but cheaper alternatives. The solution she advocates lies in developing the sector's skills to create a source of sustainable competitive advantage. The argument is that many tourist organisations, especially rural ones have been content to use the landscape to maintain and explain their competitive advantage: yet the relationships these firms enjoy with their stakeholders, such as access to managerial competences offers a better explanation for a firm's competitive advantage and subsequent strategy (Watson, McCracken & Hughes 2004).

2.10 Summary

Research has indicated that many struggling or failing Scottish museums lack a strategy, yet evidence repeatedly suggests that organisations that develop a strategy are less likely to fail. Critically a successful strategy is based on a competitive, sustainable advantage. Different approaches have emerged to explain competitive advantage, most notably one anchored on the Positioning School, which argues industry provides the source of competitive advantage: and the other on the Resource-Based View, which contends competitive advantage, lies in an organisation's access to valuable, rare resources, which are difficult to imitate or substitute. The chapter has argued that stakeholding can be located within a Resource-Based View, since stakeholders can provide a competitive advantage by granting or denying access to resources.

Evidence from comparators to rural museums such as not-for-profit organisations indicates that strategy appears to be recognised and practiced, albeit with limited understanding. Rural firms, however appear to practice only limited strategy thinking and practice, arguably because they lack the

managerial skills. Yet there is reason to believe that a Resource-Based approach is practiced amongst some rural firms. Historically, rural firms have sought to exploit their landscape as a source of competitive advantage, either as a lure to attract customers, or as a barrier to discourage competitors. A stronger competitive advantage however may lie in developing relationships with their stakeholders to access rare and hard to copy resources, for example managerial competences. The following chapter examines the position of stakeholders, as a platform for understanding the Scottish museum sector and specifically their role in influencing museum strategy.

CHAPTER 3: STAKEHOLDING

3.1 Introduction

The previous chapter considered the concept of competitive advantage and its role within strategy, including the idea that the Resource-Based View of competitive advantage provides a theoretical framework within which to consider stakeholder management. The aim of this chapter is to evaluate the stakeholder paradigm as a source of competitive advantage. This approach reviews the stakeholder literature, including Freeman's (1984) seminal explanation that stakeholder management offered a new strategic framework. The chapter then investigates the controversy surrounding the definition of a stakeholder. This is critical, because difficulties in defining stakeholding explain the instrumental and normative arguments to stakeholding. The review subsequently focuses on Mitchell, Agle & Wood's work (1997) as a vehicle for exploring these concepts. This provides a basis for understanding the evolution of stakeholder theory within a Resource-Based View, including the organisational life cycle (Jawahar & McLaughlin 2001). The chapter then contextualises stakeholding within not-for-profit sector and tourism, as a precursor to investigating more fully the relationship between stakeholding and museums in the following chapter: chapter four.

3.2 Origins of stakeholder theory

Elements of stakeholder theory were circulating through out the latter part of the twentieth century in a number of disciplines. Examples include: game theory (Aoki 1984), organisational theory (Mintzberg 1983) and strategic planning (Ansoff 1965); but it is Freeman (1984) who is credited with popularising stakeholder theory (Clarkson 1995; Donaldson & Preston 1995; Frooman 2002; Key 1999; Kolk & Pinkse 2006; Mitchell, Agle & Wood 1997; Polonsky & Scott 2005; Rowley 1997; Sautter & Leisen 1999; Schwager 2004). Freeman (1984) believed that the environmental turbulence of the early 1980s had overwhelmed managers. He argued that the existing strategic frameworks could neither resolve current difficulties, nor provide future, strategic solutions. He argued that managers needed to draw on a new theory to cope with this complexity and believed that the solution lay in better collaboration between the organisation and the numerous groups or individuals that interacted with it, whom he termed stakeholders.

Stakeholder theory integrated a number of ideas including corporate planning, systems theory, corporate social responsibility, and organisational theory. It theorised that if an organisation adopted a more inclusive approach towards the groups it interacted with, rather than simply its shareholders, the organisation's performance would improve and society would benefit (Carroll & Buchholtz 2003; Donaldson & Preston 1995; Freeman & McVea 2001; Frooman 2002; Jones 1995; Kaler 2003; Mitchell, Agle & Wood 1997; Rowley 1997; Simmons 2004; Steurer 2006; Wolfe & Puttler 2002). Historical data has supported this contention that a firm's success is attributable to its relationships with certain, key groups, namely: shareholders, employees, customers, and the public (General Electric Company); customers, employees, managers, and shareholders (Johnson & Johnson); and customers, employees, community and stockholders (Sears) (Morris 1997; Preston 1990; Rowley 1997).

3.3 Definition of stakeholding

Freeman's (1984) work was an attempt to move beyond this limited number of groupings and consider a more realistic scenario. He portrayed the

organisation as being at the centre of a complex and diverse set of relationships, which can affect the firm. He listed various groups whom he believed interacted with the organisation and termed stakeholders. He defined a stakeholder as;

“Any group or individual who can affect, or is affected by the achievement of the organisation’s objectives”

Freeman (1984:46)

Various sources in the succeeding years identified the following as critical stakeholders; investors, employees and managers, customers, local community, suppliers, trade associations, and government (Clarkson 1995; Donaldson & Preston 1995; Miller & Lewis 1991; Wheeler & Sillanpää 1998). Other authors produced lists of stakeholders using Freeman’s definition, but often contextualised within a specific setting e.g. mining (Frost 1995); rail transport (Perrott 1996); marketing (Polonsky 1995).

This descriptive process was widely replicated across various sectors and functions in the 1990s, but it created a degree of confusion, as to whether stakeholder management was arguably about a way to better manage stakeholders (instrumental), or a way to treat stakeholders more ethically (normative) (Buchholtz & Carroll 2003; Jones & Wicks 1999; Pesqueux & Damak-Ayadi 2005). These opinions centred on two interpretations; ‘narrow’, and ‘broad’. The ‘narrow’ definition contends a stakeholder is a group that has a direct impact on the firm’s core activities, whilst the ‘broad’ definition argues a stakeholder is anyone who can affect the achievements of an organisation’s objectives or who is affected by the organisation’s objectives (Freeman & Reed 1993). Mitchell, Agle & Wood (1997) assert that the repeated attempts to identify who was a stakeholder, was ‘maddeningly’ difficult to answer. Consequently, this led them to create a chronological list of definitions (Appendix 2). These arguments in effect were trying to create a framework which would allow stakeholder theory to develop and had become manifest through the narrow versus broad debate. Mitchell, Agle & Wood (1997) suggested that the narrow definition emphasised the claim’s legitimacy based on legal or moral rights, whilst the broad definition highlighted the

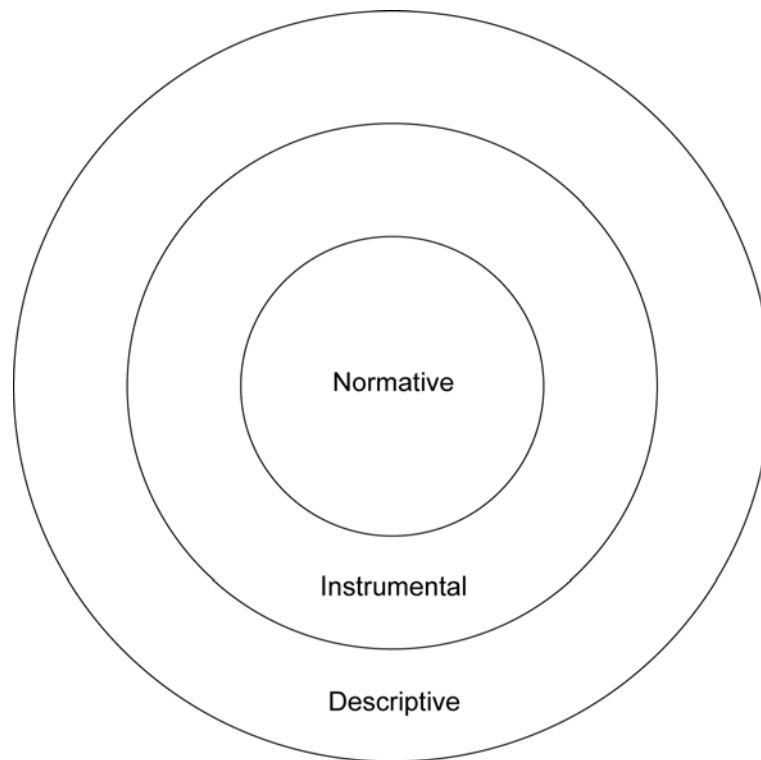
stakeholder's power to influence the firm, whether or not it is legitimate (Appendix 3).

3.4 Stakeholder theory

The comment is that definitional arguments are inevitable in a young theory that is trying to establish a common framework, but Donaldson & Preston (1995) believed these semantic arguments reflected the way that writers including Freeman (1984) had used descriptive, normative, and instrumental theories interchangeably to promote stakeholding. The consequence was confusion, a poor theoretical framework, and a tendency to rely on simplistic models; criticisms that are frequently levelled at stakeholding (Phillips, Freeman & Wicks 2003; Winn 2001).

Donaldson & Preston (1995) contend that stakeholding is 'managerial in the broad sense of the term', because it can integrate descriptive, instrumental and normative theories in helping managers to make decisions. The validity of their argument is still widely accepted and cited as the basis of managerial decision making in relation to stakeholders (Friedman & Miles 2002; Frooman 2002; Kolk & Pinkse 2006; Mitchell, Agle & Wood 1997; Pesqueux & Damak-Ayadi 2005; Reynolds, Schultz & Hekman 2006; Schwager 2004; Tsai et al 2006). Donaldson & Preston (1995) maintained that stakeholding became more understandable, if the descriptive, instrumental and normative elements were viewed as nesting within each other (Figure 3.1). This model demonstrates the connection between who is the stakeholder, how the stakeholder relationship is managed, and the purpose of this relationship and how this relationship is ethically sourced.

Figure 3.1 Three aspects of stakeholder theory Donaldson & Preston 1995



The outer 'descriptive' ring provides a theory of the organisation's relationships with the external world; it is in effect identifying who is a stakeholder and the basis of that relationship. This descriptive aspect recognises that the firm is a network of cooperative and competing interests, but often the practice e.g. Marwick 1999, Mason & Gray 1999; Walker 2000; Wisniewski & Stewart 2004 has been to focus on identifying these relationships, rather than trying to understand the behaviours underpinning these relationships. This tendency to rely on a purely descriptive approach has led to criticism that stakeholder theory is too simplistic and too impractical (Argenti 1997; Barry 2002; Marcoux 2003; Sternberg 1994; Sundaram & Inkpen 2004): and even advocates admit that identifying stakeholders without justifiable explanation undermines the theory (Frooman 2002; Jones & Wicks 1999; Winn 2001).

Donaldson & Preston (1995) nonetheless maintain it is important to blend this descriptive process with an instrumental perspective, because it offers management a process of understanding the link between identifying (descriptive) and organising (instrumental) stakeholders. The instrumental perspective states that organisational performance will improve, or decline, if

the stakeholder is managed in a certain way (Rodgers & Gago 2004). This approach regards stakeholders as 'a means to an end' and views stakeholding within a social science paradigm, particularly one framed within strategy (Jones & Wicks 1999). However, research to support this instrumental view is still largely missing (Lewis, Hamel & Richardson, 2001; Shropshire & Hillman 2007; Smith & Fischbacher 2005; Steurer 2006; Tsai, Yeh, Wu & Huang 2005; Winn 2001); the exception is the effect stakeholders have on financial performance (Atkinson, Waterhouse & Wells 1997; Shropshire & Hillman 2007). This lack of empirical research partly explains the need for this research, since it aims to demonstrate empirically that stakeholders can be a source of competitive advantage during the organisational life cycle.

The core of Donaldson & Preston's (1995) model (Figure 3.1) is normative: and offers a moral and philosophical guideline for managing the organisation's stakeholders. Morally, it holds that a stakeholder is someone who is interested in the organisation's affairs and therefore has intrinsic value. This discussion has become bound up within the idea of corporate social responsibility (Carroll & Buchholtz 2003; Gioia 1999; Jones & Wicks 1999; Kaler 2003), but numerous theories have been advanced to support this normative perspective. Freeman's (1984) model of stakeholding is underpinned by a Kantian philosophy (Hummels 1998; Hinman 2004) which opines that individuals and groups seek to do the right thing out of a sense of duty, irrespective of any material benefit.

This theme of 'doing the right thing' underpins other normative stakeholder perspectives. Donaldson & Preston (1995) argued that the normative core could be grounded within the theory of property, because firms should avoid or minimise engaging in harmful activities. Zsolnai (2006) proposed a similar view that the firm has a non-reciprocal duty to assess its impact on the environment. This approach can be normatively linked to Wheeler & Sillnapää's (1998) descriptive stakeholder model. Other normative theories integrated within the stakeholder model have included the idea of trust (Jones 1995), and the principle of the common good (Argandoña 1998). Beekun &

Badawi (2005) meanwhile argue it can be located within an Islamic framework, because it aligns with the ideas of justice and balance. The unifying theme of these normative theories is that stakeholder theory is rooted in justice, fairness and responsibility to others.

In order to understand better the descriptive, instrumental, and normative elements of stakeholder theory, it is necessary to understand the attributes that underpin the relationship between a stakeholder and an organisation, particularly when viewed within the framework of Resource-Based theory.

3.5 Stakeholder attributes

The process of simply listing stakeholders without explanation has been criticised as too simplistic and theoretically impoverished (Jones & Wicks 1999), therefore various attempts (Appendices 3 and 4) have focused on the stakeholders underlying characteristics or attributes, in an effort to create a more robust, descriptive theory. Frooman's (2002) work provides an invaluable analysis of these attributes. He identified variations in the relationship between stakeholders and organisations around the principal attributes of power and morals (Appendix 4). Frooman (2002), however acknowledges Mitchell, Agle & Wood's model is a more comprehensive attempt to categorise attributes and is frequently cited in the stakeholder literature, as a method of categorising a stakeholder's salience (Frooman 2002; Kolk & Pinkse 2006; Lamberg, Savage & Pajunen 2003; McAdam, Hazlett & Casey 2005; Reed 2002; Reynolds, Schultz & Hekman 2006).

Mitchell, Agle & Wood's (1997) understanding is sourced in the 'narrow' v 'broad' debate discussed in section 3.3. They identify the attributes of power and legitimacy as characterising a stakeholder's salience. Power they classified as one party's ability to impose its will by coercive, utilitarian or normative means on another party, for example a union calling its members out on strike to press for a pay rise. Legitimacy they believed lay within a normative core, because 'the actions of an entity are desirable' and can be considered within an individual, organisational or societal framework. An example would be a firm's willingness to offer schoolchildren work experience.

The firm's response is arguably rooted in a legitimate request from the school, but the school has no power to force the firm to accept this request. The firm's decision is motivated by the belief that this action is socially and morally desirable.

A key difference between Mitchell, Agle & Wood's (1997) model and other models e.g. Frooman (2002); Goodpastor (1991) is that it adds a third attribute; urgency, to the common attributes of power and legitimacy. Mitchell, Agle & Wood (1997) define urgency as time sensitive and critical, underpinned by a sense of necessity. Their argument posited that the traditional 2 x 2 matrix based around power and interest was too simplistic, and failed to capture a sense of dynamism. Their belief was that without this sense of compulsion to act, the 2 x 2 matrix suffers from a lack of realism. The decision to add urgency to the attributes of power and legitimacy expanded the typologies from four to eight. This creates a richer, more nuanced interpretation of a stakeholder's salience to the organisation (Table 3.1) and therefore improves managerial decision-making. The model (Mitchell, Agle & Wood 1997) helps management categorise the relative importance of a stakeholder and act accordingly (Friedman & Miles 2002; Jawahar & McLaughlin 2001; Pajunen 2006; Rowley & Moldoveanu 2003).

Table 3.1: Adapted from Mitchell, Agle & Wood's 8 point typology of stakeholder salience

<i>Definition</i>	<i>Characteristic</i>	<i>Museum Example</i>
Dormant; stakeholder has power, but no legitimacy, nor urgency Discretionary; stakeholder has legitimacy, but no power, nor urgency	The stakeholder possess power but cannot or will not use it Management responds to this stakeholder out of an ethical or moral duty	A benefactor who agrees to sponsor an exhibition without any pre-conditions A visitor who provides a small monetary donation, or donation in kind e.g. artefact
Demanding; stakeholder has urgency, but no legitimacy, nor power Dominant; stakeholder has power and legitimacy, but no urgency	The stakeholder is irksome, but not dangerous This stakeholder receive much of the managers' attention and forms the dominant coalition in an enterprise	Stakeholder who creates an inconvenience e.g. litter lout outside a museum Includes employees, investors, suppliers, customers, local community, professional membership organisation e.g. Scottish Museums Council
Dangerous; stakeholder possesses urgency and power, but no legitimacy Dependent; stakeholder possesses legitimacy and urgency, but no power	A coercive or violent stakeholder This stakeholder relies on advocacy of other more powerful stakeholders	A vandal A group demanding changes to a museum collection e.g. return of artefacts
Definitive; stakeholder possesses power, legitimacy and urgency	This stakeholder possesses all the attributes and requires management's greatest attention	Often emerges from the dominant stakeholder
Non stakeholder; stakeholder possesses no power, legitimacy or urgency	This stakeholder has no relationship with the firm	A former employee, investor, supplier

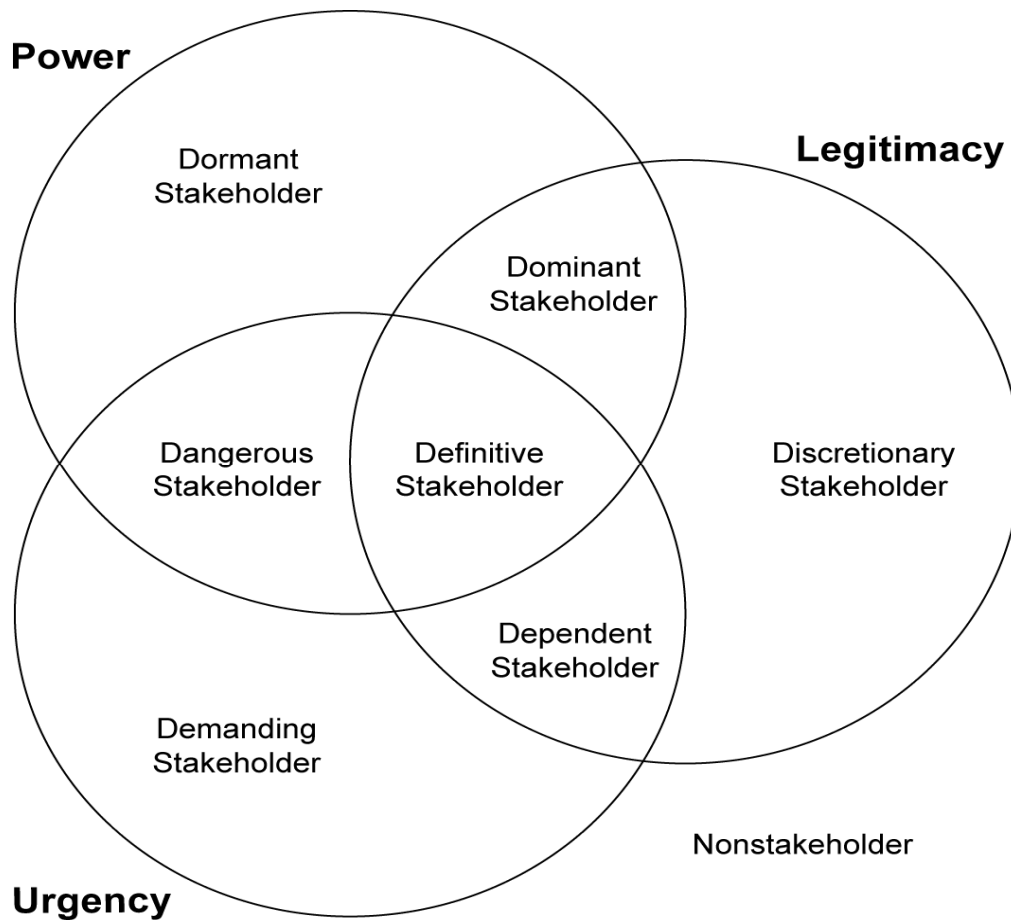
Source: Mitchell, Agle and Wood (1997)

The low salient stakeholders; dormant, discretionary and demanding possess only one attribute and receive little attention from the managers in terms of

time or energy. The moderately salient stakeholders; dominant, dangerous and dependent enjoy two attributes and are regarded as expectant. These stakeholders are more active and require greater attention from managers. The definitive stakeholder is however the critical stakeholder, since it combines the attributes of power, legitimacy and urgency. This stakeholder is that one that managers must concentrate on, since it possesses the resources to most actively help or hinder the organisation.

Mitchell, Agle & Wood's (1997) typology indicates that an organisation focus its attention on the most salient stakeholders, particularly the definitive stakeholder since they have the attributes to create or prevent an organisation developing a competitive advantage. Walker (2006) cautioned management however not to ignore or downplay the other stakeholders' salience, as Pajunen's (2006) findings reveal stakeholders' salience can change over time, as can managers' perceptions of stakeholders (Friedman & Miles 2002). The information presented in Table 3.1, Mitchell, Agle & Wood and applied figuratively (Figure 3.2) illustrates the position of each stakeholder and its attributes relative to the other seven stakeholders.

Figure 3.2: Stakeholder Typology: One, Two or Three Attributes Present



Source: Mitchell, Agle & Wood 1997

This issue raises the question, what is the basis of this relationship, cooperation or competition? (Dess, Lumpkin & Eisner 2007; Clarkson 1995; Frooman 2002; Savage, Nix, Whitehead & Blair 1991; Rodgers & Gago 2004).

3.6 The organisation-stakeholder relationship

The nature of the relationship between the stakeholder and the organisation is central to stakeholder theory, but as it has been demonstrated, it is the attributes underpinning this relationship that influence this relationship (Clarkson 1995; de Bakker, den Hond & van der Plas 2002; Frooman 2002; Rowley 1997). A number of models (Clarkson 1995; Frooman 2002; Savage, Nix, Whitehead & Blair 1991) have variously sought to explain how these attributes impact on organisational strategy. Intriguingly it can be argued that

each of the models is rooted within a Resource-Based View, although only Frooman (2002) explicitly links his model to the Resource-Based View.

Stakeholder models have frequently portrayed the stakeholder-firm relationships and strategies predicated on these relationships within a 2 x 2 matrix e.g. Savage, Nix, Whitehead & Blair (1991). The matrix (Figure 3.3) is based on the premise that a stakeholder has the potential to cooperate or threaten the firm. Implicit in this model is the notion that the stakeholder can provide or deny access to resources, depending on the stakeholder's salience. Therefore, depending on the stakeholder's salience Savage et al (1991) offer one of four strategies for managing the stakeholder: involve, monitor, defend, and collaborate. Stakeholder 1, a supportive stakeholder should be involved, by decentralising decision making where possible to this stakeholder. In the second quadrant, the marginal stakeholder is one who is neither threatening, nor cooperative and management's strategy should be to monitor and involve where appropriate. The non-supportive stakeholder is a potential threat and management should seek to minimise the organisation's dependence on the stakeholder. Savage et al (1991) termed the fourth stakeholder, mixed blessing, since it has the potential to cooperate, as well as threaten the organisation. The managerial strategy in this case is one of collaboration to maximise benefit and minimise threat.

Figure 3.3: Diagnostic Typology of Organisational Stakeholder

		Stakeholder's potential for threat to the organisation	
		High	Low
Stakeholder's potential for cooperation with the organisation	High	Stakeholder Type 4: Mixed Blessing Strategy: Collaborate ?	Stakeholder Type 1: Supportive Strategy: Involve
	Low	Stakeholder Type 3: Non-supportive Strategy: Defend	Stakeholder Type 2: Marginal Strategy: Monitor

Source: Savage, Nix, Whitehead & Blair 1991

Savage et al's (1991) model has been widely cited e.g. Schwager (2004) and Frooman (2002), but it is criticised as being overly descriptive, and for making the facts fit the model (Kolk & Pinkse 2006). The argument is that it gives equal focus to the ideas of cooperation and conflict, but Hill & Jones (1992) contend that the relationship should focus on collaboration, rather than incur the costs of open conflict.

Clarkson (1995) more clearly framed stakeholder theory within strategic thinking, by integrating corporate social performance theory (Carroll 1979; Wartrick & Cochran 1985), as a framework for dealing with stakeholders (table 3.2). He argued that the issue's importance dictated the organisation's strategy, which in turn framed the stakeholder's response.

Table 3.2: Adapted from Clarkson's (1995)

Reactive-Defensive-Accommodative-Proactive (RDAP) Scale

<i>Rating</i>	<i>Organisational posture or strategy</i>	<i>Stakeholder perception of the organisation</i>
Reactive	Deny responsibility	Doing less than required
Defensive	Admit responsibility but fight it	Doing the least that is required
Accommodative	Accept responsibility	Doing all that is required
Proactive	Anticipate responsibility	Doing more than is required

Source: Clarkson (1995)

A proactive strategy is the most resource intensive, organisational strategy; but it generates the greatest stakeholder satisfaction. By contrast, a reactive strategy although legally defensible is unsatisfactory from the stakeholder's perspective and likely to lead to the stakeholder denying or withholding access to resources. Jawahar & McLaughlin (2001) argued Clarkson's model could be integrated with Resource-Based View and prospect theory to predict an organisation's strategy towards a stakeholder during the organisational life cycle.

The Resource-Based View argues access to a resource will determine a stakeholder's salience (Barney 1991); a salience which Jawahar & McLaughlin (2001) contend will vary during the organisation's life cycle, because of changing organisational needs. It is argued that an organisation's strategy focuses on its external stakeholders during the take off and growth stages, but as the organisation matures, its attention and policies veer towards its internal stakeholders' needs and expectations (Born 2000; Masurel & van Montfort 2006; Lester, Parnell & Carraher 2003; Quinn & Cameron 1983).

Table 3.3: Adapted from Jawahar & McLaughlin's (2001) descriptive stakeholder theory

<i>Attitude towards stakeholder during organisational life cycle</i>	<i>Organisational strategy based on RDAP</i>	<i>Stakeholder</i>
Start up		
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Reactive	Trade associations Environmental groups
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Defensive	Government, Local community
Risk averse strategy with those stakeholders as critical to firm's survival	Accommodative	Employees Supplier
Risk averse strategy with those stakeholders as critical to firm's survival	Proactive	Shareholder, Creditors Customers
Growth		
Risk taking strategy with those stakeholders not viewed as critical to a firm's survival	Reactive	-
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Defensive	-
Risk averse strategy with those stakeholders as critical to firm's survival	Accommodative	Shareholders, Governments, Local community, Customers Environmental group
Risk averse strategy with those stakeholders as critical to firm's survival	Proactive	Creditors, Employees, Suppliers, Trade associations
Maturity		
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Reactive	-
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Defensive	-
Risk averse strategy with those stakeholders as critical to firm's survival	Accommodative	Creditors
Risk averse strategy with those stakeholders as critical to firm's survival	Proactive	Employees, Suppliers, Trade associations, Shareholders, Customers, Governments, Local community, Environmental groups
Decline		
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Reactive	Environmental groups Trade associations
Risk taking strategy with those stakeholders not viewed as critical to firm's survival	Defensive	Government Local community
Risk averse strategy with those stakeholders critical to firm's survival	Accommodative	Employees Suppliers
Risk averse strategy with those stakeholders critical to firm's survival	Proactive	Creditors, Customers Shareholders

Jawahar & McLaughlin (2001) propose that organisational life cycle theory can be integrated with prospect and stakeholder theories to predict which stakeholders the organisation will focus its attention (table 3.3). Organisational theory maintains that an organisation will focus on cash flow, during its start up and by implication those stakeholders providing finance i.e. customers and investors (shareholders), by contrast trade associations and environmental groups will receive little management attention. The growth stage finds the organisation still focused on creditors, because they provide the short-term liquidity necessary for growth. But, management's attention now includes proactive efforts to secure resources that underpin growth, notably labour and supplies. The contention is that the organisation during the growth stage draws on information and contacts at trade associations to assess possible opportunities and threats.

In the mature stage, the organisation will adopt a proactive strategy towards most stakeholders. The organisation will inevitably be larger and because of its size is involved with a wider range of stakeholders; consequently there are more demands on the organisation (Born 2000). The final stage of organisational life has been categorised as decline. The organisation finds its revenue slipping and now organisational strategy becomes pre-occupied with stabilising and recovering its former financial position. The organisation addresses those stakeholders who can provide it with funds: creditors, customers and shareholders. Jawahar & McLaughlin (2001) accept their model is not universal and may have to be adapted to meet industry differences, crucially from the Scottish museum perspective, government, especially local government would replace shareholders, as a dominant stakeholder during start up, maturity and decline, because it is a significant investor in Scotland's museums (Scottish Museums Council 2002b).

This emphasis on proactively managing the definitive/dominant stakeholders can be viewed more explicitly from the stakeholder's perspective, if the logic focuses on the stakeholder's ability to deny or hinder access to resources. Frooman's (2002) suggests that the relationship between the organisation and

the stakeholder is based on competition, rather than co-operation, and the stakeholder uses its salience directly or indirectly to control access to resources in order to satisfy its expectations. Frooman (2002) articulated four stakeholder strategies based on Resource-Based theory and the stakeholder's ability to control access to the resource

- Withholding; the stakeholder withholds a resource from the firm
- Usage; the stakeholder continues to supply a resource, but limits the flow of the resource.
- Direct; the stakeholder manipulates the flow of resources, either by withholding or limiting them
- Indirect; the stakeholder works through an ally to manipulate the flow of resources, by encouraging the ally to withhold resources or release them only under certain conditions

Using the above terminology the matrix identifies the stakeholders' strategies towards the firm.

Figure 3.4: Typology of Influence Strategies

		Is the stakeholder dependent on the firm?	
		No	Yes
Is the firm dependent on the stakeholder?	No	IV	I
		Low interdependence	Firm Power
	Yes	III	II
		Stakeholder Power	High Interdependence
		Direct/Withholding	Direct/Usage

Source: Frooman (2002)

Frooman's (2002) 2 x 2 matrix argues that where the firm possesses power, the stakeholder is dependent on the firm (I). The firm is therefore impervious to the stakeholder's influence; instead, the stakeholder will ally itself with a more powerful stakeholder to influence the firm's behaviour. Where there is a high interdependence (II), the organisation and the stakeholder co-operate for mutual benefit. Cell III however reveals that the stakeholder exercises power and the firm has to shift its strategy or behaviour to accommodate the stakeholder. If the firm fails to respond, the stakeholder can withhold resources. The final cell (IV) indicates neither the stakeholder nor the firm is dependent on each other, and any influence the stakeholder can bring to bear is indirectly.

Frooman's (2002) model suffers on two counts. Firstly, it is difficult to estimate the level and scope of the dependence between the organisation and the stakeholder (Tsai et al 2006) and secondly it posits the firm and the stakeholder are pursuing a zero sum game. This position suggests that conflict and self-interest, rather than cooperation and altruism mark organisational-stakeholder relationships. This contradicts Hill & Jones' (1992) assertion that the firm and the stakeholder are more likely to engage in a synergistic relationship, because there are greater benefits to both parties. It can also be argued that Frooman's model undermines stakeholder theory's normative core, which is based on 'doing the right thing'.

3.7 Managing the organisation-stakeholder relationship

Stakeholder research has focused on the attributes underpinning the relationship between it and the organisation, in an attempt to understand the ability of the two parties to influence each other, but research into the process of managing this relationship has been limited (Hillman & Keim 2001; McAdam, Hazlett & Casey 2004; Reynolds, Schultz & Hekman 2006). Managing this relationship successfully offers the organisation a source of competitive advantage, but it involves developing a relational experience, rather than a transactional experience. This argument is disputed (Argenti 1997; Gibson 2000; Marcoux 2003), because the relationship can be framed within agency theory and its notion of fiduciary duty. Therefore, the

relationship can be viewed within a legal paradigm that establishes each party's rights and responsibilities, without recourse to normative solutions. However, the premise of stakeholding is that the organisation is affected by and affects a range of stakeholders; consequently it has a moral duty to a variety of stakeholders, and argues there is a duty on stakeholders and the organisation to manage these relationships.

It is posited that the crux to a successful relationship is developing a relational experience, rather than a transactional experience (Freeman & McVea 2003; Hillman & Keim 2001), but this process requires time and effort. The basis of the relationship has to be rooted in trust, fairness, and equity, which requires the organisation and the stakeholder to be proactive and invest sufficient resources in the relationship. The outcome is that both parties believe they have achieved value, and consequently will offer greater access to rare, valuable and hard to copy resources (Bernal, Burr & Johnsen 2002; Carroll & Buchholtz 2003; Kolk & Pinkse 2006; Mullins 2005).

The difficulty is that moving to a relational experience involves opportunity costs. The consequence is that developing a relationship with one stakeholder prevents the development of relationships with other stakeholders, because of the time and resources required. The organisation therefore focuses on the stakeholder whose salience is most critical to its survival or success, at a given moment in time (Fletcher et al 2003; Frooman 1999; 2002; Jawahar & McLaughlin 2001; Winn 2002).

3.8.1 Stakeholders in context

The role of stakeholders is examined within not-for-profit and tourism organisations, however stakeholder literature within a British rural setting is restricted to Fuller-Love, Midmore, Thomas & Henley (2006) whose discussion limited to simply naming certain stakeholders, again falling to the criticism that stakeholder theory too often simply identifies stakeholders. The stakeholder literature review therefore has concentrated on not-for-profit and tourism sources.

3.8.2 Stakeholders in the not-for-profit sector

Ideologically not-for-profit organisations are founded in the belief that the free market has failed to provide certain goods or services (Lewis, Hamel & Richardson 2001). The moral dimension to these goods and services creates a different set of expectations amongst its stakeholders, and a more ambiguous set of goals than that found amongst commercial organisations (Lewis, Hamel & Richardson 2001; Johnson, Scholes & Whittington 2005; Moxley 2004; Thompson & Martin 2005). Despite this complexity, staff has often emerged as the definitive stakeholder in not-for-profit organisations (Bruce 1995; Johnson, Scholes & Whittington 2005; Macy 2006). This practice emerged, because staff believed they had the right to shape the organisations' aims and objectives, as they ideologically often share the same aims and values as the organisation (Johnson, Scholes & Whittington 2005; Macy 2006; Thompson & Martin 2005). This stakeholder group possessed legitimacy and power and was willing to exercise urgency when required to manipulate the decision making process (Bruce 1995). Other stakeholders may have possessed the legitimacy to influence strategy, but lacked the power (customers) or the urgency (government) to become involved.

The staff's status, as the definitive stakeholder has been challenged by other stakeholders, notably government, ironically, because of the sector's success. Many Organisation for Economic Co-operation and Development (OECD) governments have encouraged the establishment and expansion of not-for-profit organisations (Morris 2006; Murray & Carter 2005; Warnaby & Finney 2005). This impact has been particularly noted in the areas of culture, education, health, and welfare (Barrett, Balloun & Weinstein 2005; Myers & Sacks 2003). The explanation for this development is that governments view not-for-profit organisations as complementing public sector organisations or even replacing them, because they are more embedded within the community and enjoy a greater degree of trust, which translates into greater confidence in the service (Murray & Carter 2005; Myers & Sacks 2003).

Governments are moreover driven by a financial belief that not-for-profit organisations will deliver services more effectively and efficiently than public sector organisations, because they are less bureaucratic and more flexible (Macy 2005; Moxley 2004; Myers & Sacks 2003; Rhodes & Keogan 2005). There may also be a conviction that not-for-profit organisations' experience of fund raising will reduce the need for public money. The result is that not-for-profit organisations and the public sector have become more entwined, as governments offer grants and loans to not-for-profit organisations to deliver services (Fletcher, Guthrie, Steane, Roos & Pike 2003; Jegers & Lapsley 2001; Katsioloudes & Tymon 2003; Moxley 2004; Rhodes & Keogan 2005). This financial inter-dependency means that governments have the ability to influence strategy, because they have become a major funder and rejection or refusal to meet government needs or expectations may result in reduced or withdrawn funding.

The growth of not-for-profit organisations stimulated by government and other interested stakeholders has led to tension between stakeholders over the need to adopt a more managerial approach (Aleong 2001; Brown & Kalegaonkar 2002; Brown & Iverson 2004; Fletcher et al 2003; Lewis, Hamel & Richardson 2001; Hankinson & Lomax 2006; Moxley 2004). Staff has feared that a managerial approach will undermine the ethos of their organisation, but government maintains that a managerial approach will improve performance. The government has been able to enforce this principle, certainly within a British context because of the funding it provides to the sector (Bubb 2003; Plowden 2003). From this position, it is able to signal to potential claimants that funding must satisfy the political agenda, for example the need to demonstrate social inclusion (Myers & Sacks 2003; Plowden 2003). This process has arguably seen government emerge as the definitive stakeholder; because it controls access to financial resources, however within the tourism industry its salience is linked to its regulatory power.

3.8.3 Stakeholders in the tourism sector

Tourism literature has frequently used stakeholder terminology to identify key groups within a specific context, for example; British Columbia's wine industry (Poitras & Getz 2006), Australian diving (Lewis & Newsome 2003) and Maltese golf (Marwick 1999) and has proved particularly popular in identifying stakeholders within the context of tourism's environmental impact (Cihar & Stankova 2006; Lester & Weeden 2004; Morgan, Pritchard & Piggott 2003). The weakness of the literature though is that invariably discussion focuses on stakeholder identification, rather than empirically testing stakeholder theory: a criticism that has previously been noted about stakeholder theory (Frooman 2002). Stakeholder theory in the context of tourism therefore has received little attention, exceptions being de Araujo & Bramwell (1999); Sautter & Leisen (1999); Andersson & Getz (2007). These three investigations have sourced stakeholder literature to: assess stakeholder involvement (de Araujo & Bramwell 1999), manage stakeholder expectations (Sautter & Leisen 1999), and to manage stakeholder salience (Andersson & Getz 2007). de Araujo & Bramwell's (1999) research used stakeholder literature to discover stakeholders' opinion about a tourism project, whilst Sautter & Leisen (1999) and Andersson & Getz (2007) work is funnelled through a stakeholder paradigm to examine how stakeholders exert their influence on the organisation.

The tendency to use stakeholder theory as a means of identifying various interested parties helps to explain its popularity, but the lack of theoretical underpinning to much of the tourism research, as with other sectors such as health and mining, reinforces the argument that it is theoretically insubstantial.

3.9 Criticism of stakeholder theory

The stakeholding concept has been praised as an invaluable management tool (Carroll & Buchholtz 2003; Svendsen 1998; Wheeler & Sillanpää 1998); but also damned as impractical and unrealistic (Argenti 1997; Barry 2002; Marcoux 2003; Sternberg 1994; Sundaram & Inkpen 2004). Phillips, Freeman and Wicks (2003) acknowledge this diversity of opinion, but maintain it arises because stakeholding is characterised by its 'conceptual breadth'; it will mean different things to many different people. This approach stokes supporters'

and critics' opinions that because it is 'all things to all people' it is difficult to create a single satisfactory theory (Donaldson & Preston 1995; Mitchell, Agle & Wood 1997; Winn 2001). Winn (2001) and Frooman (2002) contend this is inevitable when a concept is new, and that it will take time to develop a coherent body of work. This lack of theoretical substance, but easily understood terminology means stakeholding is widely applied, yet much of the work is arguably descriptive (Frost 1995; Perrott 1996, Yuksel, Bramwell & Yuksel 1999). The work simply maps the stakeholders, rather than explaining the instrumental and normative elements within these relationships.

This criticism is repeated by Phillips Freeman & Wicks (2003) who believe that the weakness of stakeholding theory lies not in its conceptual framework, but in its application. They are forceful in their assertions that this arises out of unintentional or wilful misinterpretation and cite a number of authors who fall into these respective camps (Phillips, Freeman & Wicks 2003:482), the irony is that Freeman, Wicks & Parmar (2004) subsequently admit that stakeholding is really an operational tool rather than an attempt to address management theory. This admission may in part explain why advocates of stakeholding have struggled to create a theory, when it appears the godfather of stakeholder theory candidly admits to the lack of a theoretical paradigm. Critics argue that supporters of stakeholder theory rely too much on promoting its normative core (Gioia 1999), as a substitute for theory, a failing that becomes evident when it fails to offer an idea on how to mediate in conflicts (Sundaram & Inkpen 2004).

The most oft repeated criticism is that managers, particularly 'for profit' organisations have a fiduciary duty to their shareholders (Argenti 1997; Marcoux 2003). Critics also maintain that trying to meet the aspirations of multiple stakeholders with competing needs is impractical; therefore focusing on a single group, the shareholder is not only legal, but also practical (Argenti 1997; Miller & Lewis 1991). Argenti (1997) persuasively argues that management decision making becomes more effective when it focuses its attention and resources on a homogeneous group of individuals who are only interested in financial returns. By contrast, other stakeholders are often looser

groupings with conflicting objectives. This view whilst reassuringly simple and easy to understand, fails to acknowledge the reality that the firm is engaged in numerous critical relationships, not just a relationship with the investor (Buchholtz & Carroll 2003; Freeman, Wicks & Parmar 2003; Kaler 2003, Key 1999; Rowley 1997). Focusing on the shareholder (stockholder), proponents e.g. Friedman (1970), Argenti (1997) reduces the firm's existence to a two-dimensional abstract input-output model, which ignores the descriptive, instrumental and normative components that characterise a firm's relationships with the real world.

3.10 Summary

The previous chapter explored the idea that stakeholder theory could be explained within the Resource-Based View. This explanation rested on the argument that stakeholders provide resources that are unique, rare, difficult to imitate or substitute. This chapter has repeatedly argued that stakeholders offer a source of competitive advantage and that this can be articulated within a Resource-Based View. The key to understanding this argument is identifying the attributes that underpin a stakeholder's relationship with the firm. These attributes dictate the stakeholder's ability to allow or deny access to resources, which are potentially valuable, rare, and difficult to copy or substitute, and therefore provide a source of competitive advantage. These attributes change over time, as the firm moves through the organisational life cycle, consequently the firm will focus its efforts on managing the dominant and definitive stakeholders that provide it with the greatest access to resources or the greatest threat to resources. It is also evident that the quantity and quality of resources offered increases, if the relationship between a stakeholder and the organisation is rooted in a relational, rather than transactional process.

Not-for-profit literature indicates that government has become the definitive stakeholder, certainly, where organisations rely to on government funding; in effect, government plays the role of investor. Tourism literature is more equivocal in explaining its definitive and dominant stakeholders, because historically it has focused on stakeholder identification, rather than justifying

the stakeholder's presence. The following chapter therefore explores the attributes underpinning stakeholder salience within Scotland's museums.

CHAPTER 4: MUSEUMS

4.1 Introduction

This chapter considers the role stakeholders have played in transforming museums from curatorially focused research centres, towards a more consumer focused entertainment experience (Caldwell 2002; Gilmore & Rentschler 2002, Goulding 2000; Hutter 1998; Kawahima 1998; McPherson 2006; McLean 1999; Morris, Griffin & Crawford 1999; O'Neill 2006a; Reussner 2003; Schärer 2002). The literature examines this evolution within a UK setting, but more specifically, it examines how this evolution has affected Scotland's museums, and how this British/Scottish practice mirrors other countries' experiences to highlight the similarities and differences that are occurring within the world of museums. Discussion will consider what a museum is, and how it has developed because of changing stakeholder expectations and the consequences of these expectations. This enables the reader to understand the role stakeholders have played in shaping museums' past, present and future strategies. The chapter then identifies and explains Scotland's museum stakeholders and their relative salience.

The last twenty years have seen significant upheavals within the museum world as museums have adapted, sometimes willingly, sometimes unwillingly to the changing demands and expectations of its stakeholders. A change in thinking and practice has been and is being driven by changing stakeholder expectations and demands, particularly those stakeholders with power, legitimacy and urgency – the customer, and government (Kawashima 1998; McPherson 2006; Moore 2004; Reussner 2003). The argument is if museums are to flourish they must pursue a more managerial approach by adopting commercial skills in marketing, human resources and financing museums (Gilmore & Rentschler 2002; Goulding 2000; Graham and Lennon 2001; Kawahima 1998; O'Neill 2006a; Reussner 2003). The assumption is that the managerial skills found in the commercial world are more relevant

competences than curatorial ones: and that these skills with their emphasis on income generation, cost control, customer focus and human resources are more suited to the current, complex environment, that confront museums. The one managerial function however to have received little attention is strategic management with the exception of strategic marketing, particularly vis a vis the customer (Caldwell 2002; Fopp 1997; Griffin & Abraham 2000; Kotler & Kotler 2000; Reussner 2003). The irony is that government and professional bodies in Scotland have cited the lack of strategic thinking amongst museums as a cause of concern (Scottish Executive 2003b; SMC 2002b; Ryder 2003). This argument between curatorial and managerial competences reflects the recurring epistemological debate; what is a museum?

4.2 Definition of a museum

This debate is repeated in many other sectoral paradigms, for example hotels, and turns on whether a definition is a philosophical interpretation, or a practical application. In fact, O'Neill (2006a) contends that this confusion is accentuated by museum professionals presenting often, contradictory interpretations of the role and purpose of a museum. But it is an argument that has intensified over the last twenty years, as museums have wrestled with changing macro and micro forces.

4.2.1 Theoretical definition

O'Neill (2006a) posits that the different definitions reflect two different schools of thought, each emphasising the primacy of different stakeholders. This theoretical tension reflects the clash between historical customs and norms and the current reality (Swinney 1998). O'Neill (2006a) located one school of thought in a traditional, historical paradigm, which he termed the essentialist or internalist view. This group advocates that the focus of the museum lies in research and preservation, the hallmark of the curator's skills. By contrast, the adaptive or externalist school regards the museum's mission is to meet the needs and expectations of people external to the museum, notably its customers, funders and the community. These different interpretations explain comments variously decrying one school for being elitist and restrictive, and the other as an entertainment palace, too focused on appealing to the lowest

common denominator (Barr 2003; Delingpole 2006; O'Neill 2006a). This pressure is indicative of stakeholders' power, legitimacy and urgency waxing and waning within the sector, but also within individual museum typologies based on variables such as location and governance.

4.2.2 Practical definition

Differences in location and governance invariably mirror differences in organisational aims and objectives (Davies 1999, Lennon & Graham 2001, O'Neill 2006a, Roberts 2003) and help to explain differences in definition and stakeholder expectations (Babbidge 2002; McLean 1997). This diversity led The Scottish Parliament's Education, Culture and Sport committee to question whether museums have a common purpose (Roberts 2003), a conundrum that appears understandable given variations in income, popularity and staffing. For example, Kelvingrove, Scotland's most popular museum in 2006 employed over 400 staff and attracted over 3.5 million visitors (O'Neill 2006b). This contrasts other museums that rely on unpaid volunteers to welcome visitors numbering only a few hundred (Scottish Museums Council 2002b).

This organisational diversity is reflected nationally (U.K.) and internationally, although all data should be treated with caution, because of differences in accounting and statistical practices. The British Museum annually entertains 4.5 million visitors, employs approximately 1,000 staff and generates a turnover exceeding £55m (National Audit Office 2004, Anon 2006). The Louvre, Paris another world-renowned museum attracted 5.7 million visitors and generated revenue of 136 million euros (£90m) in 2003 (Louvre 2006). Nonetheless The Smithsonian Institute dwarfs these two museums, albeit a collection of museums hosted over 24m visitors in 2005 and required a budget of \$986m (£520m) to sustain it (Smithsonian Institute 2006). The contention therefore is that nationally and internationally many large museums have more in common with organisations of a similar size, than a museum manned by volunteers and visited by few people.

This heterogeneity may explain why The International Council of Museums has repeatedly revisited the definition of a museum, since its creation 60

years ago (Appendix 5). Nonetheless certain prevailing principles consistently emerge over time and space to define a museum, namely that it exists to collect, preserve, exhibit and educate, irrespective of size or the nature of the collection (de Clercq and Lourenco 2004; Falk & Dierking 1992; Gilmore & Rentschler 2002; McLean 1997).

These precepts underpin The International Council of Museum (ICOM 2001) definition, which declares,

“A museum is a non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment. “

Museum associations in Australia, Canada, New Zealand and United States of America support these principles (Appendix 6), and they find similar expression in the United Kingdom where The Museum Association (2006) defines a museum as,

'Museums enable people to explore collections for inspiration, learning and enjoyment. They are institutions that collect, safeguard and make accessible artefacts and specimens, which they hold in trust for society.'

(The Museum Association 2006)

Scotland in the guise of its professional body, the Scottish Museum Council subscribes to The Museums Association's definition arguing, that there are common principles underpinning a museum, despite differences in size, governance, staffing, and income (Roberts 2003, Scottish Museum Council 2005). The purpose in defining a museum, despite uncertainties about its parameters is that it helps to contextualise its historical role and purpose and the shifting salience of its stakeholders.

4.3 The museum's historical role and purpose

4.3.1 The museum's historical role and purpose (300 B.C. – 1918)

Jones (2000) suggests the first museum was the Alexandria library founded circa 300 B.C., however it was to be another 1,800 years before the idea of

the European museum emerged, often within universities. Their development was viewed as “an essential tool for, and as a result of, teaching and research” (de Clercq and Lourenco 2004:8), arguably still the policy that underpins the rationale for many museums. This explanation may identify its origins, but Weil (1997) contends that the museum in the modern sense emerged 250 years ago in Europe and 150 years ago in North America. The spur to the development of European museums was “The Enlightenment” with its emphasis on reason, science and a respect for humanity. The belief was that museums would welcome all visitors and be a vehicle for creating a more educated and enlightened society (Cossons 1999; McLean 1997; O’Neill 2006a). Access, however remain grounded in the values of self-improvement and reflected the curators’ ethos that museums were ‘temples’ of education, not enjoyment (McLean 1997). Curators emphasised scholarly research and an image of museums, as tombs of hushed whispers emerged, (Evans 1995; Hudson 1975; Kotler & Kotler 2000; O’Neill 2006; Tobelem 1997). As O’Neill (2006a) pointedly observes,

“They became committed to an ideal of knowledge and beauty for their own sake. From contributing to major discoveries such as the age of the Earth and uncovering evidence questioning the literal truth of the Bible, museums became increasingly preoccupied with confirming the provenance of objects and groups of objects so that they could feature in big stories about progress in science, history and the arts.”

O’Neill (2006a:96)

This situation developed, because one particular stakeholder; the curator had the power, the urgency and the legitimacy, characteristics missing from other potential stakeholders, notably the general public who lacked power and the government who lacked urgency. The public would continue to lack power until the twentieth century, because many were politically disenfranchised, a situation that would only be rectified slowly through a series of political acts widening the political franchise between 1832 and 1948. The public’s lack of power translated into a lack of public interest (Thompson et al 1992).

The French experience, by contrast, was arguably truer to the ideals of the Enlightenment. The French Revolutionary government regarded museums as a

political tool in its attempts to improve the nation's skills and raise productivity (Bradburne 2000). A similar view held by the Americans (McLean 1997). The British government by contrast, throughout Georgian and early Victorian society was largely ambiguous in its support for museums, although The Museums Act of 1845 suggested a greater political involvement. McLean (1997) contends it was the success of The Great Exhibition of 1851 that opened the government's eyes to the educational and social value of museums, but also its wider political benefits; a view that was embraced by many other European governments. Despite increased political interest, Victorian governments viewed museums more as a matter of concern for individual or collective development, rather than state intervention, partly for ideological reasons, and partly a desire to restrain public expenditure. This philosophy and practice allowed the curator to remain the definitive stakeholder through out the nineteenth century (Barr 2003; McPherson 2006; Swinney 1998). Curators were therefore in a position to maintain a sense of exclusivity with rules and regulations (Lennon & Graham 2001), even though these mechanisms alienated and intimidated many users. McLean (1997) believes that many in society viewed museums as places of 'awe and intimidation rather than learning', evidence that this perception was arguably grounded in fact is expressed in a written statement by Sir Henry Meirs in 1928, a trustee of The British Museum.

“...most people in this country do not really care for museums or believe in them; they have not hitherto played a sufficiently important part in the life of the community to make ordinary people realise what they can do ...how dull many of them have become and how low the worst of them have sunk .”

(Quoted by Lewis in Thompson et al 1992:39)

4.3.2 The museum's historical role and purpose (1918 – 1945)

Meirs' desire to re-invigorate museums reflected his concern that museums would become irrelevant to many in society, however wider socio-political events overtook any concerns about museum development. The Great Depression, followed by World War 2 and post war reconstruction all created a political and economic climate that prevented significant government involvement, however consumer interest emerged in the growth of regimental

museums during the inter war years (Lewis 1992). The creation of the Imperial War Museum and the proliferation of military museums proved popular. Two features emerged to explain their popularity; firstly, these museums displayed artefacts and portrayed events many customers had experienced during the Great War, and secondly the managers of these museums were ex-soldiers, rather than curators. Their philosophy was based on inclusivity rather than exclusivity, partly out of a desire to 'boast' about regimental prowess, but also as a means of encouraging recruitment (Miller 1998). This emphasis on the customer as a dominant stakeholder ironically presaged many developments in post war western society.

4.3.3 Museum's historical role and purpose (1945 – 1979)

The post War years heralded major societal and structural changes in the UK; changes that were experienced by many other western nations. Increased consumer prosperity, the emergence of alternative leisure pursuits and technological advances marked the shift in many western economies from a producer led economy to a consumer led society (Cooper et al 2005); yet many writers (Addison 1986; Bradford 1992; Cossons 1997; Evans 1995; Fopp 1990; Fopp 1997, Mason 1998, McPherson 2006) comment that British museums continued to be driven by a strategy that was "expertise driven, rather than customer driven" (Addison 1986). Even as late, as 2000 Kotler and Kotler (2000) could cite a director of The British Museum who argued, that expertise in scholarship and research were the primary functions of a museum.

An explanation for this continued focus on an expertise led approach lay in the high degree of autonomy enjoyed by curators, as well as a deferential regard for their technical skills (Abraham, Griffin & Crawford 1999). The power and legitimacy enjoyed by this stakeholder meant many curators were reluctant or unwilling to change, because they perceived that change would dilute curatorial research and therefore their power and legitimacy. This experience mirrors many other organisations, where groups or individuals view change as implicitly challenging their salience, consequently they actively thwart change (Boddy 2005; Mullins 2005).

4.3.4 The museum's historical role and purpose (1979 - 1990)

The curators' ability to dictate museum policy and practice were shaken by the election of Mrs Thatcher's Conservative government in 1979. Her election marked a major political change within the U.K., although this event coincided with a number of macro and micro changes, all of which challenged the dominance of the curator. Political, economic, social and technological forces combined with sectoral changes to create an alternative stakeholder axis, which aligned the consumer and the government in opposition to the curator. The arrival of Mrs Thatcher's Conservative government with its emphasis on 'smaller government' and lower taxes witnessed a period of reduced government funding and greater emphasis on the market to solve problems. This development was given added impetus by the election in 1980 of Ronald Reagan, as president of the United States of America: a man whose political opinions, like Margaret Thatcher, had been strongly influenced by Milton Friedman and the neo-classical school of economics.

It can be argued that other macro events were already happening or would have happened, irrespective of political developments in the UK or USA. These developments, notably technological and social affected the museum sector. Changing consumer expectations based on a willingness to challenge and demand improvements spilled over from the commercial environment into the museum sector (Hooper-Greenhill 1996, Rintoul 2002). Customers now expected better service and quicker responses to their demands. Demographic change was also occurring, as immigrants from Asia, Africa, Latin America and the West Indies came to make up an increasing percentage of many western societies. This led many immigrants or descendants of recent immigrants to question the purpose of museums, since they regarded them as Euro-centric and irrelevant to their needs and expectations (Falk 1995). A sentiment that found similar expression amongst lower socio-economic groups who regarded museums as divorced from their experiences or histories, and simply the preserve of a socio-economic elite (O'Hagen 1995).

Against this backdrop of change, the Conservative governments' ideology of the 1980s firmly believed that the market was the most effective and efficient solution, in meeting the needs and expectations of its stakeholders. The impact on public services was felt politically (Johnson 2003; McPherson 2006) and financially (Johnson 2003; Lennon & Graham 2001; Menzies 1989). Politically the state would now play a more limited role, and instead become an enabler and facilitator encouraging commercial and voluntary organisations to operate public services. The belief was that competition would result in better quality goods and services at lower cost. This political thinking found parallels, especially amongst other Anglo-Saxon economies: Australia, Canada, New Zealand and The United States of America.

This approach encapsulated a number of political benefits. It offered genuine local participation in areas seen as the domain of often distant government, even if locally delivered (Osborne & McLaughlin 2003). Furthermore these projects offered a means of reducing demands on the public purse. The concept envisaged government would provide a framework and an element of funding to support delivery by voluntary organisations, however Mackintosh (1992) posits that this relationship was not a partnership, but an effort to introduce local government reform.

It has been suggested (Johnson 2003; Lawley 2003; Lennon & Graham 2001; Moore 2004) that the arrival of Mrs Thatcher's Conservative administration marked not only a significant change in the way public sector, including museums operated, but also in the way they were funded. Many organizations were now required to find alternative sources of funding to supplement a static or declining public purse. This effect influenced the museum sector, but arguably, it was most keenly felt amongst local authority museums, as museums struggled to meet rising costs (Johnson 2003; Lawley 2003). It is a moot point whether these political developments encouraged or coincided with the expansion of independent museums in the U.K., but as McLean (1997) observed independent museums 'sprang up' during this period. Their creation was often driven by enthusiasts keen to preserve a local icon or event e.g. brickworks near Dalmellington, Ayrshire. These enthusiasts could be termed

social entrepreneurs and their philosophy differed from their counterparts in publicly funded museums. Instead of the collection, the customer was the focus. The customer was the major source of revenue, (Middleton 1990; Vergo 1989; Wilson 1989) therefore these independent museums provided goods and services that customers were willing to pay for, such as shops and cafes (Fopp 1990). Fopp contends that this philosophy created a clear set of aims and objectives which he articulates as (1990:10),

“The independent museums have had a powerful incentive to attract visitors and provide a display that invites inspection; they are obliged to earn income to pay all or part of their expenses. They had to attract an audience in order to survive – something totally new to the public sector. This new approach to the whole concept of running a museum has had a profound effect on the management techniques that are required of senior museum personnel in the independent sector.” (Fopp 1990:10)

The emergence of independent museums as a significant sectoral player within the UK in the 1980s forced national and local authority museums' to increasingly recognise the importance of the customer, partly for financial reasons, but also for political reasons (Evans 1995; Fopp 1990, 1997; Hooper-Greenhill 1994; Lennon & Graham 2001).

4.3.5 The museum's historical role and purpose (1990 – 2007)

The following Conservative administration (John Major 1990 – 1997) and subsequently the Labour government (Tony Blair 1997 – 2007) continued to encourage the voluntary sector to actively deliver public services to local communities (Osborne & McLaughlin 2003). Osborne & McLaughlin (2003) contend that the voluntary sector had become an invaluable partner in demonstrating 'innovation, efficiency and responsiveness'; furthermore they were often central to rural regeneration (Osborne, Williamson & Beattie 2002). Critics argue though their virtues and role were undermined by the requests and demands imposed by government as both administrations continued to focus on reforming the way public services and the public sector were managed, and by extension the voluntary sector. Falconer & McLaughlin (2000) maintain though there was a political difference in the way the two governments viewed the voluntary sector's role. The Labour government,

unlike its predecessor, recognised that voluntary organisations had a role in setting and managing policy, although Osborne & McLaughlin (2003) questioned whether this concept was more rhetoric, than deed.

This new 'managerialism' sought inspiration from the commercial sector in its attempts to satisfy government policies such as 'Best Value' policies (Chung 2005; McPherson 2006; Myers & Sacks 2003), which emphasised ideas of accountability, transparency, and value for money (Lawley 2003). Government sought to measure public sector performance using quantifiable data, particularly performance indicators, despite criticisms that organisations, such as museums are 'a creative and complex' amalgam, which should not be judged solely on visitor numbers (Mullins 2005b; 2003). Government has reinforced this linkage, by requiring museums to demonstrate practically, how and where policies for social inclusion and life long learning are occurring, if they wish public money (Barr 2003; Goulding 2000; McPherson 2006).

This political pressure to meet stakeholder expectations coincided with growing competition from the number of new museums opening (Moore 2004; Ryder 2000). This fear that there was over supply, paralleled the expansion of alternative leisure pursuits, such as shopping and visiting the cinema (Kotler & Kotler 2000; Lennon & Graham 2001; MLA 2004). A further competitive threat has been the increasing number of low cost airlines, which have offered millions of Britons the opportunity to sample museums and other leisure attractions abroad. Consequently, it has raised expectations, in terms of customer care, and the use of technology to entertain and educate visitors. The environment in which museums are operating and the pressures they face characterise other sectors of the economy, both commercial and not-for-profit, but museums have to find a source of sustainable competitive advantage, if many of them are to survive.

4.4 The size and scope of the United Kingdom's museum sector

Numerous policy makers, practitioners and critics have commented on the size and scope of the U.K.'s museums (DCMS 2006; Jury 2006; Museum Association 2002, 2006) and Scotland's museums (Scottish Executive

Cultural Commission 2005, Scottish Museums Council 2005). Data in 2001 suggested there was between 2,000 and 3,000+ museums in the United Kingdom. The 24 hour museum (2000) website sponsored by DCMS claimed there were 3,000+ museums, galleries and heritage centres in the UK, although the Museums Association (2000) estimated a lower figure of 2,500 museums in the United Kingdom, itself a figure that exceeded The Association of Independent Museums (2000) calculation of 2,000 museums. An alternative approach using 2006 data from each of the United Kingdom's four nations suggests a figure of 2,475 museums comprising 1,860 registered museums in England (Museum Association 2006), 435 museums in Scotland (SMC 2006), 38 museums in Northern Ireland (NIMC 2006) and 142 museums listed on The Welsh Assembly website (www.new.wales.gov.uk.) The evidence suggests however that there may be difficulty in creating a definitive British database, because some organisations may be reluctant to register, because of membership requirements, or a fear of disclosing information.

The debate surrounding the number of British museums nonetheless cannot mask the sector's economic importance. Travers (2006) estimated Britain's museums contributed £1.5bn to the economy. This figure is comparable, if pro rated, to a similar structured economy, such as Canada, which has valued its museum sector at CDN\$1.7bn (£700m) (Canadian Museum Association 2007). The economic importance of museums and the employment they generate through the multiplier effect has been cited frequently, but it has usually been framed within a local context (Travers 2006). National data is more limited, but from the data available, triangulation suggests a labour force of 35 - 40,000 full time UK employees (Scottish Museums Council 2002; Art Fund 2007). The Art Fund (2007) believed the figure may be an over estimation, since it includes employment categories such as I.T. and maintenance, and not just those that are museum-specific i.e. conservators and curators. It estimated the number of museum specific employees in the United Kingdom as 15,000. If the figure of 35-40,000 were scaled to a Canadian setting, on the basis that Canada's population and economy are crudely half that of the United Kingdom's, museum employment would suggest 17,500 – 20,000 employees, however the Canadian Museum

Association (2007) estimates Canadian museums employ only 10,000 staff. This difference may be due to data collection and interpretation, or more suggestive of the Art Funds' own caveats that data needed to distinguish between museum professionals and those employed in museums in order to have a better understanding of training needs.

4.5 The size and scope of Scotland's museums

The National Audit undertaken in 2001 recorded 435 museums in Scotland employing over 10,000 people, approximately half of whom were volunteers (Scottish Museums Council 2002b). Scotland's 435 museums can be categorised as follows; 164 Independent, 182 Local Authority, 45 University, 8 Military, 34 National, and 2 Other. Their governance reflects funding patterns and collection policies, for example, University museums receive the majority of their funding from universities and their collections to support university teaching and research. There is however significant local authority funding of independent museums (Scottish Museums Council 2002b), but calculating financially the museum sector's income is difficult, because of a lack of accessible data. But using 2003 data, Dunlop, Galloway, Hamilton and Scullion (2004) estimated that government directly or indirectly provided over £72m of financial support (Table 4.1). Dunlop et al (2004) estimated that this funding amounted to about 55% of the sector's income and indicated a sectoral income of about £145m, a figure, which would correlate to an extrapolated Scottish figure of £135m based on Travers (2006) calculations.

Table 4.1: Estimated public expenditure on museums and galleries in Scotland in 2003

	Total Expenditure (£M)
Local authority museums and galleries (1)	34.20
Scottish Executive (2)	37.20
Universities (3)	0.93
Estimated Total Expenditure	72.40

Source: Dunlop, Galloway, Hamilton and Scullion (2004)
Abridged from Table 16 The Economic Impact Of The Cultural Sector in Scotland

Notes:

(1) Scottish Executive, Scottish Local Government Finance Statistics, 2001-02 (Edinburgh, Scottish Executive National Statistics, 2003)

(2) Total Expenditure, National Galleries of Scotland and National Museums of Scotland (FAI/CCPR questionnaire).

(3) SHEFC Museums, Galleries & Collections Grant

Scottish Museums Council (2002b) identified 24 museum organisations, or 1 in 6 as having income in excess of £500,000, but it noted these organisations were statistically more likely to be national or local authority museums. These

figures explain the fact that Scotland's most visited museums are invariably national or local authority, and located in one of Scotland's four largest cities.

Visitor numbers in 2001 (SMC 2002c), the same year as the National Audit was undertaken reveal that the twenty five most popular museums were concentrated in Scotland's four largest cities: Glasgow, Edinburgh, Aberdeen and Dundee (Table 4.2). The most recent data (Appendix 7) indicates that four years later, the four largest cities' museums still dominate the rankings and that no museum outside these four cities has penetrated the top 10.

Table 4.2: The 25 most popular museums in Scotland in 2001

01 Kelvingrove Art Gallery & Museum, Glasgow, 1,031,138 visitors
02 Royal Museum and Museum of Scotland, Edinburgh, 684,769
03 Royal Scots Regimental Museum, Edinburgh, 510,000
04 Museum of Transport, Glasgow, 495,797
05 National Gallery of Scotland, Edinburgh, 482,064
06 Gallery of Modern Art, Glasgow, 437,409
07 National War Museum of Scotland, Edinburgh, 395,383
08 Dundee Contemporary Arts, Dundee, 334,725
09 Burrell Collection, Glasgow, 323,279
10 People's Palace, Glasgow, 298,339
11 Regimental Museum Argyll & Sutherland Highlanders, Stirling, 255,000
12 Aberdeen Art Gallery, 234,970
13 Museum of Childhood, Edinburgh, 211,979
14 Hunterian Art Gallery, Glasgow, 196,312
15 St. Mungo Museum, Glasgow, 194,663
16 Royal Scots Dragoon Guards Museum, Edinburgh, 175,000
17 Scottish National Gallery of Modern Art, Edinburgh, 169,493
18 Scottish National Portrait Gallery, Edinburgh, 168,737
19 Dean Gallery, Edinburgh, 143,674
20 Dick Institute, Kilmarnock, 120,178
21 People's Story Museum, Edinburgh, 85,902
22 McManus Galleries, Dundee, 80,883
23 Inveraray Jail, Inveraray, 79,113
24 Aberdeen Maritime Museum, Aberdeen, 77,279
25 Marischal Museum, Aberdeen, 70,697

Source: Scottish Museums Council (2002c)

The most popular museum outside Aberdeen, Dundee, Edinburgh or Glasgow was The Regimental Museum of the Argyll & Sutherland Highlanders, Stirling. This museum benefits from its location. It is housed in one of the most consistently popular tourist attractions in Scotland, Stirling Castle (VisitScotland 2003, 2005), and close to Edinburgh and Glasgow by motorway. Only two other museums outside these four Scottish cities appeared in Table 4.2: The Dick Institute, Kilmarnock and Inveraray Jail. It appears visitor numbers correlate to Scotland's four major urban centres; a correlation which is similarly noted within a U.K. context (MLA 2004; Selwood 2001).

The popularity of the museums listed in Table 4.2, however cannot disguise the reality, that nearly 65% of Scottish museums attracted less than 10,000 visitors in 2001 (SMC 2002b), and these visitor numbers help to explain why

the majority of Scottish museums had income of less than £50,000. These characteristics were particularly noticeable amongst the independent museums. This tendency towards the small-scale is replicated across the United Kingdom (Selwood 2001; Travers 2006), although it is more marked amongst Scottish museums. Scottish modal attendance, for example is 10,000 visitors or less, half the U.K. modal attendance of 20,000 (Selwood 2001). This skew towards the small-scale is borne out by employment statistics. Scottish museums' modal employment in 2001 was less than 10 employees, but this figure is distorted by a small number of national and local authority museums (Scottish Museums Council 2002b). For example, average national museum employees in 2001 were 334, a characteristic of a large business (Bolton & Thompson 2004). By contrast, Local Authority museums, Independent, University and Regimental museums more commonly employed 2-6 full time members of staff, a number more akin to micro enterprises. The reality is that modal employment levels amongst non-national museums is a mix of seasonal/part time/volunteer staff (SMC 2002b).

The facts suggest that a number of stakeholders have played a crucial role in the development of British museums, particularly government, staff and customers. This information is supported by quantitative data, however earlier criticism e.g. Jones & Wicks (1999); Winn (2001) argued that writers need to more rigorously defend their selection of stakeholders. The following sections are a response to this criticism, by mapping the attributes of Scottish museum stakeholders within Mitchell, Agle & Wood's (1997) typology.

4.6 Stakeholder theory within museum literature

In an increasingly turbulent environment, the relationship between an organisation and its stakeholders is central to its survival (Freeman 2001; Hillman & Keim 2001; Thompson & Martin 2005); but the museum sector's awareness of who are its stakeholders and what are their expectations appears limited to government and the consumer (Dodd & Sandell 2001; Gilmore & Rentschler 2002; Goulding 2000; Wilson & Boyle 2004). McLean (1997) and Ryder (2000) have attempted to produce a more comprehensive list of museum stakeholders.

McLean (1997) provides a more comprehensive list of museum stakeholders, than Ryder (2000), citing central and local government, business, the media, economic development agencies, museum organisations such as Museums & Galleries Commission, governing bodies, the staff, members, and volunteers, and society in general. However, McLean's (1997) discourse is framed within the context of a larger discussion about the museums' environment. The stakeholder identification process adopted by McLean (1997) and Ryder (2000) nonetheless helps to identify the sector's stakeholders. The weakness of this approach is that it fails to explain why a group or person is labelled a stakeholder. A weakness that is apparent in other tourism stakeholder literature e.g. Lewis & Newsome (2003); Marwick (1999); Poitras & Getz 2006).

The recurring weakness in museum literature, as well as much of the tourism literature is that discussion focuses on identification, rather than adequately explaining or assessing differences in stakeholders' salience. This repeatedly, descriptive use of stakeholding supports the criticism that stakeholding is being used simply, as a term to identify a group or individual. A more critical understanding of the stakeholder and its attributes would result in greater awareness of the theory's instrumental and normative possibilities, and ultimately better decision-making (Frooman 2002; Wicks & Jones 1999). This benefit arguably extends beyond museums, as the literature in chapters 2 and 3 has indicated museums are often seen as an example of both the not-for-

profit sector and the tourism sector. Furthermore, a number of Scottish museum stakeholders also influence other not-for-profit organisations, as well as tourism sector, for example government and the local community.

Stakeholder literature (Clarkson 1995; Freeman 1984; Wheeler & Sillanpää 1998) identifies a number of recurring stakeholder names e.g. customer. These stakeholders are similarly found in museum literature (Dunn 1998; McLean 1997; Miller 1998; Page 1994; Ryder 2000). Drawing on these multiple sources a list of primary stakeholders can be constructed in relation to Scottish museums: UK government as policy maker, legislator and funder; Scottish Executive as policy maker, legislator and funder; local authorities; Scottish Museums Council; visitors; boards of trustees; management; paid staff; volunteers; and community. The following section therefore explores more deeply Scottish museum stakeholders and their attributes within Wood, Mitchell & Agle's (1997) typology.

4.7 Stakeholders within Scottish museums

4.7.1 Stakeholder: UK Government

The government's position is complex, for it fulfils different and sometimes competing roles in its capacity as policy maker, legislator and funder. The following section discusses the UK government's various stakes.

4.7.1.1 Stakeholder: UK government as policy maker

U.K. government policy towards the museum sector has been historically limited, although since 1979 museums have experienced increasing government power and urgency, as part of wider public sector reforms (Cossons 1999; Lawley 2003; McPherson 2006; Moore 2004), a process experienced in other countries, such as France, Netherlands and U.S.A. (Cossons 1999).

These reforms have broadened, beyond one of new managerialism, to one that is more multi disciplinary in nature with a particular emphasis on social inclusion and life long learning (Dodd & Sandell 2001). The British

government views museums, as fulfilling a number of roles beyond their original core activities of collection and conservation. This belief is explicitly articulated in government documents e.g. DCMS 2003-6 strategic plan that urges museums to adopt a more integrative approach, by emphasising their multi-disciplinary benefits, such as: health, crime prevention and social inclusion (Dodd, O’Riain, Hooper-Greenhill & Sandell 2002; Dodd & Sandell 2001). Although Department of Culture Media and Sport policy is more relevant to England; its philosophy of ‘modernisation’, multi-disciplinarity, and ‘social inclusion’ arguably affect Scottish Executive thinking, because until May 2007 both the Westminster and Holyrood parliaments were dominated by the Labour party. Evidence of this cross border thinking is expressed in documents e.g. National Cultural Strategies, and speeches. The UK government’s attributes as policy maker suggest it is a discretionary stakeholder exercising power through its ability to influence Holyrood legislation. This will be particularly marked if the same party controls government in London and Edinburgh. The question arises what if different political parties are elected in Holyrood and Westminster?

4.7.1.2 Stakeholder: UK government as legislator

The UK government’s position as legislator provides it with the power, urgency and legitimacy to create and enact legislation, which explicitly and implicitly affects museums. The UK government has explicitly enacted a number of legislative acts relevant to museums, such as The Museums Act 1845 and more recently the Museums and Galleries Act 1992. These acts however, did not relate to Scotland and separate legislation was promulgated in respect of Scotland e.g. Libraries Act (Scotland) 1887, but since 1999 museum legislation has been devolved to The Scottish Executive.

The UK’s government impact since Devolution therefore lies in its generic legislation, in areas such as health and safety. The burden of implementing and complying with this legislation has affected museums, often disproportionately, because of the previously stated small-scale nature of their operations. Many museums find it difficult to resource these obligations, and consequently their experiences and comments mirror those found in the small

business literature (Anish & Karaoui 2003; Bolton & Thompson 2004; Deakins & Freel 2003). The UK government's attributes as a legislator mark it out as a dominant stakeholder, although its power is only felt after specific legislation is enacted e.g. Disability Discrimination Act. This power arguably wanes in many instances once the museum has complied.

4.7.1.3 Stakeholder: UK government as funder

The British government also has a stake in the museum sector, as an investor. Successive governments have recognised that museums and art galleries are examples of a public good, a product that helps to civilise and enlighten society (Johnson 2003); however, market forces are often unable to provide these goods at a competitive price. The failure of the market results in government intervention, either directly by providing the museum e.g. British Museum, or indirectly by subsidising others to provide a museum (Barr 2003; Barton 2000; Johnson 2003; O'Neill 2006a; Towse 2003; Sanz et al 2003). The paradox is society's claim to value public goods, yet the British electorate has shown a reluctance to fund them out of taxation, by repeatedly voting for parties espousing lower taxation (Barton 2000; Cossons 1999; McPherson 2006; Towse 2003).

The irony is that even when museums are not part of the public sector, they still retain their public good characteristics and are often financially unsustainable. Consequently, government has to intervene financially to maintain them. Sustainability is arguably, only possible if there is a large, accessible, educated, affluent population willing to pay the market price, and experience suggests this is questionable, given public disquiet and antipathy to paying admission charges (Bailey, Falconer, Foley, McPherson & Graham 1997, O'Hagen 1995, anon Guardian 2004). Alternatively, financial survival may lie in expanding its commercial activities to the point that they become the museum's core activities, thus creating tension between the internalists and the externalists (O'Neill 2006a).

Irrespective of the changing nature of funding, or political attitudes to museums as a public good, UK government through its various arms is still

the largest funder of museums (Gilmore and Rentschler 2002; Travers 2006; Wilson and Boyle 2004). The difficulty is that inflation has risen faster than government funding (Travers 2006); but government still maintains a grip on the way many museums operate, because of its funding position. Its salience does not affect Scotland directly. The U.K. government can be described as a dormant stakeholder salience, since it has power through its funding of the Scottish Executive by the Barnett formula; however it possesses, neither legitimacy, nor urgency, because museums are a devolved issue,.

4.7.2 Stakeholder: Scottish Executive

4.7.2.1 Stakeholder: Scottish Executive as policy maker and legislator

Since devolution in 1997 and the creation of the Scottish Parliament in 1999, museum policy has fallen within the wider remit of The Scottish Executive's Department of Tourism, Culture and Sport. The central tenets of the Executive's cultural policy emphasise social inclusion and economic benefit. These were articulated in its *National Cultural Strategy* (2000) – (Appendix 8).

Since its publication, its principles have been revisited in subsequent policy documents, but only marginally tweaked (Scottish Executive 2001, 2002, 2003, 2004). The original *National Cultural Strategy* reflected many Labour government ideals, in particular the emphasis on social inclusion, the role of education in improving the country's skill base and the need for Scotland to re-position itself as a value added economy using its creative industries, including museums to gain a competitive advantage.

"Preservation of our heritage is clearly one of government's key roles and we are keenly interested in the contribution this sector can make to wider priorities such as education, social justice, economic development and equality. This is in addition to the initial part which it plays in Scotland's attraction as a tourist destination."

Mike Watson 2002 (Scottish Executive 2002)

The use of a hard to copy inimitable resource, creativity, offers Scotland the opportunity to develop a competitive advantage within a resource-based perspective (Barney 1991). Museums supported this ambition, because it re-

emphasised their aim as places of learning and inspiration. This strategic aspiration was clearly promoted in the First Minister's speech on St Andrews Day 2003 (Scottish Executive 2003) which indicated that arts and the creative industries would enjoy greater political prominence. The thinking arguably demonstrated a Resource-Based View that an intangible resource, creativity, if sourced within a national setting could be imbued with a set of valuable and rare attributes, which made it hard for competitor nations to copy. The policy statement identified that in an increasingly global environment, Scotland's competitive advantage lay in developing its creativity, by using organisations, such as museums.

"I believe we should make the development of our creative drive the next major enterprise for our society. Arts for all can be a reality, a democratic right and an achievement of the 21st century.

I believe it has the potential to be a new civic exercise on par with health, housing and education - the commitment to providing and valuing creative expression for all."

Jack McConnell, First Minister St Andrews Day 2003
(Scottish Executive 2004)

Jack McConnell's words and Mike Watson's comments stand out though, as limited attempts to link the arts, including museums to a wider national strategy. Unfortunately, the repeated impression, since Devolution is that this vision has often been limited and instead the Scottish Executive has demonstrated a lack of power or urgency. Its political involvements is criticised for being too broad based (Hjul 2004; Miller 2002b; Montieth 2002; Russell 2001; Wade 2002; Wishart 2005) and the criticism is that when policy emerges it is vague, and clichéd. A Scotsman editorial in 2004 sardonically commented,

"Indeed, this document (Cultural Policy Statement) from the culture minister, Frank McAveety, marks less an advance on the Executive's last posturing than a relapse into control-freak clichés."
(Editorial The Scotsman 2004)

The lack of effective political policy mirrors the lack of ministerial continuity: five different ministers in the first seven years of Devolution. This political turnover has made it difficult to develop and sustain policy decisions, but it

also implies a lack of political interest and in a cyclical process, it may explain the lack of substantive policy and insufficient financial investment (Hjul 2004; Miller 2002b; Montieth 2002; Russell 2001; Wade 2002).

This lack of resources, especially financial is repeatedly cited as the cause of poorly maintained buildings, lack of research to support and preserve collections, and staffing levels too small to sustain multiple strategic objectives (Miller 2002a; Miller 2002b; Miller 2006; Montieth 2002; Wade 2002).

The above criticisms have dogged political policy and practice since Devolution, and the impression is that The Scottish Executive has spent too much time and effort, focused on operational, rather than strategic issues (Hjul 2004; Miller 2002b; Montieth 2002; Russell 2001; Wade 2002). The Executive's argument is that developing a strategy was problematic without a better understanding of the wider cultural sector. The Cultural Commission (Cultural Commission 2005) was an attempt to remedy this situation. The Commission's thinking is evident within the draft Culture (Scotland) Bill 2006 (Appendix 9).

Jamieson (2005), however contends that the Cultural Commission's thinking is overblown and driven by a bureaucratic mindset. It is a mirror image of Executive thinking to date. Sir Timothy Clifford, the former director-general of the National Gallery of Scotland went further, lambasting the Cultural Commission for its "neo-Soviet system" thinking and pre-occupation with "super-quangos" (Boztas 2005a). The weaknesses of the Cultural Commission's thinking has arguably translated into the subsequent draft Culture Bill, since similar criticisms of 'weak thinking' and 'timidity' abound, but also for ladling local authorities with multiple requirements and insufficient financial resources (Steel 2007). The Bill re-ignites the concern that government is pre-occupied with micro management. Joanne Orr, Director of SMC and John Leighton, Director of the National Galleries of Scotland have expressed reservations that the draft Culture Bill gives ministers the right to interfere in the day-to-day operations of cultural organisations, (Steel 2007).

Their comments reinforce the impression the Bill is about control, rather than enabling and developing Scotland's museums.

Arguably, the most significant museum initiative during Devolution has been the National Audit of Scotland's museums, which was set out in key priority 2.2 of the National Cultural Strategy 2000 to:

“Initiate a national audit of collections in the museums and galleries, beginning with the 'industrial' museums.”
(Scottish Executive 2000)

The decision to implement an audit presaged a review of government's museum strategy. Jane Ryder, then director of Scottish Museums Council admitted, that the lack of a database hindered policy;

“There is a growing understanding that policy in this area should be based on evidence and not just aspiration. Hopefully, we have the platform for both within the audit. We have to work out how we make the most of our resources, and how we can ensure the largest number of people get the benefit of our cultural resources.

Ryder, quoted by Wade 2002

The subsequent creation of a Scottish museum database offered the Scottish Executive the opportunity to develop strategic policy, but museum policy has been limited (Hjul 2004). The draft Culture Bill (2006) remains the only specific legislation offered, and this limited legislation and policy characterise the Scottish Executive as a discretionary stakeholder, since it possesses legitimacy, but little power, although it has the potential to be a dominant stakeholder.

4.7.2.2 Stakeholder: Scottish Executive as funder

The Executive's impact has emerged more in its funding patterns, rather than through policy and strategy. Scottish Executive funding per head of population is marginally higher in Scotland, than in Wales, Northern Ireland, or England (Galloway 2004), however its funding has been directed primarily towards national museums and 3 independent, industrial museums. General sectoral funding has concentrated on promoting ideas associated with public

sector reform, such as developing managerial competence e.g. Regional Development Challenge Fund. This financial input has enabled the Executive to covertly control the sector's direction, however the concern is that overall the Executive is failing to provide sufficient financial support to sustain Scotland's museums (Miller 2006; The Observer 2004) particularly when measured against competitor nations. Denmark and the Republic of Ireland spend £2.80 and £2.40 respectively on museums, compared to Scotland's per capita spending of 30p (McDougall 2003).

The other financial difficulty is that Scotland's museums, like most other countries' museums and galleries have experienced smaller funding rises than organisations related to the performing arts or sports (Cossons 1999; Galloway 2004). This 'Cinderella' existence explains criticism about the quality of museum buildings, collections and staff (SMC 2003), but the absence of a stakeholder with the power, the urgency or legitimacy to pressurise Scottish Executive to raise its funding levels has so far proved elusive. The Scottish Executive attributes mark it as a dormant stakeholder to the sector in general, although it is dominant in the context of national museums and the three independent industrial museums, because of the funding it provides to these museums. Its limited financial role within the wider setting has allowed more dominant stakeholders, such as customers and local authorities to influence Scotland's museums.

4.7.3 Stakeholder: Scottish local authorities

Scottish local authorities under section 14 of the Local Government and Planning (Scotland) Act (1982) are required to provide a museum, or a museum service (McPherson 2006; Scottish Museums Council 1998). This Act helps to explain the position of local authorities as the largest providers of museums in Scotland. The National Audit revealed that some of the most important collections in Scotland are held in local authority museums (Ryder 2002). Their popularity is demonstrated in Table 4.2 which revealed that 10 of the 25 most popular museums in 2001 were local authority operated, including Kelvingrove Art Gallery & Museum, Scotland's most popular museum. Local

authorities however, also play a critical role, in supporting many independent museums, both financially and technically.

The Scottish Museums Council (2002 National Audit) estimated that independent museums received 11 times more funding from Scottish local authorities, than from the Scottish Executive. Local authorities are often the second or third largest source of income to independent museums, although in some examples the local authority is the largest investor. Local authorities also provide technical support and this role is embedded in the draft Culture Bill (Scottish Executive 2006).

The problem for many museums and Scottish local authorities is that Scottish local government re-organisation in the mid 1990s left a legacy of difficulties for local authority and independent museums. The abolition of regional and district councils and their replacement with unitary authorities created diseconomies of scale and the disappearance of many museum departments, often a victim of spending cuts (Ryder 2002). The reality is that faced with the dilemma of which services to fund, local authorities opted to limit or cut museum investment, since it aroused less local antagonism (Boztas 2005a). Boztas (2005a) estimated that Scottish local authorities reduced funding by a sixth in 2004 and that what emerged was 'a patchwork of funding', as different local authorities' prioritised different issues. Roberts (2003) maintained this patchwork effect was evident in the data, which although based on 2002 figures, revealed Glasgow Council spent approximately £25 per head of population on culture, compared to Argyll Council's 18 pence per head of population.

These funding constraints have led local government to look at alternative mechanisms for delivering goods and services, especially in rural areas (Hartley 2002). One mechanism is a public service agreement. This agreement stipulates that in exchange for funding a non-local authority museum, the museum agrees to meet a list of requirements. This procedure allows local authorities to meet a number of central government obligations, such as social inclusion and life long learning. The benefit to the museum is

that it secures funding directly from the local authority and has been portrayed as securing the long-term future of museums (Boztas 2005b). The constraint may be that some museums will be reluctant to enter this kind of agreement, because they fear it will lead to political control and interference.

A more radical funding approach is to remove local authority museums from council control and instead establish them within a trust including independent museums. A number of commentators believe this procedure would remove the threat of political interference, and build a more entrepreneurial culture (Coutts 2007; Linklater 2007; McConnell 2007). Critics however maintain this idea is driven by financial expediency, and that inadequate start-up funds will create unsustainable museums (Garland 2007).

“The underlying issue however, is that museums are struggling financially and facing ‘death of a thousand cuts.’” (Garland 2007).

Collectively Scottish local authorities are a dominant stakeholder, because of their power and legitimacy. Their power lies in their financial support, a fact reinforced in some instances by their technical support. Their legitimacy lies in their mandate gained through the ballot box, which gives their decision making a moral legitimacy within the community. The abolition of regional authorities should have weakened the power of Scottish local authorities, because of funding constraints and the decline in technical support; however no other stakeholder has filled this vacuum. Evidence in section 4.7.2 demonstrates that the Scottish Executive has had limited impact since Devolution, whilst the Scottish Museums Council as will be argued in section 4.7.4 has seen its salience diminish.

4.7.4 Stakeholder: Scottish Museums Council

The literature (Born 2000; Masurel & van Montfort 2006; Lester, Parnell & Carraher 2003; Quinn & Cameron 1983) suggests that professional bodies, such as Scottish Museums Council have attributes that mark it as a dominant stakeholder. A professional body's power lies in its ability to confer legitimacy on an organisation. This stamp of legitimacy allows organisations to access resources such as funding or skills, from the professional body, but also critically from other stakeholders, such as investors. The Scottish Museums Council's own legitimacy derives from its position as a membership body representing the vast majority

of non-national museums. This legitimacy has won it increasing power from The Scottish Executive, as a strategic advisory body (Scottish Museums Council 2005). This salience is evident in Scottish Executive documentation e.g. *An Action Framework for Museums* (2003) which incorporates much that is SMC's own thinking; regional development posts, funding of the three industrial museums, and the strategic change fund. This evolution from a membership body to one centred on strategic planning is arguably inevitable, when 90% of Scottish Museum Council's funding is derived from the Scottish Executive (Scottish Museums Council Accounts 2002a), but it has produced criticism that this political, strategic role is incompatible with the Council's original brief as a membership body (SMC 2002d). Alternative suggestions have emerged for an over arching Scottish museums body in the form of a Scottish Museums Agency (Brymer 2002; McConnell 2002). This agency would act as a strategic organisation overseeing all Scotland's museums, but it would also provide funding to Scottish museums. The national museums oppose the idea, because they fear losing political influence. Others fear it would represent an additional tier of bureaucracy, which would have to be funded from membership fees (Ryder 2002). The debate reflects what is the role of government, especially in terms of funding (Roberts 2003)? The hope is that government will fund the sector without political interference; however, it appears The Scottish Executive is using its stake in the Scottish Museums Council to enact government policy e.g. social inclusion. Scottish Museums Council's role has become therefore overtly political, rather than technically supportive. The outcome is that the Scottish Museums Council's power and legitimacy is declining, as museums seek alternative sources of technical support, but its power to accredit museums still makes it a dominant stakeholder.

4.7.5 Stakeholder: Visitors

Evidence suggests that museums have become much more visitor-oriented as outlined in section 4.3.5. The outcome is that visitors have become a dominant stakeholder exercising power directly and indirectly: directly through admission fees, and the purchase of museum goods and services: and indirectly as government has tied funding to government policies which focus

on the customer, such as social inclusion and life long learning. Customers are the major source of funding for independent museums, contributing nearly 60% of revenue in the form of admission charges and commercial activities (SMC 2002b). The four other governances; National, Local Authority, Regimental and University museums receive less than 15% of their income from visitors (SMC 2002b), nonetheless government and other funding bodies increasingly expect museums to demonstrate how funding will benefit the customer particularly in terms of lifelong learning and social inclusion (Heritage Lottery Fund 2007).

This emphasis within the UK over the last decade on social inclusion appears to have had positive results, with visitor numbers from lower socio-economic groups and ethnic minorities rising 15.2% and 60% respectively in the period 2002-04. (Travers 2006). Traditionally museum visitors have tended to be older, better educated, more affluent and often unaccompanied by children; characteristics that recur across time and space; UK (Davies 1999; Johnson 2003); Australia (Australian Bureau of Statistics 2003); New Zealand (Statistics New Zealand 2003); Republic of Ireland (O'Hagen 1995); and USA (Falk 1995).

The visitor profile to Scotland's museums echoes the above findings, that museum visitors are more affluent and more likely to have received a higher education (Scottish Arts Council 2002). One distinctive Scottish characteristic is spatial; Glaswegians are more likely to visit a museum than any other Scottish citizen, perhaps a reflection of the size and scope of the city's museums which are considered second only to London within the U.K. (Heal 2006), however irrespective of location, visiting a museum is motivated by a variety of responses.

Motivations for visiting a museum are complex, but a recurring list of themes occur; curiosity, a desire to gain general or specific knowledge, an opportunity to revive personal memories; a belief that attending a museum imbues the visitor with prestige, a social day out, to a place 'out of the rain', and an opportunity to eat and/or shop (Caldwell 2002; Dunn 1998; Farr 2000; Ford &

Mottner 2002; Goulding 2000; Moore 2004; MLA 2004; Newman & McLean 2004; O'Neill 2006; Prentice, Davies and Beeho 1997; McPherson 2006). Museums have accumulated plentiful visitor data, but there is criticism that there has been a managerial inability to use this information strategically (Caldwell 2002; Davies 1999; Reussner 2003). This inability to synthesise data and strategy may explain the ad hoc development of museums within the U.K., and Scotland specifically. The Scottish Executive (2003) has argued that independent museums have been guilty of limited or non-existent strategic thinking.

4.7.6 Stakeholder: Governing body

Museums are governed, either by trusts, or by limited companies, which although different legal structures are underpinned by the same principles. These principles articulate the museum's purpose and the means of achieving them. This role means that the board is the definitive stakeholder, since it has the power to set the museum's aims and objectives and the way it operates. Its legitimacy is legally enshrined in its trust deeds or memorandum of articles and because it possesses better information than other stakeholders do, it is aware of time sensitive issues (Mitchell, Agle & Wood 1997).

Voluntary boards of trustees (Scottish Museums Council 2006) govern many of Scotland's independent museums. The voluntary nature of the board can be viewed as a strength, since it encourages the committed and the enthusiastic, and arguably encourages the participation of a wider, more diverse group of people, more reflective of the community at large (Steane 2001). This often leads to boards being larger than in the commercial world (Babbidge 2002; Steane 2001; Guo 2007), which increases opportunities for networking and access to specialist skills (Guo 2007). It is also claimed that a larger board provides greater accountability and scrutiny (Babbidge 2002; Brown & Iverson 2004), an issue of global interest (Mardjono 2005) and evident in various British government initiatives, such as Best Value.

The difficulty in operating larger boards of trustees is they suffer from slow, conservative decision-making, a characteristic of many not-for-profit organisations (Cornforth & Edwards 1999; Johnson, Scholes & Whittington 2005). This arises because the board has to communicate and negotiate with a wider range of stakeholders than that found in the commercial world, and each stakeholder believes it has a legitimate stake in the decision making process. The other explanation is that limited or poor management information slows decision making, as the board awaits better information, before making a decision (Cornforth & Edwards 1999). Cornforth & Edwards 1999; Mordaunt & Cornforth 2004; Steane 2001 all state that poor managerial skills and competences hamper the governing body's decision-making, a characteristic that is said to exist within Scottish museums (Scottish Executive 2003; Scottish Museums Council 2002b; Scottish Museums Council 2006).

The legacy of inadequate managerial skills is a poorly structured or planned organisation, consequently decision making is limited and ultimately sustainability is jeopardised (Mullins 2005b). This is practically demonstrated amongst many Scottish museums (Scottish Executive 2003b, Scottish Museums Council 2002b, 2006). The strategic question facing Scotland's museum trustees is how to create a more sustainable future given their funding difficulties and low visitor numbers, as evidence suggests that many museums rely on staff goodwill for their continued existence (Moore 2004; Scottish Museums Council 2002b).

4.7.7 Stakeholder: Staff

Staff, within the museum sector comprises curators (managers), paid staff and volunteers, but like other not-for-profit organisations, their motivation and its consequences are more complex than that found amongst commercial organisations. Two features characterise this complexity. Firstly, staff is often more emotionally bound to the organisation, because of shared values; therefore, staff expect to play a more prominent role in organisational decision making (Johnson, Scholes & Whittington 2005). Secondly, not-for-profit organisations often employ significant numbers of voluntary staff, relative to

the entire workforce: but their motivation for working can differ from paid employees (Jones 2006).

The evidence suggests that museums are more aware of the need for managerial skills, but they still suffer from a skills gap (Scottish Museums Council 2002b, 2006). The Scottish Museums Council (2002b, 2006) particularly cites the shortage of I.C.T. and marketing skills, as a drag on performance, but also independent museums worryingly possess too few curatorial experts, which could have long term implications for the conservation and preservation of the collection. The other concern is that museums rely on seasonal or part time staff, and increasingly volunteers, as a cost control mechanism, but this staffing combination makes it difficult to coordinate a sustainable training regime (Scottish Museums Council 2002b). The outcome is a failure to develop sufficient skills and competences and a reluctance to invest, given the transient nature of many staff.

4.7.7.1 Stakeholder: Staff – Curator/management

The curators' traditional roles, as collector and scholar sustained their, positions, as a cultural gatekeeper (McPherson 2006). This position provided power and legitimacy, and when necessary the urgency to filter information between the consumer and the funder, often government, in effect curators were the nexus of control. This position particularly in publicly funded museums parallels other organisations where the agent's aims and objectives arguably supplant the principal's interests (Boddy 2005). This position emerges because the latter lacks interest, or the skills to monitor and motivate the former.

It was also sustainable within a museum context, because other stakeholders were either powerless or lacked legitimacy. A number of observers (Evans 1995; Fopp 1990, 1997; McPherson 2006) noted this position became less tenable during the 1980s; as customers became more assertive, and, funders more demanding. This required curators to adopt a managerial perspective to meet these expectations (Gilmore & Rentschler 2002; Goulding 2000; Kawashima 1998; Lawley 2003, Lennon & Graham 2001; McPherson 2006).

Schärer (2002:1) prosaically stated that the certainties that underpinned a curator's traditional role were disintegrating in the face of,

“authorities (who were) clamouring for managers – curators, who doubled as economists and were capable of finding sponsors, adept at public relations, able to “sell” exhibitions and organise all sorts of additional activities. “

This process was replicated in other not for profit sectors e.g. health, and education where managers were now expected to possess managerial rather than technical skills. Yet many curators were reticent about embracing managerial functions associated with the commercial world, believing the role to be the antithesis of conservation (Bailey, Falconer, Foley, McPherson & Graham 1997; Garrod & Fyall 2000; Graham 2004; Kawashima 1998). This sensitivity was particularly marked amongst national and local authority curators (Cossons 1999) and found expression in their opposition to admission charging (Kawashima 1998). Evidence suggests curators have accepted the need for a more managerial approach, but this has focussed on operational issues (Kawashima 1998; Gilmore & Rentschler 2002); strategic management skills are still limited (Roberts 2003; Ryder 2000, Scottish Executive 2003; Scottish Museums Council 2002). The concern is that strategic management skills need to be addressed if museums are to fulfil their aims and objectives, and explicitly this requires a better understanding of who are the sector's stakeholders (Reussner 2003; Selwood 2001), particularly if some stakeholders have been ignored or poorly managed, notably staff (Lennon & Graham 2001) .

4.7.7.2 Stakeholder: Staff - paid

There is a growing body of literature concerning the evolution of curators to managers, but analysis of paid employees has been more limited. The focus of interest has often been training (Graham & Lennon 2002; Lennon & Graham 2001; Roodhouse 1998) or one off issues such as stress (Kahn & Garden 2004). Any assessment of staff vis a vis their position as a stakeholder in shaping strategy has largely been ignored, although observers (McLean 1997; Moore 2004; Scottish Museums Council 2002b) note their importance in shaping museum strategy. This observation is made within the

context of museums' evolution, rather than within stakeholder theory. Staff has the power and legitimacy, and on occasion urgency to shape the organisation e.g. strike action (Jones & Wainright 2005). Staff salience emerges more noticeably amongst the National museums and larger Local Authority museums, since these museums have large numbers of paid employees who have the ability to allow, deny or hinder access to the artefacts (Scottish Museums Council 2002b). By contrast, independent museums with limited exceptions employ few full time employees, often no more than 6, depending on the season. Their attributes mark it as a dominant stakeholder, but its power is less marked than volunteers.

4.7.7.3 Stakeholder: Staff - volunteers

British data suggests that volunteers are aged over 60 and often retired (Holmes 2003) and tend to be male, although Holmes (2003) contends that gender make-up is more a reflection of the theme, than a gender bias towards volunteering *per se*. This demographic profile contrasts American data (Eckstein 2001) which suggests volunteers are female, middle aged and more commonly found in small towns. Irrespective of their demographic characteristics, volunteers are economically and socially essential to many not-for-profit organisations. The Scottish Museums Council (SMC 2002b) estimate over half the Scottish museum workforce is volunteers and their role is invaluable in sustaining many museums, particularly in rural communities (Graham 2004). Two models explain the presence of volunteers: leisure, and economic (Holmes 2003).

The leisure model maintains people volunteer for a mixture of motives; altruism, a means of enhancing self-esteem, a desire to meet new people or learn new skills, a need to feel wanted, or simply to avoid boredom (Eckstein 2001; Holmes 2003; Tschirhart et al 2001). Boezeman & Ellemers (2007) explained volunteers enrol for a variety of reasons, but believed these motives could be categorised as affective or normative commitments, in effect volunteers are motivated by a need to emotionally bond and by a sense of duty. This contrasts paid staff who place greater emphasis on instrumental commitments, pay and reward.

This monetary perspective is absent from volunteers, because there is no pay and reward system, a prime motivator of paid staff, but not-for-profit organisations historically have viewed volunteers from a monetary standpoint. Not-for-profit organisations have regarded volunteers as a cost control solution to labour costs, but management traditionally expressed little interest in the management of volunteers, except for health and safety issues. This transactional relationship saw the volunteer as a discretionary stakeholder, legitimate, but with no power or urgency. It is argued that this position has changed (Boezeman & Ellemers 2007; Holmes 2003; Jones 2006); as organisations have come to appreciate the leisure principles underpinning a volunteer's participation, as well as the growing impact volunteers have on strategy.

These benefits are framed within a Resource-Based View. The volunteers' motivations for joining translate into an enthusiasm to acquire new skills and knowledge, but also a desire to meet and interact with other people. This mix can be a critical part of the visitor experience, and can provide a socially complex resource that is difficult to imitate. This source of competitive advantage can be reinforced within a museum context, because volunteers often have an oral knowledge of the community that is unrecorded, and therefore a difficult to imitate resource. Access to this knowledge gives the visitor a more personal insight into the community and a sense of rapport with the community. This dissemination of knowledge underpins another benefit to volunteers. Volunteers can act as advocates for the museum in the community helping to broadcast news and information (Gilmore & Rentschler 2002). In effect it is a resource that is difficult to imitate, since it is sourced in socially complex relationships, Jones (2006).

4.7.8 Stakeholder: Community

Writers, (Dodd, O'Riain, Hooper-Greenhill & Sandell 2002; McLean & Newman 2004; McPherson 2006) frame much of the literature about museums and the community within the idea museums seek to include the community in response to prodding by funding bodies. These perspectives

suggest a transactional exchange, rather than a relational exchange, yet the community's position as a stakeholder is more complex, because of the collection's tangible and intangible links to the community (Yeh & Lin 2005). It has been argued that museums can enjoy a deeper relational experience with the community particularly in rural and socially deprived areas (Wilson, Hall, Rankin, Davidson & Schad 2004).

This relational experience can be a source of competitive advantage. Tangibly the collection is a physical manifestation of the community's past, but its intangibility conveys a variety of emotional experiences and ideas about individuals in the community and the community at large. These emotional links bind the community and reinforce social connections within the community, for example photographic displays of previous generations of the community. These photographs help to physically portray ancestors of families often still within the community and show a connection between the past and present, but they show historical social connections between members of the community, connections that may still exist today. Emotionally museums can bind the community through artefacts, but also by transmitting ideas about the community's values to the wider world, for example hospitality in rural communities.

Museums can further reinforce community cohesion and develop it as a source of competitive advantage by actively sourcing artefacts in the community. Collecting artefacts from within the community can create a connection between the museum and the community donor. This can translate physically into visitors and financial donations, and intangibly into a supporter and promoter of the museum within the community. This joy of giving (Andreoni 1990; Menges, Schroeder & Traub 2005) suggests an inimitable resource which other museums and organisations find difficult to copy.

4.8 Summary

The aim of the research was to provide a picture of Scotland's museums entering the twenty first century. The literature charted the evolution of British museums and the influence stakeholders played in shaping museums; initially this appeared to be curators, but recently customers and government have become dominant stakeholders.

Reviewing the literature, however in the context of Mitchell, Agle & Wood's (1997) model suggests the definitive stakeholder is the board of trustees, since it possesses power, legitimacy and urgency. A group of dominant stakeholders possessing power and legitimacy exists, comprising the visitor, the community, and staff, although the governance determines which type of staff is salient. Curators and paid staff are dominant stakeholders amongst larger museums, often National or large Local Authority museums, whilst curators or a manager in combination with volunteers dominate smaller, often Independent museums. Scottish local authorities are another dominant stakeholder, because of their financial and technical importance to Local Authority and Independent museums, the two most common governances. A role that the Scottish Executive occupies in terms of National museums, but their financial impact across the sector is secondary to local authorities. The salience of Scottish Museums Council, although still dominant appears to be declining, because its technical capacity is diminishing. Finally the UK government as a legislator can be dominant on occasion, depending on the legislation e.g. Disability Discrimination Act (2005), but over time museums adapt to the legislation and its salience declines, until the next important piece of legislation emerges.

The process of identifying and determining the stakeholders' attributes, in relation to Resource-Based View is invaluable in understanding who influences Scotland's museums and why. The following chapter seeks to explain the research strategy necessary to scope the size and structure of Scotland's museums, its strategic environment and the relative importance of its importance.

CHAPTER 5: METHODOLOGY

5.1 Introduction

This chapter details the philosophy, strategy and methods used to investigate the research problem; an analysis of the influence of stakeholders on the strategies of independent, rural museums in Scotland during the organisational life cycle. The nature of the research problem and the absence of an accessible, definitive database as a starting point to investigate the problem required a two-stage process. The chapter reviews the nature of the problem and its relationship to the thesis' first six objectives, before considering and justifying the chosen strategy: a phenomenological approach. This strategy involved an exploratory stage to survey Scotland's museums and identify a typology for an in depth investigation, before using a multi-method approach to investigate Scotland's independent, rural museums. The chapter concludes by considering any possible ethical issues and the implications for the research approach.

5.2 *The nature of the research*

The aim of the thesis was to assess how stakeholders influenced museums' strategies during the organisational life cycle, since the literature review had variously noted that both stakeholding (Lewis, Hamel & Richardson 2001; Smith & Fischbacher 2005; Tsai, Yeh, Wu & Huang 2005; Winn 2001), and museum strategy (Gilmore & Rentschler 2002; Goulding 2000; Kawahima 1998) had attracted limited empirical research. In order to achieve this aim it was necessary to first scope Scotland's museum, as delineated in the thesis's first three objectives:

8. To analyse the characteristics that define museums in Scotland, particularly in the context of location and governance;
9. To determine who are the stakeholders of Scottish museums and their relative importance, particularly in the context of location and governance;
10. To examine the environment in which Scotland's museums operate, particularly in the context of location and governance;

Scoping the sector allowed the researcher to collect and analyse data regarding Scotland's museums; but more particularly it identified a typology

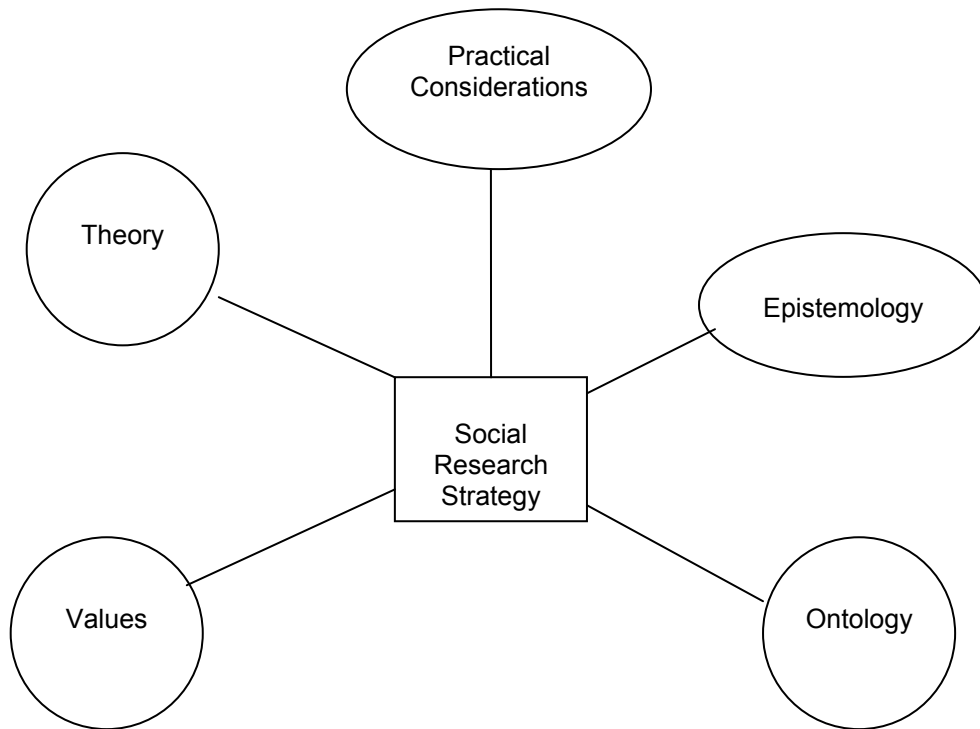
for more critical investigation (Denscombe 2003); independent, rural museums, as defined through objectives four to six:

11. To evaluate the environment within which individual independent, rural, mainland Scottish museums operate;
12. To assess the salience of stakeholders in mainland Scotland's independent rural museums;
13. To examine critically how mainland Scotland's independent, rural museums develop strategy in relation to their stakeholders within the organisational life cycle;

5.3 Research philosophy

Bryman (2004) maintains social science research is an attempt to explain observed regularities, within a limited domain (Punch 2003), a view echoed by May (2001), although he contends it is specifically about observing human behaviour. Blaxter, Hughes & Tight (1997, 2001) nevertheless pithily comment, that whatever the aim of the research, it is frequently messy and irregular, often characterised by frustration and blind alleys. Social science research encompasses a variety of perspectives and methodologies (May 2001), however Bryman (2004) argues the choice of research strategy is framed by five variables; theory, epistemology, ontology, values and practical considerations (Figure 5.1).

Figure 5.1: Influences on Social Research



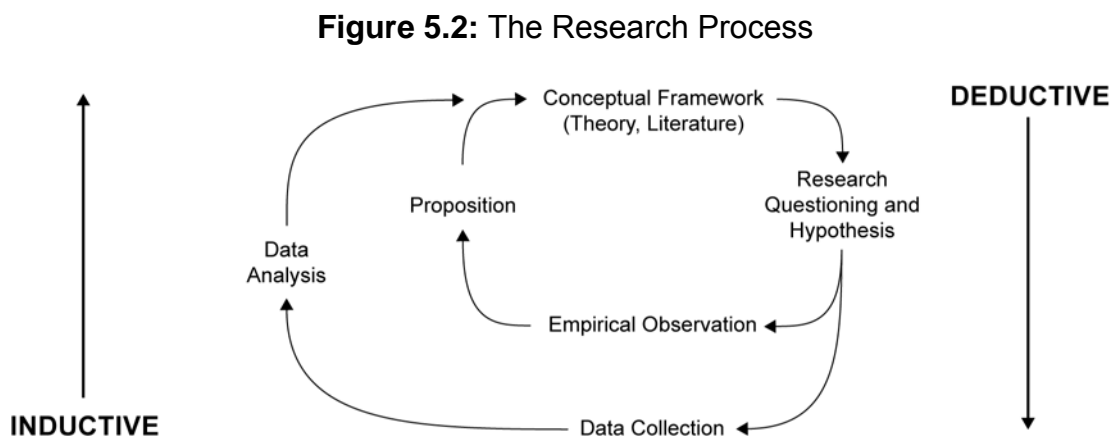
Source Bryman 2004:21

This model guided the two phases of the thesis's research strategy which underpinned the need to generate ideas from data collected and analysed.

5.3.1 Theory

Bryman (2004) argues that social science research should be guided by the relationship between the theory and the data required, and whether the 'data are collected to test, or to build theories', (Bryman 2004:5). This philosophy determines either a deductive, or an inductive approach. The former approach seeks to test hypotheses by collecting data, analysing it and consequently confirming or rejecting the hypotheses. This approach suggests a fixed, linear series of stages with a clear start and end (Blaxter, Hughes & Tight 2001). However, sometimes research is under theorised or lacks empirical evidence and an inductive approach is more appropriate, since it allows ideas and theory to be generated from the research data (Blaxter, Hughes & Tight 2001). An inductive approach requires the researcher to adopt an iterative approach by visiting and re-visiting links between the data and the theory.

These two approaches can be viewed in Blaxter, Hughes & Tight's (2001) model (Figure 5.2) which shows the connection between the deductive and inductive approaches.



Source: Blaxter Hughes & Tight (2001)

A deductive approach has been commonly associated with quantitative data; by contrast an inductive approach tends to use qualitative data, but this is not a definitive rule. It is noted that increasingly researchers are combining approaches that generate both quantitative and qualitative data to develop a richer understanding of the issue being investigated (Bryman 2004; Eldabi, Irani, Paul & Love 2002; Punch 2003).

The research problem identified in chapter 1 identified that stakeholder theory suffers from a lack of empirical research, especially within the not-for-profit sector. Similarly museum literature demonstrates that there are gaps in the knowledge, particularly in relation to Scottish, rural museums. The limited empirical work in these two fields: stakeholding and Scottish museums encourages an inductive process, but in adopting this process, it is necessary to consider the epistemological and ontological stances that will support it.

5.3.2 Epistemology and Ontology

Epistemology is concerned with framing knowledge (Bryman 2004) and can be viewed, as designed either to test an hypothesis, or to interpret meaning. The former is frequently associated with a deductive approach, whilst the

latter favours an inductive approach from which meaning and events are drawn (Marshall & Rossman 1999; Denscombe 2003; Eldabi et al 2002; Neuman 2004). Central to this approach is the perspective of the subject, rather than the observer, therefore there is greater focus on the meaning and context of events, rather than the researcher hypothesising that the social world can be reduced to a universal approach (Marshall & Rossman 1999; Denscombe 2003; Eldabi et al 2002; Neuman 2004).

Ontology considers what is the form and nature of reality, and whether reality is separate from social actors or influenced by social actors. One perspective, objectivism regards social phenomena and their meaning as separate from social actors, by contrast, constructivism argues that social actors interact and influence social phenomena. The former emphasises a quantitative methodology, the latter a qualitative methodology.

Bryman (2004) suggests that these theoretical, epistemological and ontological considerations guide the choice of research strategy towards either a quantitative or a qualitative research strategy (Table 5.1). The table indicates that a qualitative research strategy supports an interpretivist, constructive stance, because of the limited empirical research and need to understand how social actors interact

Table 5.1: Fundamental differences between quantitative and qualitative research strategies (Bryman 2004)

	Quantitative	Qualitative
Principal orientation to the role of theory in relation to research	Deductive	Inductive
Epistemological orientation	Positivism	Interpretivism
Ontological orientation	Objectivism	Constructivism

5.3.3 Values

Triangulating and understanding data, as well as the entire research process will be imbued by the researcher's values, although within a strongly positivist viewpoint, it is claimed this should not occur; however it is acknowledged that a researcher's values do intrude (Blaxter, Hughes & Tight 2001). It is critical

though that the researcher forewarns the reader of any potential bias, and constantly monitors his/her approach, and where necessary remedies it.

The researcher accepts that a motive for choosing this research stemmed from his involvement as a director of an independent museum. His experiences in the beginning helped to frame the research question, but none of the museums surveyed were known to the researcher prior to the survey, except in a few cases as a customer. Furthermore he had not been involved in other museum research, prior to this doctoral research and therefore had had no prior contact with the sample.

5.3.4 Practical considerations

Bryman (2004) argues that ultimately research has to be feasible, but it also has to be achievable within the resource constraints of time, effort and finances. The spectre of cost was an issue given the inductive nature of this research and geographical spread of museums. Blaxter, Hughes & Tight (2001) maintain that costs can easily escalate, particularly as this research involved two phases of fieldwork; a postal questionnaire undertaken in 2001, followed by a series of interviews in 2005. A spreadsheet was kept to monitor costs.

5.4 Research Strategy

The five variables discussed previously, coupled with the aim and objectives of the thesis favoured a research strategy that examined stakeholders' experiences of their roles in influencing museum strategy. This requires the researcher to investigate the perspectives of various stakeholders, out of which an understanding can be constructed of how these experiences influence museum strategy. Marshall & Rossman (1999) quoting Gall, Borg & Gall (1996) describe the approach that concentrates on an individual's lived experience as a phenomenological approach. A phenomenological strategy favours subjective interpretation, rather than statistical analysis and is especially suited to researching people's perceptions, attitudes and feelings (Denscombe 2003; Gronewald 2004); in this research the issue of

stakeholders influence on independent, rural Scottish museums, particularly in relation to strategy

It is further observed that a phenomenological strategy is appropriate where the researcher has an empathy and understanding of the topic (Mann 2007; Saunders, Lewis & Thornhill 2007); it has frequently been applied within an education and business context (Denscombe 2003; Gronewald 2004). A phenomenological approach emphasises the respondents' roles in shaping their environment. These events provide the basis for interpretation, but because the researcher has a shared understanding of similar experiences lends a degree of empathy to them. These experiences however acknowledge that there are multiple interpretations of reality, because each respondent perceives events differently, and therefore views the world differently. It is by combining these narratives; the researcher can build a more nuanced, complex image of the world.

It is argued that museums reflect a socially constructed creation and like other organisations mirror various stakeholders' inputs, beliefs and values, but the contention is that invariably only management's beliefs and values are sought during social science research (Haddadj 2002; Mullins 2005). The consequence is that management theory is rooted solely in management's perceptions to the detriment of organisational theory (Haddadj 2002). The decision therefore to use a phenomenological approach strengthened the need to interview a variety of stakeholders. The result would be a richer, more complex picture, which would ultimately lead to a better understanding of museum strategy, and arguably lead to better management decision making. However, the need to first scope Scotland's museums determined the need to generate data out of which a particular typology could be selected. The use of a multi research approach is supported by literature (Amaratunga, Baldry, Sarshar & Newton 2002; Bryman 2004; Denscombe 2003; Neuman 2004), which argues this mixed approach allows data to be triangulated and better understood.

5.4.1 Exploratory stage – Survey Scotland's museums

The decision to use a phenomenological strategy framed a multi-method approach in order to gain a deeper insight into independent, Scottish rural museums, both collectively and individually. Initially this involved a postal questionnaire to scope Scotland's museums, before employing interviews to collect stakeholders' experiences of strategy amongst independent, rural museums. This strategy recognises that by combining multiple methods the researcher can overcome a method's potential flaws (Bryman 2004; Denscombe 2003).

5.4.2 Survey Scotland's museums – postal questionnaire

The need to investigate a particular typology more deeply had to be framed within a robust paradigm, but the difficulty facing museum research in Scotland in the late twentieth century was the absence of an accessible, definitive database to frame this paradigm. A fact acknowledged by Scottish Museums Council in its own strategic plans when it identified the need to survey the country's collections (SMC 1999).

A number of survey instruments exist to collect data, however the population's geographical spread and the need to capture data within a limited time frame indicated a postal questionnaire was the most appropriate method in 2001 (Amaratunga, Baldry, Sarshar and Newton 2002; Black 1999; Blaxter, Hughes & Tight 2001; Bryman 2004; Denscombe 2003; Eldabi, Irani, Paul & Love 2002; Punch 2003). Alternative survey instruments such as face to face interviews would have been time consuming; faxing questionnaires suffered from the problem that many museums did not have a fax machine, and an online self completion survey using email addresses was flawed, because at that moment in time; January 2001 not all museums had a publicly available email address. A postal questionnaire was therefore the most practical instrument to map such a spatially distributed population (Denscombe 2003).

This section critically examines the strengths and weaknesses of postal questionnaires, and its application in museum research.

5.4.2.1 Postal questionnaire

A number of advantages are cited for postal questionnaires, notably easier data collection and analysis, plus lower costs. A postal questionnaire allows large populations to be surveyed more efficiently than other instruments, such as face-to-face interviews, or telephone interviews (Black 1999; Denscombe 2003; de Vaus 2004; Neuman 2004), because the data can be collected simultaneously from a sample, thus providing a snapshot of its characteristics and opinions at a moment in time. This approach removes the possibility of time being a cause of variations in characteristics and opinions. Using a self administered questionnaire within a specified time frame, also allows the respondent the freedom to complete the questionnaire at his/her own pace and discretion, a considerable advantage when many museums are only open for limited times, and therefore access is difficult to arrange and co-ordinate.

It can also be contended that a postal questionnaire reduces the opportunity for subjectivity entering into the data collection, since the researcher's absence removes any form of verbal or non verbal communication that may skew the respondent's answer. Other possible benefits using this data collection is that it offers an ethical check, since it provides the respondent the right not to respond, there by reducing the possibility of direct offence.

A further advantage to using a self administered postal questionnaire is that it removes the need for the researcher to visit each participant separately and therefore removes travelling costs from the financial equation (Amaratunga, Baldry, Sarshar and Newton 2002; Black 1999; Denscombe 2003; de Vaus 2004). This was a critical consideration given the very limited budget available to map the sector and the geographical spread of museums from as far north as Tangwick Haa in Shetland, to Stranraer in Dumfries & Galloway, a distance of 400 miles north-south.

5.4.2.2 Limitations of postal questionnaires

It is recognised that that postal questionnaires contain weaknesses, therefore the researcher needs to minimise these problems, if the data are to have any veracity (Black 1999; Denscombe 2003; de Vaus 2004; Neuman 2004).

Postal questionnaires suffer from poorer response rates than other survey methods (de Vaus 2004) which can question the findings' validity (Neuman 2004). Responses rates as low as 5% have been recorded, although Denscombe (1999, 2003) cites 15% as a norm, and de Vaus (2004) and Black (1999) suggest 20% is achievable. A variety of reasons can explain a poor response: over long instrument, poorly worded questions, inappropriate terminology, a topic that does not interest the respondent, and an inaccurate database

All of these reasons alone or in combination can explain a poor response, but other difficulties encountered with postal questionnaires can include delays in receiving responses, and critically even when questionnaires are completed and returned, sections may be omitted or misunderstood, an experience acknowledged by Scottish Museums Council (2002b) during The National Audit. Additionally a postal questionnaire, unlike face-to-face interviews or telephone interviews cannot provide instant feedback to queries or problems. It is, therefore important to spend time and effort, preparing and testing the questionnaire before posting (Black 1999; Bryman 2004; de Vaus 2004).

A further limitation of the self-administered postal questionnaire is that it favours closed, tick box questions, rather than open ended questions which encourage richer answers which can explain the causes of human action or behaviour. The tendency to use closed questions reflects limitations of time and resources, particularly for the respondent (Black 1999; Denscombe 2001, 2003; Neuman 2004).

It is repeatedly stated that a postal questionnaire can be a successful method of surveying a population, if the questionnaire contains clearly worded, unambiguous questions presented in a logical manner, that have been rigorously tested (Black 1999; Brymer 2004; de Vaus 2004; Denscombe 2003;

May 2001; Neuman 2004). Other mechanisms have been cited as a means of improving response rates, including: hand writing the envelope containing the questionnaire (de Vaus 2004), offering a prize (Black 1999), providing a covering letter explaining the purpose of the research and contact details (Brymer 2004), limiting the length of the questionnaire to a maximum of four sides (Black 1999), and finally, sending reminders to the sample (May 2001).

5.4.2.3 Postal questionnaires in museum research

Postal questionnaires have proved a particularly popular research tool amongst, both academics (Garrod & Fyall 2000; Griffin & Abraham 2000; Massey & Lewis 2003; Slater 2004; Yeh & Lin 2005), and practitioners (Scottish Museums Council 2002b; South West Museums Council 2001; West Midlands Regional Museums Council 2000), as a method of collecting data. Explanations for their popularity have variously been cited; including topic suitability (Garrod & Fyall 2000), the scale and size of the project (Lennon & Graham 2001), plus a combination of the two elements; topic suitability, and scale of project (Miller 1998). However Griffin & Abraham (2000), Massey & Lewis (2003) and Yeh & Lin (2003) offer no defence for their use of a postal questionnaire.

Two Scottish studies that have specifically used a postal questionnaire are Lennon & Graham (2001) and The Scottish Museums Council (2002b) for its National Audit. Lennon & Graham (2001) used a multi-method approach, including a postal questionnaire to evaluate labour market characteristics. The Scottish Museums Council (2002b) acknowledged that its National Audit methodology mimicked other museum mapping exercises e.g. South West Museum Services, but it argued that its method, a postal questionnaire was chosen, because of the scale and scope of the project, but also because it offered a more objective method to data collection and analysis.

5.4.2.4 The National Audit: A collective insight

It is worth noting the research process undertaken by Scottish Museums Council's National Audit (SMC 2002b), because of the similarities in aim and

objectives, and because it was done concurrently to this doctoral research. The Scottish Executive's (Scottish Executive 2000) decision to audit Scotland's museums was an attempt to improve its decision making. During May-June 2001 The Scottish Museums Council surveyed Scotland's museums using an identical research method to this doctoral thesis: a postal questionnaire. The focus of the questionnaire's design was the size and importance of the museums' collections, but the survey also sought to gather data relating to organisational characteristics and issues, including staffing, visitor numbers and funding.

SMC received useable data from 435 museums representing 170 organisations; a further twenty two organisations provided information that was partially useable. This response rate, 76%, was a much higher percentage than traditionally found with postal questionnaires (de Vaus 2004) and is acknowledged in the National Audit. Various explanations have been offered (Scottish Museums Council 2002b); including the design and layout of the questionnaire, the rigorous pre-testing, and a research topic that interested many respondents. The National Audit team also acknowledged that they made repeated efforts to contact non-respondents to maximize the response rate. It was acknowledged, however off the record a possible reason for the high response rate was the perception that non-participation would subsequently 'count against' a museum in terms of funding, although there was no suggestion of compulsion or coercion to participate by Scottish Museums Council. The Scottish Museums Council (2002b:13) noted that 'extensive data cleaning' was required to check for gaps, inconsistencies and inaccuracies before analysis could begin. The explanation offered was one of good practice.

5.5 Survey Scotland's museums – data collection

The following section explains the design and application of the postal questionnaire used to survey Scotland's museums, and the need to create a museum database to which to send a postal questionnaire.

5.5.1 The creation of a database

The difficulty facing museum research in Scotland in the late twentieth century was the absence of a definitive database, a fact acknowledged by Scottish Museums Council in its own strategic plans when it identified the need for an audit of the country's collections (SMC 1999). The absence of a definitive database necessitated the creation of a unique mailing list. The list was drawn from the SMC's website (www.smc.org.uk) and an alternative database recommended by one of the supervisors 24hourmuseum (2000). The Scottish Museum Council's database identified 335 museums, whilst 24 hour museum database listed 341 museums. These two databases included one museum registered twice on the SMC database and four museums registered twice on 24hourmuseum database. Further examination of these two sites revealed 279 museums and galleries common to both databases. This meant that of SMC's 334 museums, 55 museums were unique to its database, and of 24hourmuseum's database, 58 museums were unique to it, thus totalling 392 museums in Scotland (Appendix 10).

Explanations for the variation in the two databases can be found through closer investigation. For example amongst the university museums, Aberdeen and St Andrew's universities record 14 entries on the 24hour museum database, yet only three entries for the two universities are logged on the SMC database. 24 hour museum also recorded 10 council administrative museum departments which are unrecorded on SMC's database. Other differences included two museums that were closed, but still appeared on the 24hourmuseum website. The difference in numbers can in part be attributed to factors above, but also to the different way in which museums are entered on the respective databases. The 24hourmuseum website places the onus on museums to check and maintain their details, by contrast, museums have to be registered as either an associate member or a full member before they can be entered on the SMC's website, and inevitably, these two different approaches will lead to omissions, double entries, and duplication (Appendix 10). The database's creation allowed a questionnaire to be posted.

5.5.2 Design of Postal questionnaire

The questionnaire (Appendix 11) consisted of 21 questions, of which 20 were closed questions; the twenty first question was open ended. More open ended questions had been considered, but it is recognised that open ended questions are time consuming for the respondent to complete and therefore a disincentive to participate (de Vaus 2004). Discussions with the supervisory team also commented that museums were suffering from questionnaire fatigue; an observation also noted by Scottish Museums Council (2002b) and therefore the questionnaire would need to be rigorously tested, if it was to achieve a satisfactory response.

The questionnaire's structure followed guidelines set out by Black (1999); Blaxter, Hughes & Tight (1999); Denscombe (1998) and May (1997) who posit that questions should be worded in an unambiguous manner. A covering letter explaining the purpose of the questionnaire and listing the researcher's contact details was also included. This allowed a respondent an opportunity to verify the researcher's details, but also provide a point of contact if a respondent wished clarification of any of the questions. The covering letter guaranteed the respondent's anonymity to encourage him or her to freely express their thoughts and opinions. This discretion can establish a framework of trust and confidence between the researcher and the respondents. This is vital in any research where there is no historical relationship between the two parties (Black 1999). This questionnaire was then rigorously piloted before posting to the museums and galleries listed on the database.

5.5.3 The Pilot Study

A pilot study was undertaken to test the validity of the questionnaire, as well as terminology and appropriateness. Numerous studies have indicated that a pilot study is essential to establish whether subjects understand instructions, to assess how long the questionnaire will take, and whether the measures are reliable (Breakwell, Hammond and Fife-Schaw 2000; Bryman 2004; Neuman 2004; Rom and Rohde 2006),

The pilot involved four iterations. The first draft was commented upon by the supervisory team who identified the need to better explain the purpose of the questionnaire in order to encourage participation. Following the subsequent re-draft the questionnaire was piloted on five museums (Table 5.1). The pilots were chosen on the basis of accessibility and alignment to museum typology and involved one pilot per governance classification. In two cases the pilots were known to the researcher; University of St. Andrew, and Museum of Communication, whilst two other museum curators were approached through personal contacts who were researching Edinburgh based museums; Royal Scots Dragoon Guards, and National Museum of Scotland. A fifth museum, Kirkwall museum, which is a local authority museum, was recommended by practitioners within the sector, its selection also coincided with a visit to the islands making it possible to interview the curator. The five museums were piloted during summer 2000 (Table 5.2)

Table 5.2: Pilot museums used to test postal questionnaire

<i>Museum governance</i>	<i>Name and location of museum</i>
National	National Museum of Scotland, Edinburgh
Local Authority	Tankerness Museum, Kirkwall
University	University of St Andrews, St Andrews
Independent	Museums of Communication, Bo' ness
Regimental	Royal Scots Dragoon Guards, Edinburgh

The first pilot involved the Museum of Communication. Its selection was based on ease of access and knowledge of the museum. The museum had experienced an unusual history involving various powerful stakeholders who had critically shaped the museum's strategy, and these experiences it was argued would have a clear resonance to the questions being asked. The questionnaire was distributed to the museum's directors at a monthly meeting

and following forty minutes of comments, a number of questions were redrafted and a further iteration produced.

This iteration was then discussed with a second wave of pilot museums. Two pilot interviews were undertaken face to face (Tankerness, and St Andrews University) and two by telephone, because of difficulties in arranging mutually convenient times for interview.

Feedback from the pilots identified a small number of improvements including a question asking the person completing the questionnaire to identify their position (Q3), the contention being that in larger museums the curator often delegates the task of completing these questionnaires to a secretary who is maybe unaware of some of the strategic issues. Other fine tuning included rewording Q7 so that respondents would now tick the most relevant museum, as some museums may consider themselves as satisfying more than one typology e.g. independent and national. Discussion also recommended that the question asking curators to quantify how many artefacts the collection possessed be deleted, because many curators would be unable to answer it, because the time involved in calculating the collection would be considerable and would contradict the questionnaire's claim that it could be completed in five to ten minutes; ironically this question was the main thrust of The National Audit (Scottish Museums Council 2002b). The fourth iteration was laid out by a graphic designer to improve its visual aspect and in an effort to increase response rate; significantly the decision was made to incorporate the covering letter into the questionnaire's layout. This prevented the covering letter being lost and also meant that the researcher's name, phone number and email were easily accessible. The graphic designer also managed to reduce the questionnaire's size to four pages which Black (1999) recommends as a rule of thumb to increase response rates.

5.5.4 Response

A hand written envelope containing the questionnaire marked for the attention of the curator was posted. Initially 355 questionnaires were sent to museums in the week beginning 15 January 2001 accompanied by a pre-paid self

addressed envelope, asking respondents to reply by 2 February. Thirty-seven art galleries were specifically excluded following discussions with the research team, as it was considered there may be certain characteristics unique to this group of collections. The window for responses was deliberately kept short, 19 days, to encourage respondents to complete the questionnaire quickly. Ninety-five questionnaires were returned by 2 February, representing a 26.76% response rate. The 260 museums who had not responded were sent a further copy of the questionnaire on 19 February 2001, again accompanied by a pre-paid self addressed envelope. Sixty-one responses arrived by 9 March, a response rate of 23.46%. A third tranche of 37 questionnaires, this time aimed specifically at art galleries was sent on 20 May, eight were returned by 8 June, representing a 21.6% response rate. A total of 392 museums and art galleries were targeted of which 153 (39.03%) questionnaires provided useable data. The high response rate can be attributed to several factors including several iterative developments during piloting, a subject matter that appeared to resonant with respondents, and arguably certain fine adjustments, such as limiting the questionnaire to four pages and hand writing the envelopes.

Eleven questionnaires were returned unusable and included: five which cited closure: Wick (42) Scottish Rugby Museum (57), Bygones (91), Natural Philosophy Museum, Aberdeen (92) and Scottish Agricultural Museum (108); two stated lack of time, Fife Council Museums (88), and Inverkeithing Museum (103); one addressee had left, Kelso Museum (89); and three addressees were inaccessible; Sandhaven Mill (90) Weaver's Cottage (110), Oldmills Working Mill (111). Analysis of the reasons for these unusable questionnaires did not reveal any pattern in terms of governance or location.

5.5.5 Data analysis

Each questionnaire was given a unique sequential number based on date of receipt. The data from the 20 closed questions was entered using SPSS, or Excel. Question 21, an open ended question generated textual data. The data was codified thematically, using a S.W.O.T. matrix as a template. The responses were analysed using content analysis and three hundred and

twenty three discernible points were identified. These comments were then categorised into 16 second order themes and located within a SWOT matrix to help identify possible patterns and consider strategic issues within the museum sector.

The quantitative data generated descriptive statistics and a number of ANOVA one way analysis of variance tests were also run. The decision was made not to use Chi Square following testing, because more than 20% of the cells contained less than five responses (Denscombe 2003; Kinnear and Gray 2004; Kerr, Hall & Kozub 2003). This happened because the two independent variables, location and governance, had three and five categories respectively. It was decided in collaboration with the supervisory team that collapsing these categories would undermine the data's validity to determine, whether or not, governance or location was a key influence.

5.5.6 Limitations to the data

The questionnaires were scrutinised for inconsistencies and anomalies, and where necessary respondents were telephoned for clarification or details checked against the museum's web site. This process included disaggregating four questionnaires' data into individual museums, and re-classifying three National Trust museums as independent museums. Scottish Museums Council (2002b) stated that 'extensive data cleansing' was required prior to analysis in The National Audit, although no explanation was offered.

The questionnaires were examined to discover any recurrent flaws or weaknesses in the questions. The most significant problem related to question 7 (Figure 5.3). This question asked museums to identify which was most applicable to the museum:

Figure 5.3: Extract of postal questionnaire – question 7

7. Please tick the box which is most applicable to your museum

National

Local

University

Independent

Regimental

Other (please state)

Thirty museums misunderstood that governance was the purpose of the question.

A number of possible explanations can be offered for this misunderstanding, including the omission of the word, governance. Another reason may relate to The National Audit which was simultaneously occurring and which asked museums to classify their collection's importance in terms of international, UK, national, regional and local. It is suspected that some museums thinking of The National Audit rated their museums in terms of the collection's criteria rather than governance. Examination of the 30 museums (Appendix 12) which wrongly categorised their governance revealed that 10 museums had incorrectly labelled their museums as national, when in reality two of them were local authority, and eight independent. A further 20 museums identified themselves as local authority, when actually they were independent.

This confusion may arise, because many independent museums rely on national and local government for their funding, and therefore consider themselves, as much a national or local authority museum as an independent museum. These examples help to illustrate the reality that the neat classification of theory cannot always easily translate into practice when practitioners classify themselves according to financial practicalities, rather than documentary procedures. It may however have implications for the way that some museums strategise, since their strategy may be skewed towards the funder; national government or local authority.

The other observation to emerge, whilst reviewing the raw data, related to Questions 10 and 11 which asked museums to record their opening hours. The questions were answered, but the data proved to be exceptionally difficult to analyse, as almost every museum had a unique set of opening hours which varied by day, week, month and season. It was therefore decided in consultation with the director of studies to prepare only descriptive statistics, rather than any statistical tests for association.

Completion of the postal questionnaire in 2001 allowed the data to be analysed and particular typology identified and subsequently explored: independent, rural museums on mainland Scotland. The selection of this typology involved a phenomenological approach using interviews, as well as noted observations and secondary sources to examine people's perceptions, attitudes and feelings towards the issue of stakeholders' influence on the strategy of mainland Scotland's, independent, rural museums.

5.6 Phenomenological approach: mainland Scotland's, independent, rural museums

The primary method of data collection used to investigate the independent, rural Scottish museums was face-to-face semi-structured interviews with a range of stakeholders. This approach allowed interviewees to discuss their experiences of how they affect and are affected these museums, particularly in relation to strategy. Interviewing is fraught with hidden dangers (Denscombe 2003; Marshall & Rossman 1999, therefore to minimise these difficulties it is important to plan and prepare, this process included a series of pre-visit contacts, as well as visiting each museum twice in an effort to build trust and encourage the stakeholders to discuss openly their perceptions.

A number of stakeholder studies have used interviews as a method of data collection, including: Macfarlane & Lomas's (1999) small-scale investigation of lecturers' opinions on management education; de Araujo & Bramwell's (1999) exploration of stakeholders' opinions regarding a Brazilian tourism project. More recently it has been used to examine downsizing amongst

manufacturing companies in Taiwan (Tsai, Yeh, Wu & Huang's 2005), as well as service sector issues finance and healthcare (Smith & Fischbacher 2005; Carruthers, Ashill & Rod 2006). A particularly relevant study was a set of interviews undertaken by Stevenson (2004), investigating stakeholders' opinions about Historic Scotland's role in preserving the nation's built heritage.

These various studies demonstrated that stakeholder theory is especially suited to interviews, since it allows stakeholders to express opinions about their relationship with the organisation and how it affects them and they affect it (Carruthers, Ashill & Rod 2006; Stevenson 2004). This method allows a better understanding of the dynamics and subtleties involved in relationships, particularly as relationships differ between social actors (Denzin & Lincoln 1994; Denscombe 2003). These subtleties involving human relationships cannot be adequately explored through a quantitative approach.

5.6.1 Data collection

This section explains the data collection process, including the selection of a sample, and the fieldwork involved to research independent, rural museums in mainland Scotland.

5.6.2 The sample

Analysis of the 2001 postal questionnaire identified 32 independent, rural museums comprising 22 Scottish mainland museums and 10 island museums. Following discussions with the supervisory team, the decision was made on academic and practical grounds to focus on mainland museums. This decision supports Bryman's (2004) contention that research must be framed within what is desirable and what is achievable. Analysis of the 2001 data revealed no discernible differences between the two populations. It is recognised that the number of cases to be investigated is based on the issue of topic saturation, which itself rests on various factors, therefore there is no ideal number of cases. Eisenhardt (1989) suggests however, that ten cases can generate sufficient qualitative data to develop ideas; a number supported by both Creswell (1998) and Boyd (2001), although this number should be

reviewed during the course of the data collection. The decision to focus on mainland museums was also prompted by accessibility. The time and cost of visiting island each museum twice would have been prohibitive given the budget available.

The mainland Scottish museums were spread as far afield as Caithness in the northern Highlands to the isle of Whithorn in Dumfries & Galloway. Analysis of the 22 museums in 2005 revealed that one museum had closed (James Paterson Museum, Moniaive); a further two; Cousland Smiddy, Dalkeith and Roslin Chapel, Rosslyn although classified as rural by their respondents were considered to be part of the Edinburgh conurbation, using the then recently published 6 Fold Urban Rural Classification (Scottish Executive 2004). Furthermore, the research team considered that the recent success of Dan Brown's novel *The Da Vinci Code* would distort Roslin Chapel's responses. The sample was drawn from the remaining nineteen museums (Table 5.3).

It was decided to err on the side of caution and investigate two more museums that Eisenhardt (1989) recommends. Twelve museums were randomly selected, however following interviews with Crawfordjohn Heritage Venture (March 2005), Brownsbank Cottage (March 2005) and Culross Palace (April 2005), the decision was made to use these three museums as outliers. The judgment was made to investigate John Buchan Centre, Thirlestane Castle and The Inch Connection as replacements.

Table 5.3: List of independent, rural, mainland Scottish museums

Name and location of museum
1. Brownsbank Cottage nr. Biggar
2. Douglas Heritage Museum Trust, Douglas
3. Timespan Museum & Art Gallery, Helmsdale
4. Crail Museum & Heritage Centre, Crail
5. Whithorn Cradle of Christianity, Whithorn
6. Fife Folk Museum, Ceres
7. Museum of Lead Mining, Wanlockhead
8. Dunaskin Open Air Museum, nr. Dalmellington
9. The Museum of Ayrshire Rural Life & Costume at Dalgarn Mill nr Kilwinning
10. Crawfordjohn Heritage Venture, Crawfordjohn
11. Tarbat Discovery Centre, Portmahomack
12. Culross Palace, Culross
13. John Buchan Centre, Broughton
14. Thirlestane Castle, Lauder
15. The Inch Connection, Inch
16. Laidhay Croft Museum, Dunbeath
17. Strathnaver Museum, nr. Bettyhill
18. Mallaig Heritage Centre, Mallaig
19. West Kilbride Museum Trust, West Kilbride

5.6.3 The pilot

A pilot study involving a focus group of 10 directors and volunteers from The Museum of Communication tested the semi-structured questionnaire to identify potential gaps or flaws. The museum was chosen, because of its involvement as a pilot for the 2001 postal questionnaire; therefore many of the focus group were aware of the research's aims and objectives. A further reason to select this museum was that as an independent museum, although not a rural one, its directors and volunteers understood many of the issues and processes confronting independent museums. The focus group lasted 45 minutes and was taped and subsequently transcribed by the museum secretary as a record, for subsequent reference.

The focus group received at the start of the meeting, a draft of the semi-structured interview questionnaire for comment (Appendix 13). Feedback suggested the focus of the interview should be the stakeholders' experiences, rather than their perception of the typology i.e. rural, independent museums.

The rationale was that it would be easier for the respondent to answer within the context of his/her own experiences, rather than comment on a more generalised typological experience and would be more in keeping with a phenomenological approach (Denscombe 2003). The result led to an amended questionnaire (Appendix 14).

5.6.4 Museum visits

Prior to visiting each museum, the 2001 postal questionnaire was revisited and checked against The National Audit (SMC 2002b). This information was complemented by sourcing the Web to check data and any developments that had occurred between 2001 and 2005.

The second stage entailed two separate visits to each museum; the exception was Insch Connection, which it was not possible to re-visit, because of operational issues. The purpose of the visits was to interview and observe stakeholders (Appendix 15) and the museum in context. This process provided triangulation, both in terms of stakeholders' comments; but also chronologically it allowed the interviewer to gain a deeper understanding of the collection and each museum's relationships.

In preparation for the interview the respondent who had completed the 2001 postal questionnaire was contacted by telephone and approval sought for a visit to interview the respondent. The nature and purpose of the interview were discussed during the telephone conversation. Following this phone call, an email re-confirming details of the discussion and guarantying the interviewee's anonymity, as well as attaching a list of proposed questions (Appendix 16). Three to five days prior to interview, the interviewee was contacted again by phone and then emailed to confirm the suitability of the visit.

The length of interviews varied by stakeholder, but normally lasted between one and two hours. Shorter interview times were recorded with staff often, 20-25 minutes, because of operational needs. Similarly, visitor interviews were shorter, lasting approximately 15-20 minutes, because of their other

commitments. The interviews were taped with the exception of visitor interviews. The benefit of taping the interview was that it provided a permanent record of events, which could be examined later (Denscombe 2003). This process also allowed the interviewer the opportunity to concentrate on the interviewee's comments without the distraction of recording notes (de Vaus 2004), although brief hand written notes were also kept to act as prompts. The visitors' interviews were hand written, because the interviews occurred outside the museum, remote from a power source, and also the use of tape recorders may have intimidated the interviewee, as normal practice in street interviews is to use hand written notes or tick box questionnaires.

The first visit focused on interviewing the original respondent and observing the museum's operations, this enabled the researcher to build a degree of rapport and trust with a stakeholder; it also enabled the interviewer to familiarise himself with the museum. The second visit provided feedback to the interviewee regarding his or her comments. It also allowed the interviewee the opportunity to clarify and confirm comments. Marshall & Rossman (1999) observe that since this type of research involves the interviewees giving of their time and ideas, it is important that the researcher acknowledges their commitment. They recommend a variety of suggestions, including feedback to compensate participants for their involvement. The second visit also allowed the opportunity to interview other stakeholders and provided a sense of continuity.

On arrival, each museum was photographed to provide an image of the museum and hand written notes were made on its appearance and location. The purpose of this process was to provide a documentary record that could substantiate subsequent observations and comments by the interviewer and/or stakeholders. The interview was taped and hand written notes made during the course of the meeting to act as a prompt. On completion of the interview, further notes were made, noting issues such as the interviewee's body language.

The interviews occurred within the museums wherever possible. This decision helped to contextualise stakeholders' comments, but it also provided a venue that the interviewee understood. A further advantage was that the location was publicly accessible to all stakeholders and helped to minimise possible costs.

The stakeholders were interviewed individually at the various museums; the exceptions were visitors who were often interviewed as a couple, a family or a group of friends. The visitors were interviewed using a shortened version of the questionnaire (Appendix 17), because of time constraints on the visitor. Four interviews with local authority organisations were conducted by telephone, because of problems synchronising diaries.

5.6.5 Data analysis

The methods produced quantitative and qualitative data, which allowed triangulation (Black 1999; Neuman 2004), and which Denscombe (2003) recommends as good practice. The data produced was predominately qualitative in nature, but quantitative data relating to each museum's performance was also generated, which allowed comparison to the data collected in the 2001 postal questionnaire.

Qualitative data is concerned with words and images out of which the researcher seeks to interpret meanings and explanations as to the way people behave and understand social constructs. Various techniques have been ascribed to analysing qualitative data, but Punch (2003) maintains that there is not a definitive way to analyse qualitative data, rather it is conditioned by the purpose of the research. The crux of analysis is the need to be rigorous and systematic.

Using narrative analysis the qualitative data was coded in the context of each museum. This process provided the researcher with a greater understanding of the material, but it also allowed the researcher the opportunity to seek further clarification from the interviewee (Denscombe 2003). Initially coding involved a stakeholder identification process (Clarkson 1995; Donaldson &

Preston 1995; Freeman 1984; Miller and Lewis 1991; Wheeler & Sillanpää 1997) simply listing each museum's stakeholders' ability to affect or be affected by the museum. The data was then codified using Mitchell, Agle & Wood's (1997) typology to plot the listed stakeholders' attributes. These attributes were then examined in the context of four themes: strategic environment, management, strategy and life cycle.

During the interview stage, it emerged four museums: Brownsbank Cottage, Crawfordjohn Heritage Venture, Culross Palace, and Thirlestane Castle lay outside the sample's norms: (Appendix 18). The reasons included accessibility, organisational structure, and aims, all of which questioned the data's reliability. Analysis subsequently revealed that stakeholders involved with Brownsbank Cottage, Culross Palace and Thirlestane Castle's behaviour and relationships corresponded to the other museums, but caution must be applied to their findings, because of their different organisational aims and structure. The weakness of Crawfordjohn was that only one stakeholder was interviewed, nonetheless this interviewee was a full time museum consultant and one time director of Scottish Museums Council. His opinions and observations were insightful in the context of Scottish rural museums and were used to support and triangulate general observations of the sector.

It is recognised that the initial list of stakeholders was created by one person and arguably a subjective interpretation of a stakeholder's salience, however this weakness was overcome by triangulating comments during interviews, as well as reading documents and noting observations during visits. The other methodological weakness is that one person may represent two or more stakeholders such as governing body and volunteer and his/her opinion may be influenced by this dual position. This feature was identified during piloting, but was considered by the pilot focus group as immaterial, since interviewees are aware of the role they are occupying at any given moment in time.

Quantitative data, in the form of visitor numbers, employees and turnover were sought and analysed using Excel to provide descriptive statistics. These

statistics helped to contextualise the importance of certain stakeholders, notably, visitors, staff and investors. Limited trend analysis was also undertaken by comparing data from the 2001 postal questionnaire to the 2005 interviews. This data helped to portray changing stakeholder importance. The small sample size, 14, however meant it was impossible to test for associations (Bryman 2004; Denscombe 2003).

5.6.6 Limitations to the data

The research methods used to investigate the independent, rural museums were successful, because of the rigour in preparing and collecting the data. The use of a pilot, as well as several pre-visit discussions with interviewees enabled the researcher to build a rapport with the interviewees. It could also be argued that the welcome and openness shown by many of the stakeholders reflected an enthusiasm for the research and emphasised earlier comments (Scottish Executive 2003; Scottish Museums Council 2002; Ryder 2000) that it was a subject requiring investigation. The problems encountered centred on limitations found on interviewing the sample. Three cases were found to differ on examining the interview transcripts, although this was easily overcome by targeting additional museums. The data from these three cases nonetheless provided rich material to support observations and comments relating to the other museums investigated.

Issues that occurred during the approach had been largely predicted, particularly the issue of accessibility. Many of the museums had restricted opening times and interviewees invariably had other commitments, therefore arranging suitable meeting times often required planning several weeks in advance. All 141 stakeholders, bar one were interviewed at the time and place originally scheduled and that missed interview was subsequently successfully re-scheduled.

5.7 Research ethics

It is observed that any research that involves people will inevitably raise ethical issues, therefore the researcher owes a duty of care to the participants and future researchers who may wish to investigate this population (Blaxter,

Hughes & Tight 2001); for example guaranteeing the respondent's anonymity without compromising the integrity of the data. A number of other factors must also be considered at the outset, particularly as to whether the topic may cause offence or controversy, and mechanisms for dealing with complaints, if they arise. The researcher must also ensure that there are no possible conflicts of interest.

The nature of the topic, museums, and the instruments used initially a postal questionnaire and then interviews and observations. These methods were considered neither controversial, nor offensive in discussion with the supervisory team or interested parties e.g. Scottish Museums Council. These comments were strengthened by the use of rigorous piloting both at the survey mapping stage and subsequently during the museum visits. The piloting processes revealed no such problems. Nonetheless, it is recognised that interviewing is an intrusive and interactive process (Denscombe 2003), therefore data should be collected in a manner that is based on informed consent and where possible confidentiality is guaranteed. This process must also ensure that any information on tape or computer is secure. This ethos was constantly re-inforced in discussions and correspondence with interviewees, especially the right to withdraw at any given moment (Blaxter, Hughes & Tight 2001; Denscombe 2003; Marshall & Rossman 1999). This is particularly valid when interviews are taped. An email was sent prior to the interview seeking approval to tape the interview, although in every case this was accepted the request was repeated at the start of each interview to allow the interviewee the opportunity to rescind his/her permission. It is important to understand that a phenomenological approach involves interviewees providing potentially embarrassing or contentious comments and although the nature of the research is uncontroversial; the decision was made at the outset to anonymise stakeholders' identities using a mixture of letters and numbers.

5.8 Summary

This chapter has established a rationale for the research strategy adopted to investigate the thesis's aim and objectives (1 – 6). This strategy involved a phenomenological approach using semi-structured interviews, observation

and museum to assess deeper underlying meanings and explanations, especially the role stakeholders play in shaping strategy within independent, rural museums, individually and collectively during the organisational life cycle. Data collected was primarily qualitative in nature and analysed using narrative analysis to explore phenomenon in terms of individual museum performance and stakeholders' attributes during the organisational life cycle. This analysis was supported by descriptive statistics drawing on descriptive statistics generated from the postal questionnaire in 2001, and data given during the 2005 interviews

An exploratory research stage involving a postal questionnaire in 2001 had been necessary to scope Scotland's museums; a decision that occurred concurrently by Scottish Museums Council's National Audit. It was initially feared that The National Audit would distract and even dissuade museums to participate in this doctoral research, however the response rate of 39% suggests this does not appear to have been the case. The reality is that The National Audit proved to be extremely beneficial. The data produced, complemented and independently validated the data generated by this doctoral research, thereby triangulating much of what was submitted. The following chapter analyses the 2001 findings within a Scottish context, but more specifically it presents results from independent, rural Scottish museums during 2005 to assess the influence these museums' stakeholders have on strategy during the organisational life cycle.

CHAPTER 6: FINDINGS AND ANALYSIS

6.1 Introduction

The research strategy was predicated on the need to identify a museum typology for more critical investigation, but surveying Scotland's museums, also allowed the sector to be scoped in terms of its size and characteristics. The findings of the 2001 fieldwork are briefly examined in this chapter before discussing more critically the results of the 2005 fieldwork which evaluated the influence of stakeholders on independent, rural museums' strategies during

the organisational life cycle. The findings of 2001 survey are examined more fully in appendix 19.

6.2 Findings: 2001 Survey

A postal questionnaire was undertaken between February and June 2001. This survey provides a snapshot of Scotland's museums, in terms of their characteristics, the relative importance of their stakeholders and the environment in which they operated. It is recognised though that events, such as Foot and Mouth Disease, September 11 terrorist attacks, and the growth of the low cost airlines will have affected the museums collectively and individually, since this survey was undertaken (Anderson & Irvine 2004; Scottish Museums Council 2005, Williams & Ferguson 2005). A fuller analysis of the questions in relation to the museums' governance and location can be found in appendix 19.

6.2.1 Characteristics

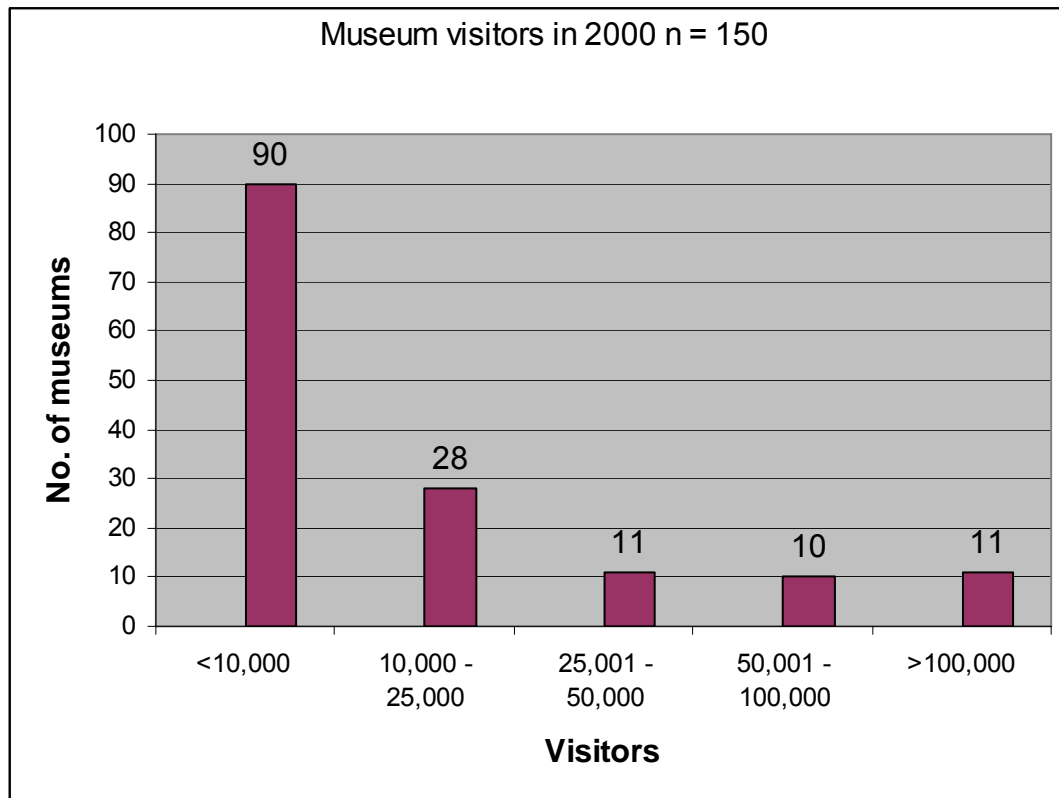
One hundred and fifty-three museums responded with useable data, representing 110 organisations. The most populous museums were those badged as independent $n = 78$, of which 37 were located in towns from Lerwick in the north of Scotland to Stranraer in southwest Scotland. A broadly similar number of independent, rural museums existed, $n = 32$, however the majority were concentrated in the Highlands & Islands, Fife, Scottish Borders, Dumfries & Galloway, and Ayrshire.

The survey's earliest recorded museum was Edinburgh University's Natural History Collection, which according to the respondent, "*opened sometime in the early seventeenth century*". However, the first publicly accessible museum, The Hunterian at Glasgow University opened in 1807, although many of the first publicly accessible museums were found in secondary locations in the North East of Scotland; Elgin (1843), Arbuthnot (1850), and Nairn (1860). The pace of museum openings quickened through the late nineteenth century and into the early twentieth century, but the greatest wave of museum openings occurred between 1971 and 2000, driven by the independents. These collections often focused on a specific theme, one

frequently rooted in a local issue; whether industrial e.g. Dunaskin iron and brickworks (1988), or human, such as the museum dedicated to the novelist and statesman John Buchan at Broughton (1982).

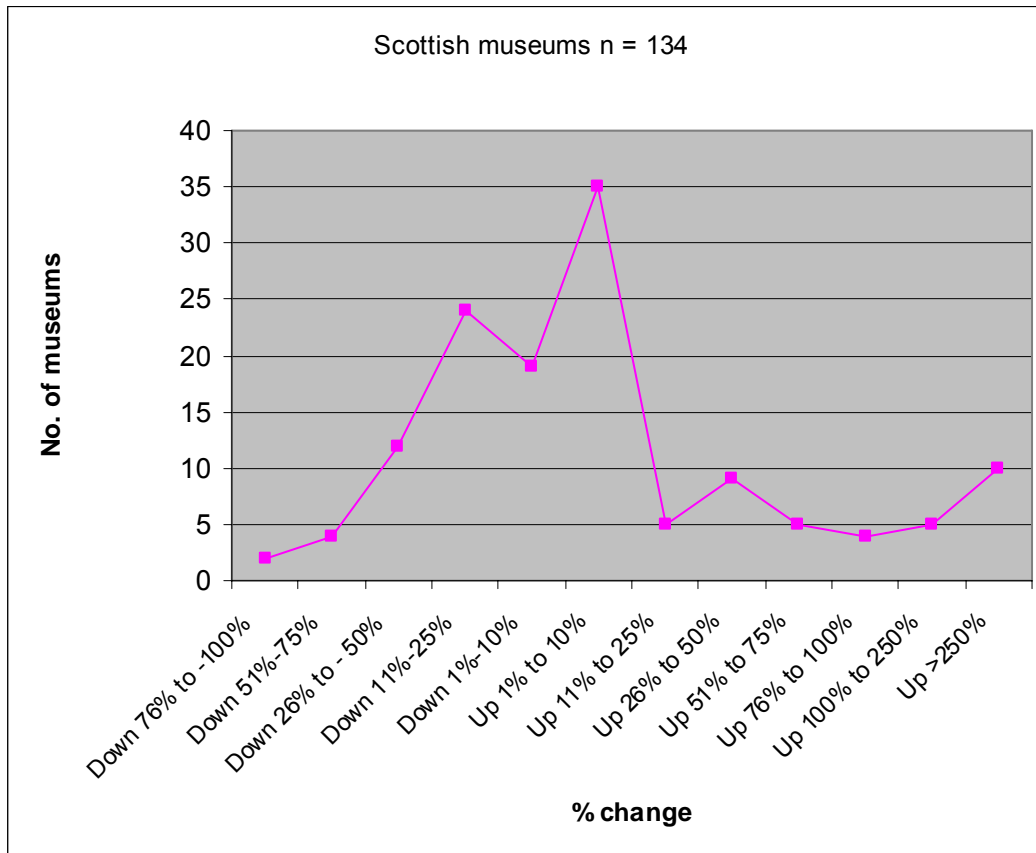
The data in Figure 6.1 displays eleven museums received more than 100,000 visitors in 2000, but over eight times that number of museums, n=90 received less than 10,000 visitors. This profile corresponds to the National Audit (SMC 2002b) and emphasises that a Scottish museum is typically attracting less than 10,000 visitors annually. This positively skewed distribution has a mode and a median less than 10,000 visitors. These characteristics are particularly marked amongst independent museums, which reinforce the recurring question of sustainability (Ryder 2000; Scottish Executive 2003; Scottish Museum Council 2002b). A feature that is strengthened by the fact that nearly half of all visitors occur in only three months, July to September (Appendix 19 Figure 6.9.1.1). A more evenly distributed profile would aid employment, by removing employment peaks and troughs.

Figure 6.1: Annual visitors to Scottish museums in 2000



This concern regarding sustainability appears to be contradicted by Figure 6.2, which indicates that the majority of Scottish museums enjoyed growing museum attendance during the 1990s, 73 museums compared to 61. In fact, nearly one in seven experienced an increase in visitor numbers of 75% or more, including 10 museums that enjoyed a footfall increase of more than 250%. The reasons cited for this growth include refurbishment, better presentations, and better signposting.

Figure 6.2 Percentage change in Scottish museum attendance
1990-2000



The data, however reveal that the attendance figures in the categories down 11% - 25% and 26% - 50% decline outnumbered those that had grown in the same categories 36:14 suggesting there are significant structural problems in the sector. This is particularly marked amongst independent museums and strengthens a dominant theme in museum literature that many museums are struggling financially (Barr 2005; Brymer 2002; Goulding 2000; McPherson 2006).

This theme of financial precariousness reflects the data collected through the postal questionnaire which indicated that nearly 60% of museums in 2000 earned less than £25,000 income, whilst only 7.3% earned more than £1,000,000; none of which was an independent museum, despite representing over 50% of the survey sample. Similarly if examined within the

context of location over 70% of rural museums earned less than £25,000 in 2000, and none earned more than £500,000.

The museum sector in 2000 derived its income from a variety of sources (Table 6.1), but the single most important source of funding in 2000 was government; whether in the form of the Scottish Executive or local authorities. It contributed over a third of the sector's income, 36.8%, and illustrates this stakeholder's power and legitimacy, and when required, its ability to exercise urgency. If taken with university funding and Scottish Museums Council funding, government funding equated to 39.8%.

Table 6.1 Percentage source of operating income in 2000 – Scotland

<i>Source</i>	<i>Percentage</i>
Government	36.8%
Retail	20.5%
Admission	17.3%
Donations	8.7%
Catering	4.3%
University	2.7%
Interest received	1.7%
Gift Aid	1.1%
Subscriptions	0.8%
Fund Raising	0.6%
Scottish Museum Council	0.3%
Other	5.2%
Total	100.0%

These data illustrate the argument that commercially this public good is unsustainable without government intervention (Barr 2005; Barton 2000; Johnson 2003; O'Neill 2006a; Towse 2003; Sanz et al 2003) and re-iterates previous British (Wilson & Boyle 2004) and Scottish data (Dunlop et al 2004; Scottish Museums Council 2002b). The data reveal national, local authority, university and regimental museums received between 60% and 80% of their income from government, a figure that corresponds to The National Audit (SMC 2002b). Independent museums, by contrast obtained only 20% of their income from government, although invaluable to their survival it demonstrates a significant difference to other Scottish museum governances and implies

independent museums rely on other stakeholders for their success, such as staff, whether paid or unpaid.

The answers revealed 4,136 people working amongst the 144 Scottish museums that responded. This consisted of 1,700 full time staff, 683 part time staff and 1,753 volunteers. The responses demonstrated a wide range of staffing levels and mixes. The largest employer was the Royal Museum & National Museum of Scotland in Chambers Street, Edinburgh, which employed 361 full time staff, 145 part time staff and approximately 100 volunteers. At the other end of the spectrum, twenty museums relied solely on volunteer staff. The staffing profile (Table 6.2) emphasises the importance of volunteers to independent museums and the reality that many of these volunteer staff, also double as directors or trustees.

Table 6.2: Median employment profile by museum governance

<i>Median Employment</i>	National n = 8	Local Authority n = 46	University n = 16	Independ. n = 78	Regimental n = 5
Full time	115	2	1	1	3
Part time	5	2	1	1	2
Volunteers	25	0	0	10	2
Missing	4	0	0	4	0

6.2.2 Stakeholders

The ordinal data produced by this question (Table 6.3) illustrated that based on the median *the governing body*, *paid staff*, and *local government (funders)* were the most important stakeholders, each scoring 1. The least important Scottish museum stakeholders were the *banks* and *UK Government /EU Commission funders* who rated a median score of 5. The inclusion of the mode and the mean demonstrated that museums rated *the governing body* and *paid staff* as more important, than *local government (funders)*. It is illuminating to note that when viewed in the context of their Likert scores (Table 6.4), the *governing body's* ability to affect the museum is more pronounced; 92 respondents considered the *governing body* as having a lot of importance to their museums. This rating was the highest attributed to any stakeholder. The governing body's influence is frequently cited in literature (Babbidge 2002; Carroll & Buchholtz 2003; Ulrich 2004), because it has the power, urgency and legitimacy to control and command the organisation.

Table 6.3: Descriptive statistics, Scotland's museums

<i>Stakeholder</i>	<i>Valid Responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std dev.</i>
Governing body	143	1	1	1.66	1.107
Staff - paid	131	1	1	1.88	1.431
Local government (funders)	135	1	1	2.52	1.584
Customers – local general public	145	2	1	2.07	1.116
Customers – tourist	147	2	1	2.07	1.114
Voluntary staff	129	2	1	2.57	1.638
Local community	146	2	2	2.29	1.146
Scottish Museums Council	143	2	2	2.51	1.299
Scottish Executive /UK government (legislators)	131	3	3	3.11	1.340
Local area tourist board	137	3	3	3.18	1.283
Customers – researchers	135	4	3	3.49	1.196
Scottish Executive (funders)	141	4	5	3.52	1.584
Benefactors	139	4	5	3.60	1.295
EU (legislators)	128	4	5	3.66	1.258
Competitors	132	4	5	3.67	1.169
Customers – commercial	130	4	5	3.88	1.335
Suppliers (equipment)	131	4	5	4.15	0.985
UK government/EU Commission (funding)	130	5	5	4.07	1.295
Banks	132	5	5	4.38	0.977
Other	17	2	1	2.65	1.835

The weighting attributed to *the governing body* is strengthened by the standard deviation (1.107) compared to that of 1.431 for *paid staff*, which indicates that there is less deviation around the mean. The explanation for the difference in standard deviation lies in the point that 19 museums rated *paid staff* as having no importance compared to only eight for the *governing body*. This difference is suggestive of museums which do not have paid staff and instead rely on voluntary labour to staff the museum. This feature is most marked amongst museums generating income of less than £25,000, often those in rural areas.

The median and modal scores of 1 for *local government (funders)* corresponded to *the governing body* and *paid staff*, but its mean score was higher, 2.52. This difference lay in the large number of museums, 34, that rated *local government (funders)* of as no importance. A number of reasons

exist for so many museums rating local authorities as unimportant, but particularly relates to their governance, since all the national, university, and regimental, as well as some independent museums were amongst these numbers. These museums may have been precluded from local authority funding, because of their governance status or unaware that local authorities fund museums, or possibly the museum had applied for local authority funding, but had been rejected. This rejection led the museum to regard the local authority as unimportant.

Scrolling down the rankings a cluster emerged, including: *local customers*, *tourists*, *voluntary staff*, *Scottish Museums Council*, and *the local community*. Each stakeholder recorded a median of 2, a mean between 2.07 and 2.57, and a modal score of either 1 or 2. These descriptive statistics reflected their importance to Scottish museums in general, but the number of times that these stakeholders rated a two or a three on the Likert scale (Table 6.4) indicated that they were not of the first importance. Interestingly only 4 and 7 respondents respectively rated *local customers* and *tourists* as unimportant. The data suggest that there is widespread recognition, albeit to varying degrees of the customers' importance to museums. This mirrors a mixture of macro and micro forces, including societal changes, direct and indirect government policy and initiatives designed to create a more consumer focused society (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2005).

Table 6.4 Stakeholder ratings, Scotland's museums

<i>Stakeholder</i>	<i>Valid Responses</i>	<i>A lot 1</i>	<i>Importance →</i>	<i>Not at all 5</i>		
Governing Body	143	92	26	14	3	8
Paid staff	131	83	21	6	2	19
Local government funders	135	68	10	10	13	34
Customers – local	145	60	36	32	13	4
Customers – tourist	147	57	45	30	8	7
Voluntary staff	129	55	16	17	11	30
Local community	146	43	47	33	16	7
Scottish Museums Council	143	38	43	28	19	15
Scottish Executive/UK government legislators	131	20	25	31	30	25
Local area tourist board	137	15	28	41	24	29
Customers – researchers	135	7	23	37	33	35
Scottish Executive funders	141	29	11	19	22	60
Benefactors	139	9	24	29	29	48
EU legislators	128	10	13	31	31	43
Competitors	132	5	17	37	30	43
Customers – commercial	130	9	18	16	24	63
Suppliers (equipment)	131	2	7	22	39	61
UK/EU funders	130	9	11	17	18	75
Banks	132	2	6	17	22	85
Other	17	7	4	0	0	6

Voluntary staff, like *customers*, recorded a median of 2 and a mode of 1. These figures indicated that to many museums *voluntary staff* are of significant importance, but its mean of 2.57, the highest standard deviation of 1.638 and the second lowest number of responses, 129, all suggest that a number of museums either do not view *voluntary staff* as important or, at best, one of limited importance. Scrutinising the ranking distribution revealed that 30 museums placed no importance on *voluntary staff*, the second highest after *local authority* amongst the first eight stakeholders. This is suggestive that these museums did not use *voluntary staff* or used them only in a very limited manner.

The mean for the *local community* was 2.27 and a standard deviation of 1.146, indicating that the majority of ratings were 1,2,3; in effect demonstrating its importance to Scottish museums. This is reinforced by a median and mode of 2 which reflects the role the community provides in providing labour, money and artefacts; but also, the intangible assets it provides in the guise of experience and access to social networks.

A similar descriptive pattern can be attributed to *Scottish Museums Council*, a recognition that museums value its operational advice, support and the strategic lead it provides to non-national museums. Its remit does not cover the national museums and this may partially explain some of the 34 museums who rated the *Scottish Museums Council* as of little or no importance. However, this number suggests that many non-national museums regarded the *Scottish Museums Council* in 2001 as largely immaterial to their organisations. This is a source of concern, since excluding national museums at least a fifth of this survey did not rate their membership body. The explanation may lie in the *Scottish Museums Council's* strategic shift in the late 1990s, which emphasised greater collaboration with its principal funder the newly formed Scottish Executive and reduced technical support to its members. This shift may well have annoyed and upset some members.

The data indicated that two stakeholders, *Scottish Executive/UK government as legislators* and the then *local area tourist board*, had the power to affect museums; but that their relationship based on the descriptive statistics was limited to particular instances, such as a legislative act, e.g. the Minimum Wage Act 1998, or when advertising an event.

Commercial customers, researchers, suppliers, benefactors, competitors, Scottish government as funders, and EU Commission (legislator) appeared to have limited impact on Scottish museums, but researchers were identifiable as having a modal score of 3, perhaps reflective of the continuing role of research in many museums' aims. The rating attached to *Scottish Executive as a funder* reinforces their limited financial role within the general museum world. One surprise is that *competitors* did not rate more highly. Its median and modal scores indicate that few museums viewed competitors as having a major influence on museum management. This suggests that a key part of the positioning school of strategic thinking, i.e. competitors or substitution from rival industries, e.g. leisure, is not a critical dynamic in shaping Scottish museum strategy.

The lack of importance attached to *banks* and *UK Government/EU Commission funding* reflected a variety of issues. Firstly, a museum's status as a not-for-profit organisation means that many may be reluctant to borrow money, unlike commercial organisations. This arises because loans often require collateral. The commercial practice is to set the loan against the value of an asset. Many museums greatest assets are their artefacts, but often it is difficult to place a monetary value on artefacts. Secondly, there is a moral and sometimes legal impediment to this practice, because in the event of defaulting on a loan it would be extremely difficult to sell an artefact as stakeholders would oppose the move; for example the Museum Association's recent decision to expel Bury Council from its membership for selling a Lowry painting (Heal 2006). The UK Government's very limited importance to Scottish museums mirrored the fact that museums are a devolved issue and therefore UK government funding is irrelevant. European Union funding is available, yet either Scottish museums ignore this source, or are unaware of it. For some, location may prevent them bidding, but others may lack the skill, knowledge or time to prepare the necessary documentation. Often the skills and time required to submit documents are present in national museums or larger local authorities, but lacking amongst the vast majority of museums, which have few if any permanent staff. Effectively these conditions act a barrier to growth.

The final stakeholder, *other*, is anomalous, since its median, mode and mean scores suggest it is important to Scottish museums, but only 11 of the 17 responses gave any credence to this stakeholder. Examination of the ratings' distribution revealed seven museums rated *other* as 'very important', namely:

1. Museum of Flight - NMS senior management
2. Brownsbank Museum - Writers and academics of Brownsbank Advisory Committee
3. Toy Museum, Glendale - Skye Toll Bridge
4. Dollar Museum - Heritage Lottery Fund
5. Argyll & Sutherland Highlanders Museum - Historic Scotland
6. Tangwick Haa Museum - Shetland Amenity Trust
7. The University of Edinburgh Natural History Collection - Re:Source

None of these seven stakeholders appeared elsewhere and further analysis shows that one stakeholder, Skye Toll Bridge, no longer exists following its abolition. It is interesting, but surprising to note that only one museum out of 153 gave any rating to the Heritage Lottery Fund (HLF) and then it was to rate it as 'very important'. The Heritage Lottery Fund's role in helping to fund and re-develop museums was recorded widely in the respondents' comments, but its influence on management appears limited. This finding seems paradoxical, but arguably must be of concern to HLF that museums either disregard it or regard their relationship as so transient as to be largely meaningless. An explanation for this minimal impact is revealed in discussions with HLF. It indicates that HLF only monitors an investment until the project is completed, thereafter it does not check or evaluate the investment, and effectively the relationship ends.

Drilling down and examining specifically rural museums' stakeholders revealed each stakeholder attracted 27 – 30 responses, the exception was *other*, which drew only five responses. Examining the responses indicated the same cluster of eight stakeholders aligned to the Scottish pattern; however, the ranking differed. *Voluntary staff* was the definitive stakeholder (mean 1.61, Std Dev. 0.994) and reflected its Likert scores. Eighteen respondents rated this stakeholder as important to the museum, by contrast the next most important stakeholder, tourists scored 14 in terms of importance (mean 1.90, Std Dev. 1.081). The other stakeholders in this order reflected their relative importance to these museums; *local customers*, *governing body*, *local community*, *Scottish Museums Council*, *local government (funder)*, and *paid staff*. The remaining twelve stakeholders appear to have only limited importance to these museums collectively, although their importance may change with events, as was evident from the written comments about the environment within which Scottish museums had operated during the 1990s.

6.2.3 Environment

The final question allowed respondents to frame their written opinions within the context of their own language and experience to explain their perceptions of Scotland's museums and events that had influenced them over the previous decade. The data were analysed using content analysis and three hundred and twenty three issues identified. These comments were then categorised into 16 second order themes and located within a SWOT matrix to help identify strategic issues within the museum sector.

The SWOT matrix (Table 6.5) highlighted many positive developments, including better displays (48), greater customer focus (40), refurbished museums (23), more involvement with the community (22) greater use of I.T. (20) and a greater role as an educational and social tool (12). These developments concentrate on the customer and the community, and reflect the power, urgency and legitimacy exercised by these stakeholders, but it also revealed the effect of government's power, legitimacy and urgency. Government policies on social inclusion and life long learning were embedded in many of these developments.

Table 6.5 S.W.O.T. matrix created from museum responses, Scotland (number of responses in brackets)

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Better displays (48) • More focused on the customer (40) • Refurbished museum (23) • More involved with community (22) • Greater use of IT (20) • Greater role as an educational and social tool (12) • Museum has improved (8) 	<ul style="list-style-type: none"> • Increasing difficulty in managing day to day operations (50) • No change (9) • Poor quality of management and labour (2)
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Repeal of admission charges (4) 	<ul style="list-style-type: none"> • Exogenous factors e.g. strength of £ (12) • More assertive customer (12) • Increased bureaucracy (11) • Competition from other museums and attractions (9) • Decline in academic rigour (4)

The responses suggested that at a Scottish level the museums' stakeholders exercised different levels of power, urgency and legitimacy, at different points in time during the previous decade. The emergent theme was that Scotland's museums had become more responsive to the needs and expectations of society, whether in the guise of customers, the community in which they operate or the larger community mandated in the form of government.

This strategic swing during the 1990s towards the customer, the community and government has been noted (Chapter Four), and is reflected in observations such as;

“Museums are moving towards becoming much more focused on the public, and their expectations ... access is now a paramount consideration for us.”

(25)

This observation and similar observations suggest this development was planned, but arguably much of this strategic shift has been unplanned and emergent (Mintzberg, Quinn & Ghoshal 1998), and a response to stakeholder power, urgency and legitimacy. This belief found support in comments about a more assertive, more aware consumer who was forcing museums to change, for example,

“Higher expectations of visitors - possibly due to media and technological advances.”

(121)

Culturally society has witnessed a more assertive consumer (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2005) whose knowledge of comparable industries and societies has allowed him/her to benchmark their expectations. This knowledge is being driven by technology, a technology that has enabled British consumers to access collections remotely. Technological development is also allowing the museum visitor to physically access many European museums through the growth of low cost airlines. The low cost airlines and the cheaper cost of holiday accommodation often makes many European destinations an affordable alternative, allowing the consumer to compare and contrast their museum experiences. This threat becomes more pronounced by

events such as poor weather, a strong pound, foot and mouth disease, etc. (Williams & Ferguson 2005).

“The strength of the pound, oil prices, and the weather have all been factors in the decline in visitor numbers”

(21)

The impact of these exogenous factors is to encourage British visitors to travel abroad, rather than experience Scottish tourist attractions, similarly, these factors discourage overseas visitors. These factors are frequently bound up in global events, beyond the control of national or even supra-government, but government in its various forms is seen as responsible for creeping bureaucracy, a cause of daily management difficulty (50). Expressions varied in content and context about government whether in the guise of European Union, UK government, Scottish Executive, or QUANGOs, such as Scottish Museums Council, but the effect was seen as debilitating, because it was associated with time consuming and unproductive activities, such as form filling. The result was that it discouraged people from working in a museum, because it imposed rules and regulations on an activity many regarded as a hobby. Some equated legislation to the strictures of their professional life, rather the freedom and enjoyment of a hobby, a common reason for people to volunteer (Eckstein 2001).

“The main problem facing the Trust is the volume of paper work required, not only to access funds, but also to fulfil requirements of bodies like Scottish Museums Council ... the amount of bureaucracy is far too much and discourages people. “

(15)

This loss of control also manifests itself in the belief that museums are ‘dumbing down’ in an attempt to satisfy government policy on social inclusion. This tension has been observed elsewhere (Delingpole 2006; O’Neill 2006a) and that this type of social engineering can undermine the academic message. One respondent commented that museums had become,

“Less academic for its own sake, more populist.”

(32)

Whilst another respondent claimed that the sector had become an offshoot of the entertainment industry, too focussed on entertainment.

“It seems to me that museums have become more entertainment than education and most are almost identical in display. The supposed need for electronic information seems to render all things similar.” (123)

The strategic shift during the Nineties reflects changing stakeholder power, urgency and legitimacy, but this shift required a similar shift in organisational skills and competences. This can partially be satisfied by investment in fixed assets such as displays, refurbishment and technology, but meeting the expectations of customers, the community and government requires a different set of skills, ones that are based around a managerial rather than a curatorial paradigm. This issue appears evident when examined within the context of governance.

Evidence suggests that the museums surveyed have developed their managerial capabilities, judging by their comments about customers, the community, and government. This would tally with Gilmore & Rentschler’s (2002) observations, but the National Audit argued that there was still a skills gap (Scottish Museums Council 2002b), and one that still persists five years after The National Audit (Scottish Museums Council 2006). Publicly funded museums: national, local authority and university museums recorded the greatest managerial difficulties, but respondents identified a number of external causes for this problem, but intriguingly many of these concerns are generic to organisational life in the UK, especially amongst small firms. These issues related to the strength of Sterling, more demanding customers, stronger competition and increased bureaucracy, all of which pepper small business literature (Analoui & Karami 2003; Federation of Small Business 2003, 2006; Greenwood 2004; Schindehutte & Morris 2001); but they also find expression in museum literature (Tufts & Milne 1999). The argument underpinning these problems is that these issues are beyond the firm’s control and, therefore, beyond its managerial competences.

These issues cross geographical boundaries and are not unique to urban or rural locations; the exception arguably is the threat posed to rural museums of increased competition from other museums and leisure attractions. The fear is that there is over supply and that too many museums overwhelm visitors with too much choice and too little to time visit,

“L..... once the only museum north of Cromarty is now surrounded by others, people cannot visit them all”

(9)

This image of unrestrained museum openings has provoked concern that many are financially unsustainable and may lead to some museums naïvely believing that government funding will bail out one or more of them if they encounter financial difficulties (Ryder 2000, Scottish Executive 2003b; Scottish Museums Council 2002). Scottish Museums Council in its annual report 2002 (SMC 2002a) hinted that museums needed to adopt a strategic outlook if they were to have a sustainable future, however, there was a marked reluctance to intervene and manage the situation, instead a policy of laissez-faire appeared to be the strategy of the Scottish Museum Council (SMC 2002b).

6.2.4 Justification for selecting independent, rural museums

Historical literature (Evans 1995; Fopp 1997; McLean 1997) maintained that the curator/manager was the definitive stakeholder (Mitchell, Agle & Wood 1997). However, the museum environment has changed radically over the last 25 years (Lang, Reeve & Woollard 2006; Moore 2004), influenced by political, economic, social and technological events, but driven by two stakeholders: customers and government (McPherson 2006). Curatorial skills, once prized, have become less important, as stakeholders come to believe managerial competences are more relevant in an increasingly turbulent and complex environment (Kawashima 1998; Moore 2004; Tufts & Milne 1999).

The need to develop managerial skills is magnified by the financial vulnerability of many of these museums, a feature echoed in The National Audit (Scottish Museums Council (2002b) and similarly expressed elsewhere in the museum world (Selwood 2001; Tufts & Milne 1999). The financial vulnerability of both independent and rural museums suggests that many of these museums are unsustainable, yet many of them appear to be surviving and arguably flourishing based on the length of time they have been open. Although data is unavailable on museum failure rates, it is worth noting that of the 22 independent, rural museums subsequently identified for interview four years after the 2001 postal questionnaire, 21 of them were still in existence. This survival rate contrasts the high failure rates associated with many small business (Anon 2004c), who cited a failure rate of 55% within three years of a business starting. This high survival rate suggests that independent, rural museums, and arguably museums in general, possess certain features or characteristics that explain their survival.

The answer may lie in the respondents' comments to qualitative and quantitative questions. The respondents' writing identified that during the 1990s, the Scottish environment had witnessed an increasing focus on certain stakeholders: customers, community and government. This relationship is supported by descriptive statistical data, highlighting the importance of these three stakeholders, as well as five other stakeholders to Scottish museums.

Analysis reveals that there are subtle differences relating to governance and location. The governing body and paid staff frequently emerged as the most important stakeholders amongst urban museums and those primarily funded by government; but independent, rural museums valued volunteers and tourists even more highly.

This sense of difference has been noted previously in museum literature (Fopp 1997; McPherson 2006; Smith 2001), especially the entrepreneurial attitude of independent museums. This mindset reflects financial necessity (Scottish Museums Council 2002b), but also the founders often come from non museum backgrounds (Roberts 2003; Ryder 2003; Scottish Executive 2003b). These museums have been created invariably by a local enthusiast, who has imported his/her organisational ideas from the commercial world, rather than the curatorial one (Babbidge 2002; Fopp 1990, 1997; Reussner 2003). The criticism is that this enthusiasm over-rides questions of sustainability (Scottish Executive 2003b).

This concern is underpinned by data, which show that the majority of independent museums attract less than 10,000 visitors, a feature even more marked amongst independent, rural museums; furthermore, no independent, rural museum attracted 100,000 visitors or more, the only typology to fall into this category. The implication is that there is an underlying weakness amongst independent museums, since no other governance suffers so markedly from this characteristic, yet all governances are operating in the same market, and therefore are subject to the same variables. The independent museums, particularly those operating in a rural environment merited further attention, because many of their characteristics seemed to differ from other museums. The number of independent, rural museums, $n = 32$ was four times larger than the four other governances' rural museums; this suggested a group large enough to warrant further investigation. This choice was strengthened by Eisenhardt's (1989) contention that 10 cases are needed to generate sufficient qualitative data from which to extract ideas and concepts.

6.3 Findings and analysis of fourteen independent, rural museums in mainland Scotland

The remainder of this chapter critically examines the thesis' aim; the role stakeholders play in shaping the strategy of 14 independent, rural museums in mainland Scotland during the organisational life cycle. The structure of these sections initially analyses collectively and individually the environment within which these museums were operating in 2005, and the strategy each was pursuing. It then provides a discussion on these findings, before subsequently evaluating the stakeholders' attributes and salience within the context of Mitchell, Agle & Wood's (1997) model and their collective strategies within the organisational life cycle. This will ultimately lead to the development of a model designed to improve decision-making and presented in the following chapter.

6.4 Collective findings

Donaldson & Preston (1995) stated that a description of the organisation is invaluable in understanding and analysing the stakeholders' relationship and salience to the organisation. This approach strengthens the rationale for selecting a phenomenological strategy, but it also strengthens the understanding of the processes involved in stakeholder theory, a topic still considered immature (Frooman 2002). This section examines the collective characteristics of 14 independent, rural museums and where relevant draws on data gleaned from the 2001 postal questionnaire to compare and contrast performance.

6.4.1 Governance and location

The postal survey of 2001 suggested a degree of homogeneity amongst these 14 museums in relation to the independent variables of governance and location. The museums derive their independent status derived through their constitution, which states that ownership is independent of national or local government and authorises a board of trustees or directors to manage and supervise the organisation. It is argued that the pre-dominance of independent museums in rural areas 'reflects a degree of exclusion' (OS 2), because government has been unable or unwilling to provide a museum due

to limited customer demand or financial strictures (McLean 1997; Hartley 2002). Local government therefore perceives a rural location is a barrier to entry to creating a museum, a feature that corresponds to other activities such as hospitality and retailing (Halcro & Lynch 2003; Pioch & Byrom 2004). However, it can be argued that rural locations present an opportunity since it contains a resource that is unique and immovable (Barney 1991) e.g. the brick works/iron foundry at Dalmellington, and therefore cannot be easily replicated.

A belief that a rural location signifies strength resonated with some visitors (Cu 7, Da 7). They viewed a rural location as a barrier to excessive visitor numbers and its associated problems: litter, noise and congestion. The outcome of fewer visitors was a more relaxed, friendly visit. Urry (2002) observed more positive interactions between communities and visitors, where visitor numbers were low, since the exchange is based on a relational experience, rather than simply a transactional exchange (Fletcher 2005). This outcome is a positive, intangible experience, which is difficult to substitute and a source of competitive advantage (Hillman & Keim 2001), because it encourages the visitor to return and/or promote the community as a tourist destination.

Other stakeholders, including trustees, volunteers, staff and advisors feared their location created problems, particularly in attracting visitors (Da 4, Fi 2, Ta 7). This concern was magnified amongst the remote rural museums' stakeholders who specifically cited their difficulty in attracting tourists or visitors from other parts of Scotland (Do 1, Du 1, JB 1, LM 1, Ta 2, Ti 1, Wh 5). This correlation between performance and location has been cited previously (MLA 2001 Selwood 2001) and statistically demonstrated earlier in this chapter and Appendix 19. Their location, although perceived as a barrier to visitors, was also a barrier to competitors, since their distance from large urban populations (Scottish Executive 2004) made commercial redevelopment financially unattractive. The continuing growth in Scottish house prices (McArthur 2006), though was visibly affecting a number of communities: Ceres, Crail, Douglas, Lauder, Biggar, Dalmellington and Wanlockhead. Urban dwellers were arriving in search of cheaper property and a better

quality of life (Da 1, Th 3). Their presence was commented upon positively as a source of new volunteers and customers (Cr 3, Fi 8, In 3); but it was also acknowledged (BC 3, JB 1), as a threat, since migrants often shunned village life and its museum, because they were too tired from commuting (JB 1). The irony is that the presence of a museum attracts settlers (LM 1, Fi 1), since it symbolises certain social values, e.g. education (McLean 1997).

6.4.2 The collection (buildings)

Two former churches, a palace, a mill and a railway station featured amongst the buildings now housing museums, often a gift or bequest, e.g. the railway station at Inch Connection and the dower house at Douglas. In some cases, the building defined the collections, for example: Tarbat's collection of Pictish ecclesiastical artefacts is housed in a former Church of Scotland church; and Dalgarven's 17th century mill is eloquent testimony to Ayrshire farming and its methods. The irony is that these buildings were not designed as museums, yet their public persona frequently reflects the collection's character.

The weakness of using these buildings is that they are old, not purpose built and often listed. The result is higher operating costs, for example maintaining a temperature controlled atmosphere to preserve the artefacts, whilst ensuring a comfortable environment for visitors (BC 5, JB 1). The resources required to adapt or alter the building to accommodate better displays, more modern utilities or commercial services such as a café require significant capital, time and effort, financially often beyond the reach of the museum, and arguably not considered when the museum was originally conceived.

The paradox is that a building, which had been gifted may prove more expensive to operate than buying or building from new. A similar paradox underlies the artefacts. In many instances, donors freely bequeath artefacts believing that the museum will be grateful for them (OS 8), yet these gifts saddle the museum with the cost of storing and preserving the artefact.

6.4.3 The collection (artefacts)

The Scottish Museums Council (SMC 2002b) has identified few items of international or even national significance displayed amongst the 14 museums: the exceptions are Whithorn and, to a limited extent, Thirlestane Castle. The dilemma is that many of these museums' artefacts are of limited significance (SMC 2002b) and their presence encourages mediocrity (Tufts & Milne 1999; Ryder 2000). The collection's significance instead lies in the way it demonstrates or illuminates the local character, rather than its national or international artistic or historical significance.

The irony is that in themselves these collections are of limited value and arguably from a curatorial perspective a weakness of many of these museums. Their individual strength may demonstrate a locality, but collectively it is their 'diversity and local flavour' that add to the tourist experience (Scottish Museums Council 2005; Tufts & Milne 1999), thereby creating a resource that is unique within global tourism. This reinforces the irony that collections of international or UK significance are often trading on their tangibility, the artefacts, but that local museums are trading on the tourist's collective experience to reflect the national character and create a sense of competitive advantage.

Quantifiable data (table 6.6) illustrating these museums' performance may help to illustrate individually and collectively these museums' competitive advantage.

Table 6.6: Fourteen mainland, independent, rural, Scottish museums' data 2005

	Br	Cr	Cu	Da	Do	Du	Fi	
Opened	1992	1979	1994	1987	1993	1988	1968	
Visitors*	150	25,000	17,000	6,000	700	4,165	2,721	Br = Brownsbank Cottage
Income*	<£25,000	£7,566	£70,000	£45,000	£4,400	£123,850	£17,000	Cr = Crail
Admission	n/a	0.00%	10.00%	45.00%	0.00%	9.70%	41.30%	Cu = Culross
Donations	n/a	23.70%	5.00%	15.00%	10.00%	0.30%	4.70%	Da = Dalgarven, Ayrshire
Local authority	n/a	18.80%	0.00%	0.00%	18.00%	68.80%	25.40%	Do = Douglas
Scottish Exec	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Du = Dunaskin
Gift Aid	n/a	40.50%	0.00%	0.00%	0.00%	0.00%	0.00%	Fi = Fife
Retailing	3%	17.00%	10.00%	1.00%	26.00%	6.40%	23.80%	In = Inch Connection
Catering	n/a	0.00%	25.00%	0.00%	0.00%	5.80%	0.00%	JB = John Buchan
Other	n/a	0.00%	50.00%	39.00%	46.00%	9.00%	4.80%	LM = Lead Mining
Admission	free	free	£8.00	£3.50	free	£4.50	£2.50	Ta = Tarbat
Paid F/T	1	0	2	1	0	3	0	Ti = Timespan
Paid P/T	0	0	20	0	0	3	1	Th = Thirlestane Castle
Volunteers	9	30	14	10	18	3	30	Wh = Whithorn Cradle
	In	JB	LM	Ta	Th	Ti	Wh	
Opened	1998	1982	1974	1999	1982	1987	1986	
Visitors*	500	832	11,841	6,000	11,000	12,014	5,068	
Income*	£7,706	£4,257	£170,000	£35,000	£200,000	£96,392	£80,000	
Admission	0.00%	31.60%	20.00%	25.00%	50.00%	14.00%	11.90%	
Donations	10.50%	3.00%	0.00%	2.00%	0.00%	0.70%	0.50%	
Local authority	13.00%	0.00%	23.50%	40.00%	0.00%	15.00%	50.00%	
Scottish Exec	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Gift Aid	0.00%	0.00%	0.00%	5.00%	0.00%	0.00%	6.30%	
Retailing	4.00%	58.70%	25.00%	25.00%	0.00%	9.00%	10.00%	
Catering	0.00%	6.70%	30.00%	0.00%	0.00%	14.00%	21.30%	
Other	72.50%	0.00%	1.50%	3.00%	50.00%	47.30%	0.00%	
Admission	free	£1.50	£5.00	£3.50	£5.00	£4.00	£2.70	
Paid F/T	0	0	1	0	7	0	1	
Paid P/T	0	0	20	1	2	6	6	
Volunteers	39	20	6	20	15	20	3	

**Visitor and income data relate to 2004*

6.4.4 Age

Table 6.6 demonstrates that The Fife Folk Museum created in 1968 was the oldest identifiable museum, the newest museum was Tarbat Discovery Centre founded in 1999. Ten of the museums visited had been established after 1985 and, by 2005, all had passed through take off in terms of the organisational life cycle. Their emergence reflects structural changes to the UK economy, as

it increasingly moved from a manufacturing economy to a service economy (Cooper et al 2005), but specifically within the museum sector it marks the emergence of independent museums driven by the dynamism of entrepreneurial individuals keen to preserve a community's history (Fopp 1997; Hatton 2004; McLean 1997). These museums were often the creation of social entrepreneurs who, although enthusiastic, frequently lacked sufficient funding or consideration as to who would visit (OS 1, OS 5, OS 6); a criticism that has been circulating amongst Scottish policy makers (Roberts 2003; Scottish Executive 2003). It should, however, be noted that of the original 22 independent, tertiary museums selected for interview, only one museum had closed since 2001; a failure rate of 4.5% over four years, and in stark contrast to that experienced by many commercial firms (Anon 2004c). An explanation may lie in the relationship it enjoys with its customers.

6.4.5 Visitors

The most popular museum, Crail, attracted 25,000 visitors in 2004 (Table 6.6), but it is difficult to substantiate this figure because the museum is free and there does not appear to be any independent mechanism to verify this claim. The most verifiably popular museum was Timespan. It admitted 12,014 visitors in 2004, closely followed in popularity by two other museums, Lead Mining and Thirlestane Castle, which each attracted 11,000 visitors. The other end of the spectrum saw four museums attract less than 1,000 visitors, including one museum, Brownsbank Cottage welcome only 150 visitors.

Collectively, attendance figures for 2004 mirrored 2000's data and, if plotted, reveal a bell shaped distribution curve similar to 2000. The statistics suggested that attendance for 10 museums was static, an observation supported by anecdotal comments (Do 1, JB 1, LM 1, Ta 1);

“one year they're (visitor numbers) are up, one year they're down, but generally they are in line year on year” Ta 1

Four museums, two at either end of the spectrum, had experienced conflicting fortunes. Dalgarnen and Timespan had witnessed double-digit growth since

2000, but Dunaskin and the outlier Thirlestane Castle had attendances fall significantly, 60% and 20% respectively.

The other characteristic is the changing visitor profile. Respondents noted (Cu 1, Th 1, Ti 1) that independent travellers had increased, whilst bus tours had declined.

“Definitely less bus tours, but we’re still putting together our figures from last year so we will get a better idea, but I know each year we have full bus tours April, May, but we don’t have them this year and it’s a real loss to us” Ti 1

This comment underscores the museums’ financial vulnerability. This vulnerability is attributed to factors beyond the museums’ control, such as the strength of Sterling (substitution) or the growth of low cost airlines (substitution) (OS 3); arguably a positioning perspective (Porter 1985), because the museum had to adapt to its environment. However, other respondents appeared to adopt a resource-based view, by promoting unique resources within their collection (Barney 1991). Examples included Fife Folk Museum, which advertised the museum’s collection of quilts in specialist sewing magazines; or Dalgarven Mill’s promotion of dresses to local drama groups and women’s groups. Respondents (Da 1, Fi 1) argued that these resources differentiated the museums locally and even nationally from their competitors. The museums’ possession of rare resources supports Frooman’s (2002) claim that the stakeholder (the customer) is dependent on the firm for access to resources. Rentschler, Hede & White (2007) suggest that museums should consider price segmentation if they possess a rare resource, though this may contradict the museum’s mission and the definitive stakeholder’s arguably altruistic tendencies (Da 1). This stakeholder (Da 1) argues a museum’s primary aim is to educate and that therefore local authorities should subsidise museums in the form of service agreement to ensure free admission. Bailey & Falconer (1998) argue that a public good is not free because the taxpayer has to pay.

6.4.6 Income

“The major threat to independent museums and in fact all museums is the issue of revenue funding.” (Wh 4)

The lack of income (Table 6.6) was the most frequently expressed threat amongst trustees, managers and volunteers (BC3, Da 1, Do 1, Do 4, Ta 1, Ti 1, Wh 1), a belief reinforced by visitors, support organisations and consultants (Da 4, Du 4, Du 5, Ta 7, Ti 8, Wh 7, OS 1, OS 2, OS 3, OS 6). The result is that their income skews towards the micro, as evident from the financial data in Appendix 19 and revealed again four years later amongst the fourteen museums interviewed. Thirlestane Castle enjoyed the greatest revenue, £200,000, but its museum is peripheral to its main activity. The largest museum is The Museum of Lead Mining, which earned £170,000 in 2004, but eleven museums earned less than £100,000, including four museums, which generated less than £7,500 in 2004. This financial data reinforces the micro nature of the sample, and supports Watson et al's (2004) assertion that rural tourist organisations are characterised by very low levels of income.

The other financial characteristic of independent museums is their plurality of funding (Moore 2004). Visitors provided the majority of funding to seven museums, but the other seven museums relied on the government in its various guises to supply the majority of funding. This relationship ensures financial stability (SMC 2002b), but it transforms government into the definitive stakeholder (Mitchell, Agle & Wood 1997) and therefore strategy has to align with government policy.

The Scottish Executive provided no financial support to these 14 museums, but it provide funding through other executive branches, such as Scottish Arts Council (Brownsbank Cottage) Historic Scotland (Thirlestane Castle), as well as one-off payments in 2004 through the Scottish Museums Council (Douglas Heritage Museum). The local authority was the critical funder. Eleven museums received 20% or more of their 2004 income from the public purse, including three museums who received more than 65% of their income. Three museums claimed not to have received any public funding in 2004, although

two museums had previously been the financial beneficiary of various government bodies, and the third, an outlier, arguably benefits indirectly from its parent organisation receiving public money. The reality is that, as Sanz et al (2003) maintain, these public goods would struggle to survive without public money.

6.4.7 Staff

Data (Table 6.6) listed 14 full time staff and 64 part time staff, as well as approximately 240 volunteers. Ten museums had at least one paid employee, but four museums: Brownsbank Cottage, Douglas Heritage Museum, Inch Connection, and John Buchan Centre relied solely on volunteers to staff the museum. The largest employers were Culross Palace $n = 22$ and Museum of Lead Mining with 21 employees, although staffing at both organisations was characterised by part time employees, each listed 20 part time employees. Four other museums recorded more than one full or part time employee; Dunaskin $n = 6$, Timespan $n = 7$, Thirlestane Castle $n = 12$ and Whithorn $n = 7$. The data gained in 2005 re-iterates the 2001 findings that these museums, with the exception of three: Lead Mining, Culross Place and Thirlestane Castle are micro organisations. The implication is that like many micro organisations, these museums struggle to find the resources to meet the needs of the moment, let alone plan and develop strategically (Analoui and Karami 2003; Bolton & Thompson 2004; Gray & Mabey 2005).

The staffing structure has changed since 2000, most noticeably in relation to full time employees; then there had been 21 full time employees, by 2004, this figure had fallen to 14 full time employees. The subsequent reduction in full time employees reflected financial difficulties at a number of museums, as museums struggled to cope with static visitor numbers and reduced government funding. Ironically, reducing the resource base further impaired the museums' strategic development, as museums focused on meeting the operational needs of the moment. The number of part time employees in total, however, had remained constant at 64.

The number of volunteers had shrunk by 10% since the postal survey of 2001, but this can largely be attributed to Thirlestane Castle whose numbers had declined from 60 to 15 in four years. The cause seems unclear, but is a concern to the trustees and administrator (Th 1, Th 2). Culross also witnessed a significant decline in volunteers in the same period, 40 to 14. Four museums, however, had seen considerable success in attracting volunteers: Dalgarven, Inch Connection, Tarbat and Timespan. Their success was variously attributed to greater promotion (Da 1, Ta 1), greater emphasis on community projects (Ti 1, Ti 2, Ti 3), and new housing which had encouraged immigration (In 3). Smith (2001) observed that independent museums derived a competitive advantage from their ability to recruit volunteers, both in terms of cost and as a link to the community.

6.4.8 Commercial services

Every museum engaged in retailing and it accounted from 3% (Brownsbank Cottage) to 59% (John Buchan Centre) of income in 2004 (Table 6.6), but, in absolute terms, The Museum of Lead Mining generated the greatest revenue in 2004, £40,000. Various sources (Farr 2000; Ford & Mottner 2002; McPherson) highlight the importance of retailing, because revenue generated from this activity sustains the museums' core activities against a backdrop of static or declining government funding (McPherson 2006). Ford & Mottner (2002) observed that visitors increasingly expect museums to provide shops and/or cafés as part of the experience. Kotler & Kotler (2000) characterised this development as an attempt by museums to create a recreational, relational experience, rather than an intellectual, transactional experience. This theory underpins Lead Mining and Whithorn's strategies who argued that commercial activities encouraged visitors to extend their stay and the community to visit (LM 1, Wh 2). This strategy sits comfortably with a resource-based view/stakeholder approach, because it's a strategy designed to foster a relational experience (Hillman & Keim 2001).

Similar precepts underpin catering, although only six museums offered a café or restaurant, and with one museum, The John Buchan Centre, catering revenue related to a one-off dinner hosted by the museum. The remaining five museums received income from catering, ranging from £7,000 (Dunaskin) to over £50,000 (Lead Mining) either directly through the sale of food and drink or, in the cases of Dunaskin and Dalgarven, rental income from a caterer who rented space from the museum.

6.5 Findings of fourteen, independent rural museums: environment, management, and strategy

A phenomenological approach is ideally suited to identifying and discussing phenomenon, such as events and relationships, because it allows the respondent to articulate these incidents in their own words (Bryman 2004). This process often underpins a descriptive element, which, Denscombe (2003) argues, helps to contextualise further examination. The selection of these independent, rural museums suggested a homogeneous typology based on governance and location. The following section examines these 14 museums individually and the settings within which each of them were operating in 2005. The purpose of this approach is to identify and understand the nature of the environments within which they operate and strategise.

6.5.1 Brownsbank Cottage, Candymills, Borders



Brownsbank Cottage, view of front elevation

6.5.1.1 Description

Brownsbank Cottage in the Borders farmtoun of Candymills was the home of the radical Scottish writer Hugh MacDiarmid from 1951 to 1978, but, following his wife's death, Biggar Museum Trust purchased the cottage. A sense of opportunism prompted the purchase of Brownsbank Cottage, rather than meticulous planning, as revealed:

“It (Brownsbank Cottage) came about because the cottage was there and it was going to be sold and it seemed a shame.” BC2

This ad hoc approach is a recurring characteristic of small firms (Katsioloudes and Tymon 2003) and independent museums (Scottish Executive 2003b), and one that has drawn criticism for its failure to understand the wider environment (Scottish Museums Council 2003). The cottage is the financial responsibility of Biggar Museum Trust and is the only grade A listed but 'n' ben (rural cottage) in Scotland as well as home to a writer in residence.

6.5.1.2 Environment

Brownsbank Cottage seeks to preserve artefacts related to MacDiarmid, but its focus is not the collection. Its aim is to promote creative writing within South Lanarkshire using a writer in residence (BC2, BC3, BC4). This aim explains the decision to consider it an outlier. The Scottish Arts Council and South Lanarkshire Council (formerly Clydesdale District Council) jointly underwrite the writer in residence's salary. The writer fulfils a limited museum role, in the guise of showing the approximately 150 annual visitors around the house.

The tripartite involvement of a quango (Scottish Arts Council), a local authority (South Lanarkshire Council, previously Clydesdale District Council) and a museum (Biggar Museum Trust) was regarded as innovative within the wider political and cultural community (BC 4). This three-way collaboration creates financial and social benefits, which result in shared costs, greater community acceptance and greater integration of public and private services (BC 4, BC 5). This collaboration has created a path dependency that competitors would find difficult to imitate (Dess, Lumpkin & Eisner 2007).

6.5.1.3 Management

A sub-committee of Biggar Museum Trust, which acts autonomously of the Trust (BC1, BC2, BC4), manages the museum,

“I wouldn't say it (Brownsbank Cottage) is independent from the Biggar Museum Trust, but it runs independent of the Trust.” BC2

This practice maybe reflects the Cottage's geographical remoteness from the other Biggar museums, but it also reflects a difference in the museum's philosophy with its emphasis on creative writing, rather than the collection. This sense of uniqueness explains the sub-committee's view that Scottish Arts Council and South Lanarkshire Council are the definitive stakeholders, rather than Biggar Museum Trust (BC1, BC3, BC4), since they fund equally the writer in residence's salary. The Scottish Arts Council's funding arrangement is on a two-year cycle; by contrast, the committee has to re-

apply annually to South Lanarkshire Council for its portion of the writer's salary. This process creates anxiety since the sub-committee is never sure the funding will continue. The sub-committee has attempted unsuccessfully to secure a service agreement with South Lanarkshire Council, however this hope was 'rebuffed' (BC 4). The anxiety of this annual process arguably gives greater urgency to this relationship than that associated with Scottish Arts Council, although both councils enjoy similar power and legitimacy.

6.5.1.4 Strategy

The sub-committee's "Strategy is very much ad hoc" (BC4) is symptomatic of small organisations, since they lack sufficient resources to plan strategically, and instead rely on looser, more informal arrangements which are often centred on limited short term objectives (Gray & Mabey 2005). BC4 commented that the plan's purpose was limited to the building's maintenance, but the writer in residence has to produce a plan, although the monitoring and evaluation of the strategy by the funding agencies: Scottish Arts Council and South Lanarkshire Council, appears limited. BC 4 and BC 5 explained that a formalised monitoring process involving a strategic plan would militate against the philosophy and function of Brownsbank Cottage; they maintain that the relationship between the definitive stakeholders and the writer in residence is rooted in trust. Jones (1995) suggested trust is essential in all contracts and is implicitly the heart of stakeholder theory. The sub-committee believe that to date the writers in residence have fulfilled the council's demands to develop creative writing within the community and produce publications, as evidenced in their literary nominations and awards (BC 3). When viewed within the organisational life cycle the judgement would be that the organisation is growing (Jawahar & McLaughlin 2001), because of its success in supporting creative writing within the community and the awards gained by the writers. However, if viewed within the confines of visitor numbers, it appears Brownsbank Cottage is in decline because so few people visit it. This contradictory view upholds the perception that Brownsbank Cottage is anomalous, because it is driven by an unusual aim when viewed within the context of the museum world.

The unusual aim of this museum underwritten by its unique funding arrangement may explain Brownsbank Cottage's casual view of strategy, but the sub-committee's lack of strategy may be hindering the Cottage's re-development. This process is perhaps being avoided, because it would question the museum's sustainability. Yet the collaboration of these three stakeholders has created an innovative, successful resource when judged in terms of literary output; and produced a path dependency competitors find difficult to replicate.

6.5.2 Crail Museum, Crail, Fife



Crail Museum, side elevation from Marketgate

6.5.2.1 Description

The Fife coastal village of Crail is noted for its 17th and 18th century buildings (Hay Fleming 1886), one of which houses Crail museum. Located in the town centre the 17th century building also contains the tourist office. The content of the museum is generalist in nature, although local in content, and reflects neighbourhood events and features, such as the church and a theme for 2005 of afternoon tea.

6.5.2.2 Environment

Crail was the most visited museum amongst this sample. Its visitor numbers had climbed from about 23,000 in 2000 to approximately 25,000 four years later. Originally the museum had charged admission, but in 1998 the trustees decided to abolish admission charges because they believed it was the antithesis of a museum's principles (Museum Association 1998). Worryingly, the abolition of admission charges did not lead to a rise in donations and the reality is that donations per customer have declined, nonetheless visitor donations remain the largest source of revenue: 64.5% in 2004.

6.5.2.3 Management

The museum is governed by a group of 15 trustees who are all retirees drawn from the local community and include a number of professionals and business people, but it is acknowledged that the trustees lack certain managerial and technical skills (Cr 9); reinforcing the concerns of the Scottish Museums Council (2006). The trustees are actively seeking new trustees with specific skills, but this has proved difficult because of the village's small population (Cr 9). The museum's day-to-day activities are co-ordinated by an honorary curator supported by a group of 50 volunteers, primarily local, retired women. These characteristics reflect elements of Eckstein (2001) and Holmes (2003) observations, but arguably support Holmes (2003) argument that the nature of the exhibits appeals to a particular gender. The volunteers comprise two sub-groups; front of house, and back of house. The front of house volunteers act as guides, as well as selling retail goods. The back of house volunteers conserve and archive artefacts, as well as developing exhibition material.

6.5.2.4 Strategy

The curator and the trustees develop strategy (Cr 4) and discussed on an ongoing basis (Cr 2). This process initially developed as a response to Heritage Lottery Fund criteria when successfully bidding for investment three years previously (Cr 2, Cr 4). Evidence however seemed to suggest that strategy was interpreted now as exhibition planning and weekly ad hoc discussions involving the curator and a number of trustees who are also back

of house volunteers. This forum may provide scope for emergent strategies (Mintzberg, Quinn & Ghoshal 1998) which allows the museum to cope with the needs of the moment and to develop future ideas, but critically it needs to be framed within a general sense of what the museum is trying to achieve.

The success of Lottery investment and growing visitor numbers suggest an organisation that is in the growth phase of the life cycle, but concerns about the trustees' competences and static revenue indicate maturity and its behaviour is characterised by a risk adverse strategy (Jawahar & McLaughlin 2001). The demands required to meet Lottery scrutiny have evaporated, since the Heritage Lottery Fund does not scrutinise post investment performance (OS 1). The result is strategy becomes less formalised because of organisational culture, weakness in the trustees' competences and the absence of a definitive or dominant stakeholder scrutinising investment. This structure at this point in the life cycle suggests that an alliance between the curator and trustees who are back of house volunteers has emerged as the definitive stakeholder.

6.5.3 Culross Palace, Culross, Fife



Culross Palace, view northwards of part of the merchant's palace

6.5.3.1 Description

Culross is the most complete late sixteenth/early seventeenth century village in Scotland (National Trust For Scotland 2005) and its centrepiece is the Palace, built by a 16th century merchant. This property like 23 other properties in the village is in the care of the National Trust for Scotland (N.T.S.). The Palace and the original burgh lie on the northern shore of the River Forth, overlooked by inter war and post war housing. The aim of National Trust for Scotland is to maintain and preserve, it is not a museum organisation; it is a conservation charity designed to protect the natural and built environment. This definition, plus Culross Palace's position within a larger multi million pound organisation explains the decision to define Culross Palace as an outlier.

6.5.3.2 Environment

Visitor numbers in the period 2000 – 2004 averaged between 17,000 and 18,000 annually; although The Palace's management team believes it has the potential to accommodate a further 8,000 visitors using its unique sixteenth century garden as a lure (Cu 1). The rarity of this resource provides The Palace with a competitive advantage and reflects a resource-based view. Management's concern is that The Palace it is failing to attract the large number of potential visitors, because of external threats: bridge building and reconstruction at Kincardine and Queensferry respectively. The result is traffic jams, which have discouraged visitors from Edinburgh and the Lothians.

Visitor numbers, although static have witnessed a shift in their profile towards independent visitors and specialist interest groups, as traditional coach tours have declined (Cu 1, Cu 2). Cu 1 attributes this change to the rise of low cost airlines offering cheaper overseas destinations, a point that coincides with 2001's findings (Appendix 19).

6.5.3.3 Management

Overall responsibility for the National Trust for Scotland (NTS) lies with a board of directors based in Edinburgh, but regional managers oversee operational affairs. Day to day control at Culross Palace is delegated to a property manager who oversees 1 full time member of staff, 20 full time and part time seasonal staff support the manager, as well as 15 volunteers. Culross Palace may operate within the context of a much larger organisation than found elsewhere within this sample, but its management structure mirrors the other museums in that a board of directors oversees strategy.

6.5.3.4 Strategy

The directors determine the organisation's strategy, but each region within Scotland develops its own strategic plan into which individual property managers feed ideas and comments. The property manager leaves the strategic plan in the staff room for staff and volunteers to write their thoughts,

but Cu 3 maintains that strategy is a very top down process and believes staff has little or no input.

Culross Palace's visitor numbers indicate it has reached maturity in the product life cycle and the suggestion is that it will pursue a risk adverse strategy (Jawahar & McLaughlin 2001). This theory is evident in the museum's practice. Its strategy although constrained by organisational diktat has used existing horticultural competences to develop its garden of sixteenth century plants (Cu 2). The other strategy focuses on proactively managing the community to reduce the historical friction between it and The Trust. The emphasis is on increased communication and involvement in community events in an effort to gain the community's trust (Cu 2). However there does not appear to be a strategy beyond winning the community's trust, in effect one that would allow the Palace management team to harness this intangible asset for competitive advantage.

6.5.4 Museum of Ayrshire Country Life and Costume at Dalgarven Mill, North Ayrshire



Dalgarven Mill, view of main entrance and mill

6.5.4.1 Description

The Museum of Ayrshire Country Life and Costume lies between the Ayrshire towns of Dalry and Kilwinning and consists of a 17th century flourmill and ancillary buildings. The mill contains exhibitions of rural life in the county from 1800 to the present day, but Da 2 believes its source of competitive advantage is its large collection of 18th, 19th and 20th century costumes. The museum encompasses a number of features including managed meadowland walks, as well as a coffee shop and an antiques shop.

6.5.4.2 Environment

The museum's annual visitor numbers has grown from 6,000 in 2000 to 9,000 in 2004. Various explanations are offered for this 50% growth in visitor numbers; the development of meadowland walks, the opening of an antique shop in a former mill byre and the quality of service and food at the coffee shop (Da 1); however, the personality and drive of the chairman is cited as the

factor (Da 2, Da 9). The observation is that tourists, rather than local people, view Dalgarnen Mill as a place to walk, shop and eat (Da 1, Da 2) and have fuelled growth in museum visitors. The museum's admission fee was the largest source of income in 2004, accounting for 45% of revenue, but commercial diversification has resulted in significant rental income from the coffee shop and the antique shop. This strategy has provided the museum with a stable, more sustainable financial mix than that enjoyed by many other museums, and may help to explain why the museum was one of only three museums not to require any public monies in 2004.

6.5.4.3 Management

The museum, like many independent museums, is the inspiration of one person (Scottish Executive 2003): Robert Ferguson, younger son of the last mill owner. The museum originated in the mid 1980s and incorporated as a trust in the 1990s, which marked the arrival of a full time curator. This event marked a change in strategy, but it resulted in a decline in visitor numbers and the departure of the curator. Da 1 has managed the museum for the last three years, but he is also the chairman of trustees. The trustees comprise representatives from business, education and the local authority; but the museum's management is firmly within the chairman's control.

His behaviour and skills in managing the museum parallels those of an entrepreneur, because he believes firmly that success stems from the individual (Apospori, Papalexandris & Galanaki 2005; Robertson, Collins, Medeira & Slater 2003; Segal, Borgia & Schoenfeld 2005). Evidence of his inner locus of control is revealed in comments, such as,

“I watch the Restoration programmes with interest and my wife will tell you she got fed up with me shouting ‘Do it your bloody self’, which is what we did”

He also exhibits a desire for control, another entrepreneurial trait (Littunen 2000) in his reluctance to allow outside bodies to become involved in the museum's decision-making process and the way he manages the trustees, for example allocating responsibilities to them.

6.5.4.4 Strategy

The governing body's strategy has generated extra visitors and income; undoubtedly signs of growth (Jawahar & McLaughlin 2001). Future strategy aims to continue this growth by developing further physical resources, e.g. the former stable into two retail outlets. The strategy is to persuade visitors to view Dalgarnen Mill as an all day activity. This strategy symbolises Kotler & Kotler's (2000) assertion that museums had become recreational, rather than intellectual, experiences. It is believed that encouraging longer visits will create a more powerful and long lasting emotional experience, thereby creating a complex set of intangible experiences. This path dependency would create a source of competitive advantage competitors will find difficult to imitate (Dess, Lumpkin & Eisner 2007).

Management often focus on investors and creditors who will help fund business growth (Jawahar & McLaughlin 2001), but at Dalgarnen the chairman's need for control suggests a reluctance to seek outside investment, a characteristic of many entrepreneurs (Apospori, Papalexandris & Galanaki 2005). Evidence indicates that the owner's attributes characterise him as the definitive stakeholder. He has used his networks, as well his social knowledge of the mill and technical knowledge of architecture, to create a competitive advantage for the organisation. This advantage may disappear, because he is thinking of retiring. He is concerned that the trustees may turn to a dormant stakeholder, North Ayrshire Council, to operate the museum. The Council has expressed little interest in the collection, arguably seeing the value of the resource as lying in its land and buildings, rather than the collection, and therefore an opportunity for commercial development (Da 1).

6.5.5 Heritage Museum, Douglas, South Lanarkshire



Douglas Heritage Museum, viewed from St Bride's churchyard

6.5.5.1 Description

Douglas is one of few settlements in the sparsely populated South Lanarkshire Uplands. The museum building was originally the Dower House of Douglas Castle, but was gifted free under a 99-year lease by the Douglas-Home family. This listed 17th century building re-opened as a museum in 1993 to exhibit various aspects of village life, the Douglas-Home family and the Cameronian Regiment.

6.5.5.2 Environment

The motorway (M74) closely bypasses the village, yet despite its proximity, passing traffic largely ignores it,

“people just go passed and it is very difficult to get people to actually stop.” Do 1

In 2004, it welcomed 700 visitors, a figure that correlates to 2000; but the concern is that plans for an open cast mine will blight the village and discourage the community's tourist plans (Do 2, Do 3). The museum is free

and receives about 10% of its income from donations and a further 18% from the local authority, but the largest source of revenue in 2004 was a Scottish Museums Council grant to restore a religious banner. The building, although significant in its own right (Do 2), is viewed as unsuitable for a museum because it is listed, making alterations or extensions impossible (Do 1, Do 4).

6.5.5.3 Management

A group of trustees drawn from the local community, many of whom are also volunteers, manages the museum, a feature that characterises smaller museums (SMC 2002b).

“Trustees are so important because they have responsibilities e.g. public liability, responsible for collections and where the museum is going, volunteers and Friends don’t have these responsibilities.”

Do 1

The number of volunteers has risen steadily to 18 and is testimony to the museum’s strong links to the community (Do 2), however many of these volunteers are elderly. The trustees are trying to source new volunteers from amongst the community. The decision to search from within the community for volunteers is a belief that their knowledge of the locality and its history provides a unique insight into the collection that cannot easily be replicated by recruiting volunteers from outside the community. It also recognises that there are socially complex links between the artefacts and the volunteers. Do 2 admitted that she became a volunteer to rekindle her childhood memories, since the museum had formerly been her grandmother’s house. This motivation does not appear in the literature (Boezeman & Ellemers 2007; Eckstein 2001; Holmes 2003; Tschirhart et al 2001), but can be related to the resource-based view, since her knowledge of the building and its surroundings is rare, and can provide visitors and researchers with an insight that is arguably unrecorded.

6.5.5.4 Strategy

The museum’s success in gaining museum accreditation with Scottish Museums Council encouraged the trustees to adopt a strategic planning process (Do 1). This has involved discussions in open forum with fellow

trustees and Friends from which a five year plan is constructed (Do 1), however it appears this process has lapsed and become more ad hoc (Do 2), reminiscent of small business literature (Analoui and Karami 2003). Instead, the focus is on exhibition planning (Do 2). It appears that SMC membership gave the museum an impetus to develop, but static income and visitor numbers show that as the museum finds itself in a mature phase it has adopted a low risk strategy, which focuses on limited product development (Jawahar & McLaughlin 2001), for example, publication of a newsletter. This process may also have emerged because of one of its unique selling points: the building. Any attempt to re develop the museum will be stifled by the building's listed status, therefore faced by this difficulty trustees find it difficult to consider alternative ideas (Do 3).

6.5.6 Dunaskin Open Air Museum, nr Dalmellington, East Ayrshire



Dunaskin Open Air Museum, view of front entrance

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6.5.6.1 Description

Dunaskin Open Air Museum occupies 110 acres of derelict, industrial land in east Ayrshire's Doon valley. The site was originally a Victorian iron foundry, then subsequently a 20th century brickworks. The museum aim is to preserve the site's industrial archaeology, but the land also contains a site of special scientific interest (SSSI), The Ayrshire Railway Preservation Society and a recently opened Motocross track. The museum received rental income from a restaurant, Chimneys, but it closed and re-located to Dalmellington between the researcher's first and second visit; citing the museum's location as the cause of its poor sales.

6.5.6.2 Environment

The museum is a collection of buildings rather than artefacts (Du 1), consequently the primary objective is the costly need to maintain and preserve these. Dunaskin historically benefited from substantial European and local government investment, including a £3m investment by Strathclyde Regional Council in the early 1990s. Strathclyde Regional Council was then the definitive stakeholder since it provided resources: technical, money and labour to refurbish the site, but also its power, legitimacy and urgency enabled it to lever resources out of other stakeholders, such as The European Union. This definitive stakeholder disappeared following local government re-organisation (Local Government, etc. (Scotland) Act 1994). The lack of subsequent investment is now apparent in the poor state of repairs and in comments (Du 1, Du 2, Du 3, Du 5):

“The site has a lot to offer, but it is evident it needs money to develop and improve the site.” Du 5

The lack of large scale investment has resulted in ageing and outdated displays and may explain the collapse in visitor numbers from 10,000 in 2000 to 4,000 in 2004 (Du 1, Du 2). This decline in visitor numbers has aggravated the museum’s precarious financial position (Du 1) and made it increasingly reliant on East Ayrshire Council; although the local authority funding has fallen in real terms since the early 1990s, it is still the largest source of funding in absolute and relative terms. In 2004, it provided the majority of the museum’s income, 69% in 2004, but at the start of the financial year in 2005, it still had not finalised its financial support for the forthcoming year. This uncertainty had further demoralised the trustees and staff (Du 1, Du 2, Du 3). The trustees’ hope is that it will be allowed to sell some of the 110-acre site for housing and the money re-invested in developing the museum.

6.5.6.3 Management

Two stakeholders, visitors and the local authority, have affected another stakeholder, staff. Falling visitor numbers and cuts in local authority funding have reduced annual income year on year since 2000. The consequence is that the number of staff employed has shrunk from seven to two (Du 4), plus

an unpaid manager. The manager, formerly a manager at a carpet factory and volunteer of the Ayrshire Railway Preservation Society manages the museum unpaid. The museum is governed by a trust, however a number of trustees' positions have remained vacant, and the remaining trustees are viewed as ageing and demoralised because of limited investment (Du 1, Du 2). This process of ageing and declining enthusiasm may also explain the declining volunteer numbers,

“Most of the volunteers are nay spring chickens, they're all a fair age, people who worked in the Valley or worked on the site, now the site has been shut down twenty years what does that tell you.”
Du 1

6.5.6.4 Strategy

The museum appeared to be in decline; visitor numbers had fallen 60% in four years, staff made redundant, trustees' positions remained unfilled and the definitive stakeholder, East Ayrshire Council was reluctant to invest. It was evident that the museum was failing to meet the needs and expectations of a number of stakeholders, notably East Ayrshire Council, the local community, and visitors. Stakeholders, Jawahar & McLaughlin (2001) maintain, are essential for funding. Against this backdrop, the governing body should adopt a risk seeking strategy, but the trustees had abandoned any pretence of strategy pending local authority funding (Du 1). East Ayrshire Council subsequently withdrew funding in June 2005 and the trustees swiftly decided to close the museum later that month. The council felt that it could no longer justify its financial support (Du 5) and was now considering alternative options for the site (Du 4). The museum struggles because its collection contains no artefacts of significance (SMC 2002b) and it lacks any meaningful relationship with the local community (Du 1, Du 2, Du 3), a potentially dominant stakeholder. This weakness meant that this stakeholder was unwilling and disinterested to pressurise the definitive stakeholder, East Ayrshire Council to preserve the museum. A set of actions Savage et al (1991) and Frooman (2002) predict will occur when the firm lacks rare resources.

6.5.7 Fife Folk Museum, Ceres, Fife



Fife Folk Museum, view from annex

6.5.7.1 Description

Ceres, a village of about 800 inhabitants in central Fife, is home to Fife Folk Museum. Its picturesque setting has encouraged a number of younger families and couples to settle in the village. The museum was founded in 1968 to preserve items of 19th and 20th century life in the county, particularly Fife's agricultural north east (Fi 8), but its unique selling point is its collection of quilts and needlework which it advertises through specialist magazines.

6.5.7.2 Environment

The visitor is a dominant stakeholder, its power and legitimacy stem from its funding, making it the museum's major source of income. Admission charges and donations provided approximately two thirds of the museum's revenue in 2004, although the museum also received over £4,300 from Fife Council or 16% of its 2004 revenue. Annual visitor numbers range between 2,500–2,750, a figure that places it amongst the least visited museums. The explanation for these low visitor numbers is the perception that it is relatively inaccessible (Fi 2, Fi 8), but it is hoped that visitor numbers will grow following a £490,000

investment, the majority funded by the Heritage Lottery Fund. This investment enabled the museum to meet a variety of legal and customer demands, including: improved disabled access, damp proofing and new audio-visual equipment.

6.5.7.3 Management

A deed of trust stipulates that trustees, numbering no more than 15, are responsible for the museum. The trustees delegate day-to-day authority to a part time curator who is the only paid employee. Thirty volunteers aid the curator; a number of whom are recent arrivals to the village. The involvement of Cupar & North Fife Preservation Society complicates the museum's management structure, because it owns the building and is a dominant stakeholder. The trustee deeds state the Society is entitled to nominate up to seven trustees, but its involvement has sometimes slowed or complicated the decision making process (Fi 1), a characteristic of not-for-profit organisations (Guo 2007). However, Fife Museum's success in winning £490,000 from the Heritage Lottery Fund has encouraged the trustees to take greater ownership of the collection and direction of the museum. This development whether related to, or incidental to, Lottery success has transformed a previously amateurish board of trustees into a more professional unit driven by the need to secure outside investment (Fi 1, Fi 8). The characteristics of the previous board mirror many other independent museum boards: enthusiastic, well meaning, but possessing limited curatorial or managerial skills (Scottish Museums Council 2002b).

“They (the previous board) were very, very committed, they were hugely interested, but it was a much more amateur approach. The current bunch of trustees, three of the men have a very strong business background... (others have) strong academic, research background which is a very good balance... I think it's beginning to show in the way we go about running the museum.” Fi 8

6.5.7.4 Strategy

This transformation accounts for the emergence of trustees as the definitive stakeholder. The trustees' strategy is to create a more professional approach to the way the museum operates by using managerial ideas of marketing, networking and better training for volunteers (Fi 1, Fi 8). The volunteers are regarded as a dominant stakeholder, but many are perceived as lacking confidence and reluctant to make decisions. This behaviour concerns the curator and trustees, but a stakeholder's comments (Fi 7) suggest this inactivity may stem from poor communication and a lack of participation in the museum's decision-making process.

The recent success in securing such a large investment indicates that the museum is undergoing significant growth and this stage of the life cycle is often marked by organisational change (Jawahar & McLaughlin 2001). Stakeholders' perceptions and enthusiasm for this change may vary, as some regard it as an opportunity and others a threat. Stakeholders' comments about initiative and communication suggest that those most closely involved in the decision making process are more comfortable and confident about the museum's development (Fi 1, Fi 8). Those stakeholders who feel marginalised by the decision making process evince less certainty about the future, fearing the smallness and intimacy of visitor numbers and a more amateurish approach will destroy the museum's positive organisational culture (Fi 7). Jawahar & McLaughlin (2001) contend that during periods of growth issues of employees (volunteers) will have to be 'addressed pro-actively' if quality is to be sustained or improved.

6.5.8 Insch Connection, Insch, Aberdeenshire



Insch Connection, viewed from railway station car park

6.5.8.1 Description

The 1880 railway station at Insch in Aberdeenshire was slated for demolition and replacement with a smaller glass design in the 1990s; however, community pressure led to its reprieve (In 1). British Rail, subsequently Network Rail, offered part of the railway station for community use. The museum now occupies a third of the railway station, but space is extremely limited given the dimensions of the room made available; approximately eight by four metres the previous trustees exacerbated this problem, by enthusiastically collecting any related rail items. The museum's early life was an homage to the railway in Insch, but in 1997 the governing body took the decision to broaden its appeal by devoting more space to recording life in Insch and the surrounding community. This is reflected in its theme for 2005; sport in the community (In 2).

6.5.8.2 Environment

The museum is open April–October every Wednesday and Sunday afternoon. Admission is free and the museum attracted 500 visitors in 2004, a figure similar to 2000. It appears that attendance is static, but some of the trustees believe that visitor numbers would decline in 2005 (In 1, In 4, In 5). Observations and curatorial colleagues' comments in North-East Scotland encourage this belief (In 3, In 4, In 5). Explanations for this decline are the strength of Sterling and the growth of alternative tourist destinations fuelled by low cost airlines. The other explanation may lie in their location. By-passed by the main Aberdeen to Inverness trunk road, few tourists visit the village and there was an absence of visitors during the visit. A dangerous stakeholder, vandals, had recently affected the museum in the cost of replacing broken windows. No explanation exists for this vandalism (In 3).

6.5.8.3 Management

A board of trustees drawn primarily from the community oversees the museum's affairs, although at least one trustee commutes from Aberdeen. The museum's strength is the large number of volunteers involved relative to the community's population of 1500 (In 3). Approximately 40 volunteers sustain the museum's various activities, although the museum is keen to secure further volunteers and attract new skills, although these skills are unspecified (In 1, In 2). Recruiting volunteers from within the community creates dense complex social networks which other stakeholders find difficult to replicate or undermine (Rowley 1997). The success in attracting volunteers has helped secure a recent service agreement with Aberdeenshire Council's museum department. This agreement provides local authority funding in exchange for museum guarantees about the quality of the collection and accessibility.

6.5.8.4 Strategy

The interviewees acknowledged that strategy is discussed amongst the trustees, but deeper discussion revealed that strategy was synonym for planning future exhibitions (In 3). The concern though is that strategy has effectively lapsed, a reflection of some interviewees' dwindling enthusiasm (In 1, In 2, In 3).

"I would hope there is still scope for development and improvement, but I don't know by whom and in what direction. I'm flummoxed to tell you the truth; I'm bored with the way it is, dissatisfied." (In 1)

The number of visitors and income suggest that the museum is facing maturity. When an organisation reaches the maturity phase, it adopts a cautious strategy (Jawahar & McLaughlin 2001). This appears to be borne out by its actions. The museum's strategy has centred increasingly on the community, as it attempts to bolster interest and visitors from it, but product development appears limited. The most promising attempt to stretch the product has been its use of lectures and an Open Evening, which encouraged over 200 visitors. This use of a tangible resource to deliver an intangible resource is easily copied, but the setting provides an opportunity to reinforce socially complex networks between the museum and the community.

6.5.9 John Buchan Centre, Broughton, Scottish Borders



John Buchan Centre, viewed from the A701

6.5.9.1 Description

Broughton's former church houses a museum tracing the history of John Buchan, 20th century novelist and former Governor-General of Canada. The John Buchan Centre is one of six museums that collectively form The Biggar Museum Trust, but it is the only Trust museum outside South Lanarkshire. Buchan's maternal relatives lived in Broughton and he spent his childhood summer holidays with them. The museum's uniqueness lies in its theme, and mirrors Brownsbank Cottage's aim in that it focuses solely on the writer and not the community's history. The trustees worry that Broughton's location explains its low visitor numbers (JB 1).

6.5.9.2 Environment

Visitor numbers fluctuate between 750 and 1,000; in 2004 visitors numbered 832, but the perception is that John Buchan's popularity is waning and that this will translate into fewer visitors (JB 1, JB 2),

“I don't think there is as many kids now read John Buchan. Most of our visitors are in their fifties and sixties.” JB 1

This observation, that its unique resource is losing its value, led some of the trustees to push for a more community-orientated museum, which would emphasise local history and artefacts. The majority of trustees rejected this strategy. The implication is that presence of one of Buchan's granddaughters, herself a trustee, may have swayed other trustees to support the museum's focus on John Buchan. This support may stem as much from social snobbery, as intellectual argument (JB 2).

This museum's low visitor numbers explains its minimal revenue, less than £4,300 in 2004. The major source of income is retailing, 58.7%, of which the majority is derived from selling John Buchan's books, either to visitors or to second hand dealers. Its financial vulnerability is evident in the need to maintain and operate a 19th century church. The building is uneconomic to heat and frequently cold and unpopular to staff (JB 1). The museum did not receive a local authority grant in 2004, although Borders Council contributed towards the museum's 21st anniversary dinner.

6.5.9.3 Management

There are no paid employees; instead, the museum relies on a pool of 20 volunteers to staff the museum. Nineteen of the volunteers come from the Broughton community. The volunteers are also the source of the seven trustees, including a granddaughter of John Buchan. The trustees oversee plans for the museum's future exhibitions, which the volunteers implement.

6.5.9.4 Strategy

The pattern of visitor numbers suggests the museum is locked into one of maturity (Jawahar & McLaughlin 2001), but ominously some stakeholders have identified elements of decline. The waning popularity of John Buchan may affect visitor numbers, a fact reinforced by the trustees' failure to re-orientate itself towards the community. The concern is that the trustees' strategy appears to be tweaking the existing product, for example re-creating his maternal grandparents' living room. There seems to be little evidence of strategy or awareness of wider stakeholder relationships beyond the trustees and volunteers. Strategy is 'fairly informal' (JB 3) and focuses on future displays. This limited response may reflect their location. There is, however, evidence that lack of resources whether time or skills is hampering any thoughts of strategy, a feature of small organisations and independent museums (Ryder 2000, Scottish Museums Council 2006).

6.5.10 Museum of Lead Mining, Wanlockhead, Dumfries & Galloway



Museum of Lead Mining, side elevation from car park

6.5.10.1 Description

The Museum of Lead Mining, Wanlockhead was founded by a geological enthusiast in 1974. It now encompasses several buildings including period cottages as well as an underground mine. The collections reflect the culture and heritage of lead mining in Scotland, specifically in Wanlockhead and the neighbouring village of Leadhills, but a unique selling point is its location in the highest village in Scotland.

6.5.10.2 Environment

The museum had the largest financial turnover of any museum investigated, £170,000, a figure only exceeded by the outlier Thirlestane Castle. The museum's revenue was generated in almost equal parts: admission prices, catering, retailing and local authority grant. The local authority grant was linked to a service agreement with Dumfries & Galloway Council.

Visitors to the museum in 2004 were 11,841, 41 higher than 2000. These figures suggest visitor numbers are stable, but they mask the difficulties of 2001, when the museum temporarily closed, because of Foot and Mouth Disease. This disease prevented visits, but also discouraged visitors to rural attractions (Williams & Ferguson 2005). It created severe financial difficulties in many parts of rural Britain (Irvine & Anderson 2005). The museum has recovered its visitor numbers through the financial support of the local authority and The Scottish Executive (LM 3); however, its visitor patterns have changed over the last five years, as coach parties have declined, and independent travellers has increased. A feature also observed at Culross Palace and Timespan. The museum generates over 50% of its revenue from catering and retailing. The latter in particular has lured a number of local people on to the site, as it is the only restaurant in the village open during the day. The museum relies for nearly a quarter of its funding on the local authority. This stakeholder is regarded as dominant, but supportive (LM 1).

6.5.10.3 Management

The museum is the largest employer in upper Nithsdale, employing twenty full and part time staff during the season (April–October); however, it only retains one full time member of staff year round, a business manager. The other full time member of staff's post; tourist officer, disappeared as part of a cost cutting exercise in the wake of the 2001 Foot and Mouth Disease.

6.5.10.4 Strategy

The trustees' strategy is to continue to grow revenue (LM 3) by adding further products to the museum, and by encouraging commercial activities, such as weddings and conferences. This strategy is revealed in the trustees' decision to retain a business manager, rather than a tourist officer. The business manager has been directed to 'professionalise' the museum and secure level 3 SMC accreditation (LM 1, LM 3). Accreditation is regarded as conferring legitimacy on the museum and encouraging investors and creditors to lend or invest money. The museum's visitor numbers are static if viewed simply, as 2000 and 2004 figures, however the museum's success in recovering its visitor numbers from the nadir of Foot and Mouth disease suggest the

museum is experiencing growth. This belief corresponds to Jawahar & McLaughlin's (2001) assertion that during growth the organisation looks for expansion opportunities. This theory is practically demonstrated by the trustees' plan to refurbish a number of derelict buildings, including the redundant church. The church would provide an archive as well as commercial opportunities to host functions using the village's unique position as the highest village in Scotland as a selling point.

6.5.11 The Tarbat Discovery Centre, Portmahomack, Highland



View of Tarbat Discovery Centre from the churchyard

6.5.11.1 Description

Tarbat Discovery Centre, Portmahomack, is located on the Cromarty peninsula. The Centre displays relics from the nearby ecclesiastical dig, the only monastic Pictish site in Scotland. This rarity would subscribe to Barney's (1991) contention that it is a source of competitive advantage. The museum's entrance contains a small shop before opening out into the former aisle of the church to display the collection.

6.5.11.2 Environment

Tarbat opened in 1999, and visitor numbers peaked at 7,500, but then declined. Annual visitor numbers have grown and stabilised at 6,000, but commercial revenue in the form of admission prices and retailing has risen since 2000, nevertheless the local authority is the largest financial contributor. This financial support reflects a service agreement between the museum, Highland Council and National Museums of Scotland.

6.5.11.3 Management

The trustees number local people, as well as academic representatives from York University and the Museum of Scotland. The museum had originally been the creation of an enthusiastic, local woman who had secured a £1,000,000 grant from Heritage Lottery Fund to renovate the then derelict church; but her managerial competences appear to have left her ill placed to manage trustee conflicts (Ta 2). Personality clashes led to a number of local trustees resigning. The result was that the museum's early success dissipated as trustees jockeyed for position, rather than leading and managing the museum (Ta 2). The appointment of a local entrepreneur as chairman has led to a more focussed and disciplined board of trustees. The chairman has sought to introduce a business systems and processes to the museum's management. Day to day management is now delegated to a small team of trustees, including the chairman. This decision reflected managerial weaknesses amongst many of the trustees (Ta 1); but also a need to create a more flexible, swifter decision-making body able to address the museum's financial plight. The museum's financial difficulty had resulted in the redundancy of the museum's only full time employee. The museum has currently one part time administrator.

6.5.11.4 Strategy

The museum's original aim was to display finds from the archaeological dig with only a limited emphasis on the community. But the slow pace of archaeological discoveries disappointed many visitors and led to a decline in visitor numbers (Ta 1). Ironically, the artefacts, although rare, were a source of sustainable competitive advantage. The chairman has focussed subsequently on the community to attract visitors, using the strategy of product development (Dess, Lumpkin & Eisner 2007). Examples of the strategy include displays highlighting the community's role in the D-Day landings, as well as the creation of a photographic archive of people in the community. The museum has recently announced that it has won further public funding to map Cromarty's graveyards on behalf of a number of historical and community groups in Cromarty.

The museum's strategy has proved popular with many stakeholders, particularly those linked to the community. The number of volunteers has grown from 8 to 20, since 2000, a testimony to the museum's strategy. There are also indications that local people are deliberately seeking out the museum, drawn by the collection's new emphasis on community history (Ta 2, Ta 3). Visitors (Ta 6, Ta 8) support these observations and cite the photographic collection as the reason for their visit, although customer evidence is based on a very small sample.

Jawahar & McLaughlin (2001) contend that declining organisations engage in a risk seeking strategy in an attempt to build a new market or rebuild market share. Tarbat's success in re-growing visitor numbers and commercial revenue, as well as securing further public money, reflects a museum that has moved from decline to growth and is seeking to engage with a wider range of stakeholders. It furthermore supports Born's (2000) contention that organisations may experience repeated bouts of growth, maturity and decline before finally ceasing to trade.

6.5.12 Thirlestane Castle, Lauder, Scottish Borders



Thirlestane Castle, front elevation

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6.5.12.1 Description

Thirlestane Castle is a 17th century castle built on the foundations of an earlier 13th century castle. The trustees' aim is to preserve and maintain the Castle. The Castle contains a museum depicting rural Scottish Border life, but the museum's objective is to support the Castle. Adjoining the Castle's estate is the village of Lauder. The village has witnessed a number of new housing developments in response to rising property prices in Edinburgh (Th 1, Th 3).

This has led to a certain amount of disagreement between long-term residents and new arrivals over the need to develop appropriate services, for example a new primary school (Th 3).

6.5.12.2 Environment

The Castle's funding structure is unusual. Its largest single source of income is an endowment from the government agency, Historic Scotland. This endowment provides 50% of Thirlestane Castle's annual revenue, £200,000. Visitors, catering sales and horse trials generated the remaining 50%. However, legislative changes to UK taxation have affected the endowment's value. The Castle now finds itself in a weaker financial position at a time that its visitor numbers have declined. Visitor numbers have dropped from over 14,000 in 2000 to 11,000 in 2004; a reflection of fewer coach tours.

6.5.12.3 Management

A board of seven trustees meet twice yearly to set strategy, although in effect strategy is determined by the chairman (Th 1). The chairman's family had lived in the Castle for several hundreds years, but by 2005 it was owned by a trust. The chairman though, still feels a strong sense of family responsibility for the Castle's future survival and success.

A Castle administrator manages day-to-day operations. The current administrator had been in post less than six months at the time of the interview, but his primary aim is 'to bring financial stability to the Castle' (Th 1, Th 2). The previous administrator, a builder, had focussed on maintaining and repairing the Castle's fabric, rather than revenue generation. It is hoped (Th 2) that the new administrator's managerial skills and knowledge gained working for a large multi-national food company will grow revenue (Th2). The trustees believe that the Castle needs to generate more revenue to cover its operating costs, as well as redevelop and refurbish parts of the estate.

The staff complement consists of a further six full time administrative and maintenance staff, but it does not employ a curator because of the cost. The

Castle also employs 2 part time guides and 15 volunteers in 2005; however, the administrator is concerned about the number of volunteers and their age. In 2000, there had been 60 volunteers, five years later this figure had collapsed to 15, and those volunteers that are left are elderly and, in some cases, physically unable to carry out certain tasks.

6.5.12.4 Strategy

The trustees' strategic aim is to generate revenue for the upkeep of the Castle (Th 2), but it appears that the trustees' recent strategy has focussed on building maintenance to the detriment of revenue generation. The Castle's visitor numbers are declining and by implication so are its museum visitor numbers. The organisation's strategy aims is to diversify, by targeting the events market (Th 2), as well as encouraging more horse shows. The other source of revenue actively being explored is the sale of assets e.g. land for housing, a strategy often pursued by firms in decline (Thompson & Martin 2005). Jawahar & McLaughlin (2001) predict this risk seeking strategy, but they advocate the organisation proactively managing its customers and investors. Thirlestane's strategy, though, has the potential to antagonise the community. The perception is that this strategy solely benefits Thirlestane Castle, but the community will have to absorb the emotional and financial cost of new arrivals (Th 3). Frooman (2002) predicts that a stakeholder will use direct or indirect methods to withhold or limit access to resources. The community possess urgency and legitimacy but little power, since the Castle generates relatively little income from local visitors. This scenario suggests that the community will work through a more powerful stakeholder, e.g. the local authority, to affect change.

6.5.13 Timespan Heritage Centre, Helmsdale, Highland



Timespan Heritage Centre, view of front elevation from the car park

6.5.13.1 Description

Helmsdale was created by the Duke of Sutherland as a planned fishing town to absorb people evicted by the Clearances; however, its potential remained largely unfulfilled. In 2005, it was a village of 900 souls. The museum is housed in a former fish factory and details local life, geography and events. The museum includes a café, riverside garden and recently opened art gallery. The museum charges admission (£4 in 2004), but the art gallery is free, a stipulation of its funder; the Scottish Arts Council.

6.5.13.2 Environment

The governing body recognised by the late 1990s that it faced financial difficulty. Visitor numbers had collapsed from approximately 25,000 in the early 1990s to less than 10,000 visitors. Explanations included fewer overseas visitors, less bus tours, increased competition from other attractions, and too little advertising (Ti 1), but since 2000 the museum is one of only two museums in the 2005 sample to report strongly growing visitor numbers.

Visitor numbers have climbed from 9,827 in 2000 to 12,014 in 2004. The museum enjoys a service agreement with Highland Council who provided £14,000 in 2004 on the understanding that 'the museum is kept to a certain standard' (Ti 4).

6.5.13.3 Management

The museum has no full time employees, but previously it employed a full time manager, who resigned along with half the trustees in 2003-4 following internal disagreements (OS 3). These difficulties led to the recruitment of a part time change manager funded by two outside agencies. This has resulted in the appointment of a number of new trustees (Ti 1, Ti 4). The centre now employs six part time staff and 20 volunteers. The number of volunteers has leapt tenfold in four years, a reflection of the trustees and staff's efforts in promoting the museum within the community (Ti 1, Ti 4).

6.5.13.4 Strategy

"Various things (triggered the change): money, and staff leaving, and all these came to a bit of a head ... we found ourselves in position 'Do we close?' or 'Do we do something radical?' We felt we had so much going here it would be a shame to close." Ti 4

Timespan's decline through the 1990s and into the opening years of the twenty-first century led to internal conflict within the definitive stakeholder: the governing body (2001 respondent). This critical event could have led to closure, a strategic option (Dess, Lumpkin & Eisner 2007), but instead members of the governing body pursued a turnaround strategy focused on its internal processes (Dess, Lumpkin & Eisner 2007) through the use of a change agent to transform relationships within the trustees and staff. It supported this approach by adopting a risk seeking strategy designed to attract new customers (Jawahar & McLaughlin 2001). Timespan moved into new markets by focusing on the community and building relationships with various users within the community, for example offering the museum as a film studio for high school pupils, story-telling cameos for primary school children, and hosting arts and crafts workshops in the gallery. These successes have led to the museum growing in both revenue and confidence

(Ti 1), the most recent example was the appointment a month before the interview of a publicly funded part time archivist to collate and document photographs of the area.

6.5.14 Whithorn Cradle of Civilisation, Whithorn, Dumfries & Galloway



Whithorn museum, front elevation from George Street

6.5.14.1 Description

Located in southwest Scotland on a peninsula of the same name is Whithorn. Whithorn Cradle of Christianity occupies one of the mid 19th century houses found on the village's high street. The front of the museum contains a small café and shop through which the museum is accessed. The museum's collection of early Celtic Christian artefacts is of international significance (Scottish Museums Council 2002b). The museum aims to display the archaeological artefacts, but it also aims 'to act as a catalyst for the regeneration and re-development of the rural economy in Whithorn,' Wh 1.

6.5.14.2 Environment

The town's welcoming appearance has attracted people from other parts of the United Kingdom lured by the idea of retirement, rather than employment. The reality is that the community is marked by deprivation and high out migration of its young, educated inhabitants (Wh 1, Wh 4), a characteristic noted in other parts of rural Scotland (Halacro & Lynch 2003). Dumfries &

Galloway Council is attempting to stimulate the area economically, using tourist attractions, such as Whithorn, as a catalyst (Wh 4, Wh 5). The area's natural beauty and rich history are a source of competitive advantage, but its relative isolation means that tourists frequently ignore it and head for the tourist destinations of Edinburgh, Glasgow and the Highlands. This characteristic coupled with a low population density (Scottish Executive 2004) helps to explain annual visitor numbers that hover around 5,000 and the need for the council's financial support. The Council underwrote the museum's £80,000 income by 50% in 2004.

6.5.14.3 Management

The board of trustees' involvement is muted. The lack of urgency in the board of trustees may reflect the fact that a number of positions are vacant. These positions were created to reflect the historical power of certain stakeholders i.e. Clydesdale Bank, local enterprise company, Church of Scotland, Episcopal church and Roman Catholic church. The practice has been to let these nominees' posts remain unfilled; consequently, the board has rarely operated to its full potential. The appointment of a new chair may signal a more progressive and dynamic board (Wh1). The museum has one full time employee, a business manager. The manager has a background in owning and operating small businesses and is responsible for the museum's operations. The manager is supported by six part time staff and three volunteers who are recruited from the community.

6.5.14.4 Strategy

The museum's visitor numbers and income are static, but there is evidence that the museum has experienced decline and growth, most notably its success in securing a £100,000 grant for refurbishment. Visitor numbers are now static and the need to grow income is evident (Wh 1). These figures suggest maturity and a risk adverse strategy (Jawahar & McLaughlin 2001), but the museum's success in winning a large grant suggests a more dynamic environment. This is attributed who is viewed as dynamic and politically astute (Wh 2, Wh 3, Wh 4), but lacks support or guidance from the trustees (Wh 1). The manager appears to be a developing a series of networks involving other

stakeholders, notably Dumfries & Galloway Council, to compensate for the trustees' weakness and the museum's geographical remoteness. The strategy looks beyond the collection, and instead seeks to link the museum more effectively to the local community and the wider tourist community in Dumfries & Galloway. This strategy aims to manage proactively a number of stakeholders; community, local authority, and related tourist attractions centred on Whithorn. The ultimate aim is to develop a cultural festival in Whithorn, akin to the St Magnus Festival in Orkney, which would combine the various stakeholders to economic and social effect.

6.6 Discussion

The collection defines arguably a museum (Museum Association 2001, SMC 2001), but ironically the majority of these museums' collections are of limited significance (Scottish Museums Council 2002b), only Whithorn possesses artefacts of international repute. The collections, though, reflect local culture and experiences. It is this rare, hard to substitute intangibility that fosters relationships with the community, but also fosters a visitor experience that sets Scotland apart from its tourist competitors. It is this collection of the 'mediocre' (Tufts & Milne 1999), which competitors would find difficult to copy, because it is rooted in the experience of the locality, not the collection.

This source of competitive advantage explains arguably the museums' longevity. The overwhelming majority still exist years after their foundation, a statistic that is in marked contrast to the short lifespan of many commercial organisations (Anon 2004c). It is evident, though, that financial concerns have afflicted each museum between 2001 and 2005. This has translated most vividly in fewer full time employees; 21 down to 14, as museums have sought to reduce and control costs. It is recognised that cost control is an essential part of management (Dess, Lumpkin & Eisner 2007) and can be a successful strategy, but it is also observed that fewer staff affects processes and relationships (Tsai et al 2005).

The dilemma is that this strategy, because of fewer staff, leads to transactional exchanges, rather than relational experiences, thus undermining a source of competitive advantage to many of these museums. Furthermore, in order to minimise staff costs, organisational activities increasingly focus on the needs of the moment (Analoui & Karami 2003) rather than sustaining and developing strategies to maintain competitive advantage, e.g. Dunaskin. One promising development appears to be an increase in volunteers working at four museums, three of which are growing visitor income: Dalgarven, Tarbat, and Timespan. The two museums to report declining volunteers are either static or declining in terms of visitors: Dunaskin and Thirlestane castle. Smith (2001) cited the presence of volunteers as one of the successful

characteristics of independent museums. Their presence arguably defines a museums' relationship with the community and one that another stakeholder, government, has encouraged (McPherson 2006). The argument is that there are financial benefits in demonstrating these connections, but invariably funders predicate the release of money on receipt of a strategic plan.

Strategy often implies some form of planning process (Dess, Lumpkin & Eisner 2007; O'Regan & Ghobadian 2004), but informality marked the process at the smallest museums in terms of income: Brownsbank, Crail, Douglas, John Buchan, and Insch Connection. Interviewees expressed strategic planning in terms, such as 'ad hoc' and 'just happens'; suggestive of an emergent strategy (Mintzberg, Quinn & Ghoshal 1998). Writers, such as Mintzberg have questioned the value of a formalised strategy in turbulent environments maintaining this policy restricts creativity and flexibility (Mintzberg, Quinn & Ghoshal 1998; O'Regan & Ghobadian 2004). This informality corresponded with a tendency to associate strategy with operational plans. Discussions with interviewees did not reveal a wider understanding of the museum's direction and scope over the longer term; instead, it equated to forthcoming exhibitions or maintenance concerns.

Evidence suggests formal strategic planning has occurred when demanded by a definitive stakeholder e.g. museum accreditation, Douglas or investment, Crail. However once these demands have been met the stakeholder's power, urgency and legitimacy, vanish e.g. Heritage Lottery Fund, Crail. Silberg (1995) writing in 1995 observed that Canadian museums engaged in a similar process aimed at leveraging resources out of a stakeholder, notably money. Mann (2007) stated that museum directors continued to use strategic plans as often a means to access resources e.g. accreditation or funding, rather than as analytical tool. Crittenden (2004) questioned the value of this thinking, but, as small business literature argues, these museums lack resources to sustain a more formal process (Gray & Mabey 2005); and the five smallest museums: Brownsbank, Crail, Douglas, Insch Connection and John Buchan are arguably the smallest of the small. Cornforth (1999) attributed the trustees' lack of strategic planning to the stark reality that it was unnecessary in such small

organisations. The concern, though, is that a lack of formal strategy may explain these five museums' limited development, most clearly expressed by one trustee who stated that they (the trustees) were 'going through the motions', because they had lost their sense of purpose (In 1). Worryingly, a lack of strategy may reflect disillusionment, which in a cyclical manner feeds into a lack of strategy, and a sense of drift.

A second group of museums: Culross, Thirlestane Castle and Whithorn, were experiencing similar difficulties. These museums differed in that they had enjoyed periods of growth in the past, but were searching for products and/or markets that would enable them to grow again. They also differed in that they operated within a more dynamic environment, overseen by a trustee or manager who recognised the threats facing the museum. The business manager at Whithorn most vividly demonstrated this awareness, through her use of business and political networks. Her vision saw a nexus of networks centred on Whithorn under her direction.

This desire to control events reflects an internal locus of control (Gilmore, Carson & O'Donnell 2004), and is demonstrably shared by the chairmen of Dalgarven and Tarbat museums. These three interviewees (Da 1, Ta 1, Wh 1) exhibited activities that writers (Dess, Lumpkin & Eisner 2007; Mullins 2005) associate with leadership, notably, setting direction, designing the organisation and nurturing a culture of excellence. Their actions, especially at Dalgarven and Tarbat, indicate that they have used their power and legitimacy to dictate strategy, e.g. setting trustees strategic tasks (Da 1), and developing a management sub-group to manage day-to-day affairs and develop strategy (Ta 1). It is worth noting that two of these three interviewees had run their own business (Ta1, Wh 1) and the third (Da 1) had grown up in a family business, an experience that will have shaped his behaviour (Harris & Gahuri 1998).

A final group of three museums: Fife, Lead Mining and Timespan, developed strategy within a group framework. This involved trustees and paid staff, and extended in Fife's case to include Friends. Mullins (2005) citing Vroom & Yetton's contingency model describes group decision making as one in which

decision-making is based on co-operation and consensus. This may have been the result of an historical threat or demand: Heritage Lottery funding at Fife, Foot & Mouth Disease at Lead Mining, and conflict within the organisation at Timespan. These threats proved to be an opportunity to clarify and re-set the museum's direction, clearly in two cases (Fife and Timespan) centred on the recruitment of new trustees. To an extent, a process mirrored at Lead Mining where the governing body signalled clearly its aim when, following the Foot and Mouth Disease, it retained the business manager, but made the tourist officer redundant.

An element of this thinking occurred at Thirlestane Castle with the recruitment of a former marketing manager as the Castle administrator, rather than someone skilled in tourism or heritage. This appointment demonstrated an attempt to create a strategy that would reverse declining visitor numbers and volunteers. It is difficult, though, to criticise the lack of strategic development at Thirlestane Castle, since the appointment was recent. The other museum in decline, Dunaskin, corresponded in size to the larger museums, e.g. Lead Mining and Timespan, and should have suggested a more formal strategic approach, yet strategy had lapsed and developed around the operational needs of the moment. Here, disillusionment had turned to disengagement, because it was viewed as a fruitless, doomed exercise, arguably reinforcing Crittenden et al's (2004) belief that strategic planning has to demonstrate visible benefits.

6.7 Summary of sections 6.3 – 6.6

The purpose of sections 6.3 - 6.6 was to contextualise the environment within which these museums collectively and individually operated in 2005. Both Bryman (2004) and Denscombe (2003) argue a phenomenological approach encourages this strategy, because it allows the researcher a platform to examine more critically subsequent issues or themes. The following section examines the theme of stakeholder salience in relation to the 14 museums

discussed in sections 6.3 – 6.6, using Mitchell, Agle & Wood's (1997) typology.

6.8 Stakeholder salience

Using narrative analysis, the aim of this section is to identify the definitive and dominant stakeholders within independent, rural museums in mainland Scotland using Mitchell, Agle & Wood's (1997) typology. This process enables a more systematic sorting of the organisation's relationships based on its experiences. These experiences form the basis of a phenomenological approach designed to identify and evaluate instances of stakeholder behaviour, and its effect on the organisation.

6.8.1 Governing body

The governing body is responsible for developing a museum's policies (Tzeng 2005); but their responsibilities amongst the 14 museums sampled differed, depending on the museum's income. Museums whose income was less than £70,000 relied on the trustees to fulfil a number of roles. They were responsible for setting policy, but they were also responsible for implementing these policies in the guise of volunteers. The chairmen of two museums: Dalgarnen and Tarbat, also fulfilled the role of a manager, effectively supervising and monitoring the performance of paid staff, franchise holders and volunteers. It was only as the museum's turnover increased that the trustees and volunteers become more distinct, separate bodies, although trustees continued to act as volunteers.

The larger museums (income > £70,000); Culross, Dunaskin, Lead Mining, Timespan, Thirlestane Castle, and Whithorn, delegated daily management to a paid employee. This situation arose because the trustees, unpaid and voluntary, did not have the time to manage an increasingly complex organisation. This process of delegation characterises agency theory (Hill & Jones 1992) and is evidence of a larger organisation (Mullins 2005). The effect is to divide responsibilities between the principal (trustees) and agent (management); trustees adopted a strategic, advisory role, whilst managers oversaw day-to-day operations. Explicit and implicit contracts underwrite these responsibilities between the principal and the agent (Hill & Jones 1992), and frame their respective boundaries and guide the organisation.

Huse (1998) argued that this relationship between the board and senior managers was at the centre of the organisation's network of relationships and influenced the organisation's performance. Staff at Culross, Lead Mining and Thirlestane Castle viewed the trustees positively, because the two parties recognised their respective boundaries of authority and responsibility (Cu 2, LM 1, Th 1);

“They're very good; they tend to take very much a stand back role. They tend to stick to strategy, they don't come in here and lord it over the museum at all and they stay in the background.” (LM 1)

The difficulty arose when the manager doubted the trustees' abilities to fulfil their responsibilities (Wh 1) or, worse, lost confidence in the trustees' ability (Du 1). It is these responsibilities, acknowledged repeatedly in interviews that separates the trustees from other stakeholders and makes them the definitive stakeholder (Do 1, Du 2, Fi 1, Fi 8, Ti 3). Intriguingly the interviewees did not view salience as driven by power but by responsibility, a term associated with the notion of corporate social responsibility as identified in Donaldson & Preston's (1995) normative core, and more suggestive of Freeman's (1984) Kantian perspective 'of doing the right thing'. Responsibility is more suggestive of a burden than a benefit; unlike power, which indicates the ability of one party to impose its will on another party (Mitchell, Agle & Wood 1997). Responsibility implies accountability for that action (Buchholtz & Carroll 2003), a characteristic not associated with power, although Mullins (2005) suggests responsibility infers authority and therefore by extension power.

The trustees' behaviours and actions were widely applauded by other stakeholders: volunteers, visitors, local authorities and SMC, because of the time and effort they devote to museum for the benefit of other stakeholders (Cr 1, Cr 5, Da 1, BC 4, Do 3, In 3, OS1, OS3). It was suggested that trustees were motivated by altruism, a desire to do the 'right thing' (BC4), reinforcing the normative principle of stakeholder theory (Freeman 1984).

Altruism had prompted some to become trustees (Do 1, Ta 1), but others were recruited on the basis of friendship (Ta 2), or alternatively sourced from amongst the most enthusiastic local volunteers (BC 4, Cr 4, Cr 10, JB 1). The advantage of recruiting locally is that the trustee may be more aware of local issues and sensitivities (Cr 4), including the role and significance of the museum to the local community (BC 4). The effect of recruiting local trustees supports argument (Rowley 1997; Hillman & Keim 2001) that organisations seek to create dense networks as means of accessing resources and combating threats.

The awareness of the community and the intangible connection between the trustee and the community emerges in a more personal way. Three trustees (Da 1, LM 3, Th 2) cited family history as a driver for their involvement and the way that it influenced their behaviour towards the museum. This was most explicit at Dalgarven. Da 1 admitted that his original inspiration had been his ancestors who had milled on the site for a hundred years. He was fearful that commercial developers would destroy the site and any residual spiritual connections to his ancestors; therefore, he chose to re-develop the site as a museum. This observation reinforces a sense of responsibility between ancestors and the current generation, a message similarly expressed by LM3,

“I was invited to become a trustee, my background is chemical engineering, but also my family comes from around here. I can trace my family back to 1705..... Wanlockhead was always a pilgrimage for us in school holidays. I worked abroad for 35 years and every time I came back on leave I always came back to Wanlockhead, because my parents are buried down in the cemetery, as are my grandparents, and my great grandparents.”
(LM 3)

Volunteers similarly noted this spiritual family connection as a motivation for involvement (Fi 7, Do 2). The benefit to the organisation is it that can access the trustees' skills and knowledge, for example architecture (Da 1), chemical engineering (LM 3), and community social history, some of which may be unrecorded (Da 1, Do 4, Fi 8, LM 3). Access to this knowledge is a competitive advantage, since it is arguably rare, difficult to substitute, and it is

free. All attributes noted with resource-based literature (Dess, Lumpkin & Eisner 2007).

The weakness, though, in sourcing trustees from the local community is that the pool of talent is limited, because the museums inhabit geographically remote, sparsely populated areas (Irvine & Anderson 2004; Scottish Executive 2004)

“For a small village like this in a rural area, although you get retired people, there are no professional people... It is quite difficult to find people with professional skills” (Ti 3)

The result is that trustees, although enthusiastic and accessible, may lack the curatorial knowledge and managerial skills appropriate to the needs of governing a 21st century museum (Du 2, Fi 8, Ta 1, Ti 4). A concern that has been expressed previously (Fopp 1997; Roberts 2003; SMC 2006), and about not-for-profit organisations in general (Cornforth & Edwards 1999; Mordaunt & Cornforth 2004). More worryingly, the promise of meeting a titled trustee motivates membership (JB 2, Ta 1, Ta 2, OS 3).

“I think also because there is a link to Lady S... and I think there is kudos in being involved with her ladyship. “ (JB 2)

This egoism (Mullins 2005) displays an instrumental perspective and an individual's interest in self-advancement. The additional concern is that this trait will lead a trustee to support the titled trustee's decisions; because of their title, and the perceived power and legitimacy it infers.

This weakness in recruitment policy may be an historical legacy. A board's composition and structure reflects the prevailing stakeholder salience at its moment of inception, but changes in stakeholder salience can create dormant or even non-stakeholder attributes. This is evident at Dunaskin where trustees' seats were still reserved for representatives of the defunct Ayrshire Enterprise, and Ayrshire Tourist Board, even up to the point of liquidation to Dunaskin Open Air Museum. A parallel process exists at Whithorn, where a number of positions are reserved for historically dormant stakeholders e.g. Clydesdale Bank. Both museums have suffered, because the board has

lacked sufficient depth and breadth of talent to direct and support the organisation. Walker (2006) recommends periodically reviewing policies and structures in the light of changing stakeholder salience, a policy that may have prevented difficulties at Dunaskin and Whithorn.

Other governing body stakeholders have disappeared because of frustration at the slow decision-making (Ta 2) or attend irregularly: a feature of not-for-profit organisations (Johnson, Scholes & Whittington 2005). Efforts to create a consensus amongst so many stakeholder representatives and political machinations leads to disenchantment and disengagement, a feature Babbidge (2002) noted amongst more politically complex, governing bodies. Cornforth & Edwards (1999) cited attendance as a key variable in a governing body's effectiveness. The problem of poor attendance imposes the burden of governing on a smaller group of trustees. The danger is that the remaining trustees become disillusioned, because of insufficient depth and breadth skills to govern the museum (Guo 2007). This weakness can become manifest when an event occurs beyond their control, e.g. a cut in funding. The ensuing financial difficulty leads to further disillusionment and disengagement (Du 1, Du 2, Wh 1), thus exacerbating the problem.

This situation occurred at Dunaskin where the organisation became vulnerable to the definitive stakeholder, East Ayrshire Council. East Ayrshire provided 69% of the museum's revenue, which the trustees could not substitute in the short to medium term. Their inability to satisfy East Ayrshire Council's strategic demands led the Council to withdraw funding. The trustees then closed the museum. The museum's closure reflected the trustees' lack of skills (Du 1). These lack of managerial skills (Barney 1991) and inability to create a stakeholder network (Rowley 1997) left them vulnerable to the definitive stakeholder (Mitchell, Agle & Wood 1997). Frooman (2002) predicts that a stakeholder that is not dependent on the firm will withhold or limit access to resources, in order to influence the firm's behaviour.

Critics partly attributed Dunaskin's problems to the trustees' lack of training, a problem identified amongst other interviewees who feared their lack of training

left them vulnerable. Cr 1 stated, “At first I just didn’t know what I was doing, I wasn’t really sure why I was here”. The outcome is that some trustees are unaware of their responsibilities (Ta 1, Fi 8); a statement that strengthens Scottish Executive’s (2003b) criticism that many independent museums are strategically naïve; a factor attributed to managerial deficiencies (Steane 2001), and limited strategic planning (Moxley 2004). This naivety led Ta 1 to create a smaller management committee from among the more able trustees. A decision borne of dissatisfaction, it characterises the willingness of entrepreneurial leaders to bypass organisational decision-making structures and develop alternative decision-making structures (Mullins 2005).

Stakeholders (Cr 10, Du 2, Fi 1, Fi 8, Ti 4, Wh 1, OS1, OS 3) acknowledged that existing trustees had to develop their managerial skills, but also expressed the governing body’s need to recruit better skilled trustees,

“We realised we were trying to professionalise the organisation, so we are looking for some people to come in with professional background where as before people were before well meaning. You know they would work in the museum, but perhaps haven’t got the skills to do it.” Ti 3

The SMC (OS 6) and local authorities (OS 3) have been instrumental in encouraging boards of trustees to develop and acquire managerial skills, but there was also recognition from within museums (Crail, Fife Folk, Timespan, Whithorn) that they lacked the necessary skills. This was manifest in various governing bodies’ attempts to recruit trustees with legal or financial skills. Ta 1 argued legislation had made this necessary, but others (Cr 9, Ti 4) viewed it as an attempt to create a more sustainable future. The literature (SMC 2002b, 2006) nevertheless identifies marketing as the critical weakness, because many independent museums have minimal income. This resonates with trustees’ arguments that museums are competing against other community activities for resources, and therefore must differentiate themselves (BC1, BC 2, Cu 2, In 4). This recurring emphasis on the need to develop managerial skills and knowledge is repeatedly emphasised as a source of competitive advantage (Campbell, Stonehouse & Houston 2004; David 2007; Dess, Lumpkin & Eisner 2007; Johnson, Scholes & Whittington 2005).

This drive to recruit new trustees with managerial or professional skills often heralds the emergence of a new culture (Fi 8), which some trustees (Ti 4) view positively; others resign unable to accept the new culture (OS 3). Explanations for resignations varied, but underpinning their exit was a belief that their salience had diminished within the board (JB1). Mullins (2005) states that conflict is 'an inherent feature of organisations', as individuals seek to exercise power. This is demonstrated in their behaviour towards other stakeholders, which can lead to improved performance, but conflict has to be managed, otherwise it is destructive. Tuckman & Jensen (1977) argued conflict is inevitable, as groups move through various stages of relationships in an effort to improve their effectiveness. Evidence identified at least three boards that had encountered serious conflict (Dalgarnen, Tarbat, Timespan), yet the loss of these stakeholders had led to greater cohesion and effectiveness within the board and improved performance.

Stakeholder conflict and the potential for the stakeholder to threaten the organisation by withdrawing resources has been noted (Frooman 2002; Lamberg et al 2003; Rowley 1997; Savage et al 1991), and emphasises the link to resource-based literature. The apparent success of three cases: Dalgarnen, Tarbat and Timespan, suggests that the withdrawal of resources did not affect the organisations' performance (Hillman & Keim 2001), instead it allowed the organisation to develop a more effective strategy, based on identifiable sources of competitive advantage. At Crail and John Buchan, the threat has been contained, but performance is static, suggesting reduced access to resources.

6.8.2 Paid staff

Historically, paid staff's salience emanated from their access to curatorial skills and knowledge (Kawashima 1998; McLean 1997; Moore 2004), which were regarded as an inimitable resource (Barney 1991). This has changed, as other stakeholders, notably customers and government, have demanded managerial skills (McPherson 2006).

6.8.2.1 Managers

Ten museums employed paid staff, of which seven employed managers, four full time, two part time and one unpaid, although the chairmen of trustees at Dalgarven and Tarbat also fulfilled the role of manager. This role reinforced their salience derived from chairmanship of trustees. The museums had delegated day-to-day operations to a manager, because of the complexity involved in managing the operation. Hill & Jones (1992) postulate that engaging a manager involves agency theory and issues of trust and cost, since the position controls and regulates the flow of information between the organisation (the trustees) and other stakeholders, in effect it is the definitive stakeholder (Mitchell, Agle & Wood 1997).

A manager's knowledge of the museum is a unique resource, which the trustees draw on to help formulate strategy. The larger the museum, the more explicit the manager's role and involvement in strategy: Lead Mining, Thirlestane Castle, Timespan, although this process also included Fife Folk Museum. However, two managers lacked this power within a wider setting: Culross and Dunaskin. The manager of Culross, although explicitly responsible for the day-to-day affairs of the museum (Cu 2) had limited input into strategy, because of the National Trust for Scotland's size and organisational structure. The power to control the flow of information between national directors and other stakeholders lay with area directors, not property managers. The other exception was Dunaskin. The museum's financial difficulties meant that control of strategy lay with the principal funder: East Ayrshire Council. The board of trustees had in effect ceased to exist and the unpaid manager's attention focussed solely on meeting the needs of the moment, e.g. paying the electric bill. His salience was limited because he lacked access to resources individually or more widely through a network of relationships (Rowley 1997).

Whithorn offered an example of an agent using a network of relationships to access resources (Rowley 1997) and usurp the principal (Hill & Jones 1992). Berle & Means (1932) noted as long as the 1930s that a manager is in a

position to dominate or ignore the principal because of his (sic) ability to filter or distort the information that the board receives. This is possible, Hill & Jones (1992) contend, where stakeholders are dispersed, and the principal lacks the resources to coordinate and scrutinise performance.

The trustees' ineffective control and direction frustrated the manager and encouraged her to collaborate with other stakeholders centred on her business and political networks. This was possible partly because the trustees lacked the resources to monitor performance but, unlike Dunaskin, the manager allied herself to a dominant stakeholder, which provided 50% of the museum's income. Whithorn's manager has reversed the situation at Dunaskin by allying herself with the funding authority, in effect marginalising the trustees.

Managers can influence museum strategy, because of their position at the centre of organisational networks controlling the information to and from the trustees. The museum networks in many examples were open, because trustees also served as volunteers and therefore had access to similar operational knowledge. The manager's salience increased where the trustees were diffuse and lacked the resources to monitor the manager e.g. Whithorn. Here the support of a dominant stakeholder strengthened the manager's salience. The manager's relationship appeared positive offering further proof of her position as the definitive stakeholder.

6.8.2.2 Other paid staff

The larger employers employed managers to manage paid staff: Culross, Dunaskin, Lead Mining, Thirlestane Castle, and Whithorn. Culross and Lead Mining employed the most paid staff; each listed 20 employees. The managers expressed positive comments about the staff's ability and motivation using expressions such as 'the best' (Cu 2) and 'work as a team' (LM 1). This language translated to smaller employers (BC 2, Ta 1, Ta 2, Fi 8) who cited paid staff's positive influence on the museum. Staff was viewed as an asset, yet their salience varied depending on the organisational structure, managers' behaviour and to an extent their numbers. Paid staff at

Lead Mining enjoyed considerable input into strategy, according to the manager, an assertion paid staff supported (LM 2, LM 4). The manager's behaviour at Lead Mining demonstrated inclusivity and a desire to share power but Culross' structure militated against this involvement. Hierarchically driven, Edinburgh based directors had created a process that was 'top down' and staff felt little empathy for the outcome (Cu 3). Mullins (2005) argues that this type of hierarchical structure is at odds with current strategic thinking, but when organisations experience financial difficulties, as NTS did in the early years of the 21st century, strategy is often centralised to control costs (Dess, Lumpkin & Eisner 2007).

It can be argued that the decline in the number of paid staff reduced their salience, since fewer staff meant less power and weaker legitimacy. Five museums had retrenched by making staff redundant, either voluntarily or compulsorily. Redundancy is a popular strategy (Thompson & Martin 2005), because labour is often the largest cost to many organisations, including museums (Moore 2004; SMC 2002b). The number of part time staff, however, had remained constant between the 2001 postal questionnaire and the 2005 visits, although this masked two significant variations at Culross Palace and Lead Mining. Culross reduced its part time numbers by ten, whilst Museum of Lead Mining increased its part time complement by nine staff. The observation, though, is that staffing was increasingly characterised by fractional appointments, whether seasonal or part time, and a sense that their salience had diminished because of this changing organisational structure.

"We used to have any number of staff in this place, but because they had no money they had to let all the staff go. We used to have education officers, we had this, we had the next thing, but if you don't have the money you can't pay the wages for these people." (Du 1)

This development is an attempt by trustees to create a more flexible staffing structure that more appropriately matches the peaks and troughs of demand, but it is also an attempt to improve the customer's experience, by aligning staff skills and capabilities more closely to their needs (Graham & Lennon 2002). Hill & Jones (2003) maintain that redundancies may be a necessary

measure to sustain the organisation but there is recognition that it can lead to a fall in quality and output if poorly implemented (Thompson & Martin 2005; Cangemi & Miller 2004). This theory was understood because the trustees explained the reasoning for redundancies, but a sense of guilt pervades some trustees (Ta 1) and managers (LM 1), because they believed that it reflected a breach of trust between the organisation and the member of staff, a key element in a successful organisation (Mullins 2005). This moral guilt was compounded by the fact that they had liked the person. There was evidence, however, that where redundancies had been poorly explained or implemented, it had generated resentment amongst the remaining staff (Du 3). There was a sense of loss and betrayal, but also anger because the staff that remained to shoulder a greater workload (Du 3).

These labour events demonstrate that the trustees had responsibilities and power absent from staff. This further strengthens comments that trustees are the definitive stakeholder (Do 1, Du 2, Fi 1, Fi 8, Ti 3).

The museums' transition towards a part time employer reflects the trustees' desire to create a more flexible staffing structure to accommodate the peaks and troughs of demand; but it also reflects the reality that many part time posts link to specific projects, often lasting only two years. Examples included mapping and documenting gravestones in the Cromarty peninsula (Tarbat) and archiving photographs of the community (Timespan). Some staff welcomed this development (Ta 3), because it gives them the flexibility to pursue other activities, but others fear they are exploited. A view commonly recorded amongst part time workers that they are set unachievable objectives within the time set (MacDermid, Lee, Buck & Williams 2001).

The difficulty for trustees is that failure to manage the staff undermines the visitor's experience (Graham & Lennon 2002) and by extension independent museums' largest source of income (Fopp 1997; SMC 2002b; Smith 2001). The view is that staff provides the visitor with added value, based on their interaction (LM 2, LM 4, Ti 1, Wh 2). It is this difficult to imitate social relationship that supplies these museums with their competitive advantage

(Hillman & Keim 2001). The perception is that this interaction encourages visitors to re-visit the collection, but it also encourages extra spending (Ti 1, Ti 2, Wh 2).

“Part of our experience is based hugely on the staff and contact with the visitor. I know it’s something they appreciate. It’s different up here, you know it has to be and we’re committed to doing that.”

Ti 1

Museum trustees’ and managers’ comments support the claim that the staff’s personalities are a critical factor in luring and retaining customers (Cu 2, LM1, Ti 4), but, in addition, some museums claimed they had invested considerable resources in developing the staff’s skills to create a more professional organisation (LM 1, Wh 1). This variation in investment corresponds to Graham & Lennon’s (2002) assertions that human resource ideas and practices are only slowly being adopted. The difficulty for many museums, including the majority of this sample, is that limited staff numbers make it impractical or impossible to divert staff for training because of the daily needs of the museum. Boddy (2005) maintains that investment in training is vital for organisational survival and Barney (1991) contends that within a resource-based view developing employee skills and competences can create and sustain competitive advantage. Tourism literature supports this belief that a tourist destination will increasingly have to focus on its skills, rather than the destination’s physical resources, if it wishes to create a competitive advantage (Kaplan 2007; Watson et al 2004).

Where training does occur the emphasis appears to be on skills acquisition such as how to welcome customers or hygiene practices in serving food. This emphasis on functionality is invaluable in helping to meet operational needs, but it does not address the issue of self-actualisation (Graham & Lennon 2002); consequently, staff often look to managers for solutions (Cu 3, Wh 1, Wh 3).

“They are looking to me as the boss, they are probably not capable, and in the main are not aware.” Wh1

This belief is substantiated by an employee who believes that staff have little desire to develop ideas or solution, beyond minor adjustments and recommendations,

“I think they (the staff) let J do the exec. I don't think the staff could. There are little things you could suggest and often there are little things we suggest which get approval. In general I don't think the staff are particularly desirous of making that sort of decision.”
Wh3

The difference in approach may stem from the manager, but it may also relate to the employee's skills base. Wh 1 contends that the community's location leads to outward migration amongst the more skilled members of the community, because of limited job opportunities. This contrasts with Lead Mining Museum's experience where inward migration has seen the hamlet's population climb from 24 in the late 1960s to approximately 100 by 2005. LM 1 cites access to Glasgow via the M 74 motorway (LM 1) has fuelled this inward migration, which has led to a larger, better qualified pool of labour (LM 1).

This availability of better skilled labour willing to work part time has enabled the museum to offset the decline in full time staff and strengthened the manager's belief in empowering the paid staff. Carroll & Buchholtz (2003) contend that empowering staff strengthens the relationship between the organisation and staff, leading to greater identification with the organisation and higher output. A view that is supported by Marshall, Talbott & Bukovinsky (2006) who argued empowerment increases responsibility, job satisfaction and customer service. Their words support LM 1's action that empowerment benefits the customer, the staff and management and leads to a more professional approach. This drive to professionalise the staff is viewed as needing to encompass volunteers, because the concern is that volunteers may not have the skills and competences found amongst paid staff (SMC 2002b).

6.8.3 Volunteers

Museums, like other not-for-profit organisations, welcome volunteers for a variety of reasons; because they are unpaid, enthusiastic, and often provide free specialist skills or knowledge based on their occupation. They also provide a visible link to the community and can act as an advocate within the community (Boezeman & Ellemers 2007; Hutter 1998; Jones 2006; Tschirhart, Mensh, Perry, Miller & Lee 2001). These reasons help to explain the power, legitimacy and, on occasion, urgency they exert in claiming to be the definitive stakeholder to many museums in 2001, a view repeated four years later, especially amongst the museums with no paid staff: Crail, Douglas, Insch Connection and John Buchan. Cr 2's comment 'we could not run without them' were echoed by other stakeholders, e.g. Do 4, In 4. This view is reinforced by the fact that amongst these museums an overwhelming number of trustees are also volunteers, in effect, a trustee~volunteer axis dominates organisational activities.

The obvious benefit to museums is that volunteers are unpaid, an important feature to a museum since labour is often its biggest operating cost. The use of volunteers as a cost control mechanism has been cited previously in literature (Boezeman & Ellemers 2007; Tschirhart, Mensh, Perry, Miller & Lee 2001). Evidence for this thinking exists at Culross and Dunaskin (Cu 1, Du 1) who argue that volunteers enable the museum to offset increases in operating costs incurred elsewhere in the organisation, not necessarily only to offset increases in labour costs. The other financial benefit to using volunteers is that their presence can lever extra resources out of third parties such as charitable funds, Heritage Lottery Fund, or local authorities. Only one museum, Timespan, expressed this idea, but the local authority acknowledged that this practice occurred amongst other museums and voluntary organisations (OS 3). The museum interviewee (Ti 2) stated that the presence of volunteers encourages funding bodies to offer grants, because it demonstrates 'embeddedness, in effect social inclusion (Sandell 2003). The reality is that it maybe difficult to objectively demonstrate this 'embeddedness',

but governments are keen to support local organisations that provide services in the community (Carley 2006).

However some stakeholders (Cr 2, Cr 3, Fi 1, JB 1) value the volunteers for their dynamism, because they want to perform the task, rather than because they are paid to do so. This enthusiasm translates into a willingness to engage with the customer (Cr 2) and leads to a better visitor experience, in effect this behaviour creates a competitive advantage vis a vis paid attractions. Holmes (2003) maintained this enthusiasm offered a source of competitive advantage since it allowed the organisation to build a relationship with the customer, but maintained that not-for profit organisations focussed on the financial savings, rather than the potential income they could generate from their enthusiasm. Some interviewees claimed that this enthusiasm was more prevalent amongst incomers (Cr 2, Fi 8), because they are looking to integrate into the community (Cr 3), a characteristic noted by Eckstein (2001). Furthermore, interviewees (Cr 2, Cr 3, Cr 9) stated that enthusiastic volunteers were the most effective and efficient method of recruiting other volunteers.

These comments reflect Holmes' (2003) contention that museums need to recognise the motivations underpinning someone's desire to volunteer, rather than simply viewing volunteers as a cost benefit, because this relationship is founded often on an emotional bond (Boezeman & Ellemers 2007). This deeper relation offers access to skills and knowledge that are free, but often recruitment is based on word of mouth rather than specifically targeting the most able people.

The weakness of this approach is that organisations recruit individuals of a similar gender, age and social class; invariably within a museum context this appears to be someone over 60 years of age, often middle class and frequently female, supporting elements of both Eckstein (2001) and Holmes (2003) observations. This re-enforces some stakeholders' perceptions that museums appeal to a certain typology, one that is exclusive, rather than inclusive. These demographic appear to be valid within the parameters of this

research, for interviewees repeatedly commented that volunteers were elderly (BC1, Do 1, Du 1 Fi 8, JB 3),

“No, no. Most of the volunteers are nay spring chickens, they’re all a fair age, people who worked in the Valley or worked on the site, now the site has been shut down twenty years what does that tell you?.” (Du 1)

The explanation for this demographic profile is that the elderly are time rich and often keen to be involved in the community’s activities, supporting Holmes’ (2003) observation. By contrast, middle aged members of the community are often pre-occupied with family matters (BC 1, BC 2) or too exhausted from commuting when they return home (Do 1, in 4, JB 3). The absence of younger volunteers is explained by their reluctance to become involved in ‘an old people’s activity’ (OS3). There is also a recognition that museums are competing with other leisure activities to attract volunteers (BC2, In 4) and that there is a finite limit of interest and enthusiasm within a community to support a particular activity (JB 2).

Literature (Graham 2004; Kahn & Garden 2004) has identified that the voluntary nature of the relationship means that the willingness to be involved can also translate into a willingness to pursue their own agenda, therefore managing volunteers can be problematic. Difficulties relating to work schedules (Cr 9) and training (Fi 1) bore out the literature (Lennon & Graham 2001). The Scottish Museum Council (2002:59) comments that the museums’ reliance on large numbers of poorly trained part time/seasonal/ volunteer staff is unsustainable if museums are to meet their basic responsibilities for stewardship, access and services (SMC 2002:59). This issue creates significant strategic challenges (Lennon & Graham 2001).

The challenge for trustees and managers is developing the volunteers’ skills and competences without damaging their enthusiasm or motivation; attributes recognised by other stakeholders as providing the museums with a source of competitive advantage over larger urban museums. Sharing many of these characteristics are Friends.

6.8.4 Friends

Eight museums (Dalgarnen, Douglas, Dunaskin, Fife Folk, Lead Mining, Timespan, Tarbat, and Whithorn) identified a 'Friends' organisation as a stakeholder that influences or had affected the museum. Friends are often regarded as synonymous with volunteers, but (SMC 2006) defined a 'friend' as a benefactor who donates money for the opportunity to network at museum events, a definition many of the interviewees (Do 1, Fi 8, Ti 4, Wh 1) supported. This financial support may exist in the form of an annual donation (Whithorn) which the manager may use as he/she sees fit, or as a bonus that allows the trustees to spend on luxuries rather than necessities,

“The nature of Friends of museums is that generally they don't meet the running costs of museum, they are there to provide the frills.” Fi 8

The data suggests that Douglas and Fife operate the most integrated scheme, using the Friends as a sounding board for ideas (Do 1, Fi 1). On the other hand, the Museum of Lead Mining viewed them as labourers who could help to maintain and repair the buildings (LM 1). This different interpretation may be historical or because the respondent's experience was as a businessman rather than a curator and therefore may have been unaware of SMC's definition.

Friends, as a stakeholder, possess legitimacy as they are a separately constituted body designed to promote and support the museum, but they exercise neither urgency nor power (Ta 2). Their power lies in their ability to persuade the trustees through argument, but their limited financial and physical donation restricts that power, so ultimately their influence is conditional on working co-operatively with the trustees (Do 1, LM 1, Ti 4). This success lies in having a clear understanding of the Friends' role (Wh 1) and a proactive, charismatic leader (LM 1). The difficulty arises if the leader leaves (LM 1) or if the Friends focus on a set of objectives that are either irrelevant or conflict with the trustees or manager (Da 1, Wh 1). Slater (2004) observed that where a Friends' objectives did not integrate with organisational

objectives conflict arose. This typology was evident at Whithorn, but most vividly at Dalgarnen.

This lack of organisational alignment became evident when the Friends clashed with Dalgarnen's chairman of trustees. The Friends' action turned it from a discretionary stakeholder to a dominant stakeholder in the opinion of the definitive stakeholder.

“There used to be a Friends of the Mill, but when we started to make people redundant we thought it was working okay, then there was a meeting one night and someone said that they wanted to look at the accounts and see how much I was earning. I said to the Board it's me or them you have got five minutes to decide, five minutes later the Board said we want you and the Friends was dissolved.” Da 1

The trustees' decision to support the chairman and dissolve the Friends re-enforced the chairman's position as the definitive stakeholder and relegated the Friends to a non-stakeholder. These examples illustrate that Friends are a discretionary stakeholder whose ability to affect the organisation rests in their capacity to work with the definitive stakeholder or a dominant stakeholder. Their support and income is regarded as beneficial, but not essential. Their income is not core to the museums' activities, unlike that generated by visitors. This incident demonstrates that if a stakeholder possesses little potential to harm the organisation and cannot find an ally to limit or deny access to resources, the organisation will be impervious to the stakeholder's threats (Frooman 2002).

6.8.5 Non-local visitor

Fifty-three non-local visitors were interviewed at 12 museums, however two museums recorded no visitors on the days that visits occurred (Insch Connection and Brownsbank Cottage). The interviews were undertaken during the period March–October 2005 when all the museums were open. The greatest number of visitors recorded, nine, was at Culross Palace; the smallest number of visitors, two, was at John Buchan Centre. The visitor profile revealed that gender was evenly distributed: 27 male, 26 female, but analysis of the visitors' ages indicated that visitors were overwhelmingly

middle aged or elderly. No visitors aged between 20 and 39 were recorded, and only three children who were accompanying their parents were noted (Table 6.7),

Table 6.7: Age profile of visitors

<i>Age</i>	<i>Number</i>
> 60 years old or more	29
> 40 – 59 years old	21
> 20 – 39 years old	0
< 20 years old	3

The absence of museum visitors aged less than 40 years old was remarked upon by a number of visitors (Da 8, Fi 3) and re-iterates previous findings that museum visitors tend to be older (Davies 1999; Johnson 2003; MLA 2004).

A variety of explanations may exist for this generational skew, including: lack of interest in the subject material, poor presentation of material, or the perception amongst young people that visiting museums is unappealing and unglamorous, an activity associated with the family rather than friends.

“I go to museums a lot with my parents, and enjoy seeing what life was like in the past, but I feel museums are too geared up for older people. Visiting museums is something you do with your parents, not with your friends. (Fi 4).”

The interviewees' motivation to visit a museum were complex, but coincided with previous literature including an opportunity to revive personal memories (Newman & McLean 2004); a desire to gain general or specific knowledge (Caldwell 2002); a social day out (Goulding 2000; MLA 2004), and an opportunity to use a café or shop (Farr 2000, Ford & Mottner 2002; McPherson 2006). The most frequently expressed reason to visit a museum centred on knowledge acquisition (n = 23). Visitors expected the museum to provide an informative, structured story on a theme based on the local community (n = 21), because it distinguished the community from other communities. This interest was re-enforced by a wish to have enthusiastic, friendly, knowledgeable staff who were willing to engage in a relationship (n = 16). One visitor argued this social interaction differentiated small rural museums from their large urban counterparts where staff showed little or no

enthusiasm to engage with the customer and consequently left the visitor disappointed. Another aspect associated with this intangible experience was access to details and stories about the community or personalities that rarely appeared in textbooks (Da 1, Du 6, Du 7, Fi 7, JB 3, Ti 1). This tacit knowledge derived from oral history and personal relationships provided the museum with an intangible, hard to copy resource (Dess, Lumpkin & Eisner 2007). An example was a guide who could personally recollect an Australian visitor's ancestor emigrating from the village sixty years previously (Fi 7).

Goulding (2000) maintains that the visitor needs to be stimulated in a meaningful way. Larger, richer museums have increasingly relied on technology to achieve this outcome, but amongst these smaller rural museums stimulation is sourced in the staff-customer relationship. This rapport allows visitors to question and access the guides' tacit knowledge in a way many find intimidating in larger museums (OS 5).

It is this connection to recent history, often artefacts or events within the living memory or connected to people within living memory, that stirs the visitors' interest. Events that have immediacy with the viewer arouse the greatest interest, for example, an egg separator reminded one visitor of her grandmother (Fi 2). The mundane ordinariness of the artefact in drawing out childhood memories made the artefacts seem more approachable and understandable and explained the preference of some of the visitors for these museums to larger, more sophisticated urban museums (n = 5). Tufts & Milne (1999) maintained that these networks of relationships found at small museums help to differentiate a nation's tourist product from its competitors. This resource-based identifies that the collection is frequently not a small museum's source of competitive advantage, it is the visitors' experiences vis a vis the staff.

The one feature that surprisingly characterised visitors' comments (n =10) was location. Visitors viewed this as a strength based on their picturesque settings, but also the absence of other visitors, which created a more pleasurable and less frenetic experience.

“Half the charm is it is tucked away and there is no elaborate gift shop. You feel the museum is not trying to fleece you. Feel it is a very personal affair.” (Da 8)

It was also claimed that fewer visitors led to friendlier interactions with people in the community and reinforced the relational rather than transactional experience associated with larger museums. Other benefits included: less pollution, less litter and less chance of rowdy or unpleasant behaviour by other tourists, all features noted as improving the visitors' experience (Cooper et al 2005; Urry 2002). These intangible features create a competitive advantage; yet trustees, staff, volunteers and advisors (Do 1, Wh 1, Wh 4, Wh 5, Ta 1, Ta 4, Fi 8) fear their isolation is a barrier to visitors and possibly survival. This barrier therefore means that the local visitor may be an alternative source of income.

6.8.6 Local visitor

The salience of local visitors was demonstrated quantifiably during the postal survey of 2001, and their importance was again demonstrated qualitatively in 2005. Their salience is exercised directly through their legitimacy and power to buy the museum's goods and services, but also indirectly through their membership of the community. The local visitors' experiences of the museum disseminate through the community and subsequently affect its decision to support or hinder the museum's actions; supporting Rowley's (1997) contention that organisations often exist within complex networks. The complexity will increase if a stakeholder occupies more than one position within the network, e.g. local visitor and community resident.

Less than a fifth of all visitors were local (n = 12) and appeared at only four museums (Culross, Dalgarnen, Douglas, and Tarbat), the other ten museums received no local visitors during the interviews (March–October 2005). The visitor profile revealed a gender skew towards female: three male, nine female, however the small sample size makes it impossible to state a correlation between gender and local visitors. The local visitors' age profile mirrored non-local visitors, because they were overwhelmingly aged 40 years

or older: 60 years or older (n = 5), 40–59 years old (n = 5), 20–39 years old (n = 0), 19 years old or less (n = 2).

The motivations and expectations of local visitors paralleled non-local visitors based on the same complex reasons of education, recreation and social, but their emphasis differed. Local visitors placed a greater emphasis on the role of artefacts to stimulate their memories (n = 7), a feature Newman & McLean (2004) identified as strengthening familial ties.

“I grew up on this part of Fife, so it brings back memories of my childhood.” (Cu 12)

Photographs in particular were cited as a motivation for the visit (Do 5, Ta 7, Ta 8), because they helped to recollect memories of friends and family, reinforcing Newman & McLean’s (2004) observations.

Intriguingly few local visitors (n=4) expressed any interest in the community’s history. This difference in visitor motivation may reflect their belief that they know the community’s history and therefore do not need this information (Cr 3); instead, they use the collection to stimulate their personal memories. It may also reflect the fact that the guides’ tacit knowledge, which is enjoyed by the non-local visitor, is deemed irrelevant to the local visitor, because he/she possibly has the same knowledge or believes he/she has the same knowledge (Cr 2).

The critical difference, however, between local visitors and non-local visitors lay not only in the different weighting they gave to their motivations and expectations, but to the quantity of responses. The survey of 2001 identified that non-local visitors were viewed as more important than local visitors because of their numbers; these opinions were re-iterated during 2005. The fact that less than 20% of all visitors were local substantiated trustees, staff and volunteers’ observations that the community rarely visited (Cr 2, Cr 3, Da 1, Do 4, In 3, In 4, JB 1). A feature that some could not understand (Cr 4), but others commented that the museum’s proximity led some local people to dismiss it, believing that it could be visited any time or, more starkly, a feeling that familiarity bred contempt (Cr 3, Ti 1). Despite this disappointment trustees

recognised local visitors are a critical component of the visitor mix and their presence demonstrated the museum's link to the community, and implicitly access to local government funding.

6.8.7 Local government

Local government's salience as a stakeholder reveals itself in two ways: financial and technical. Financially, local authority money supported 10 of the 14 museums, whilst seven museums received curatorial advice during 2004–5. The seven museums who benefited from curatorial support, also received financial support from their respective local authorities. This financial and technical support gives the local authority, in many instances, the power, the legitimacy and frequently the urgency to affect a museum's strategy.

Local government is legally obligated to provide libraries under the 1887 Libraries Act (Scotland), an act that also established free admission to local authority museums. This fact was reinforced by the Local Government & Planning (Scotland) Act 1982. Local authorities in their various forms have also played a key role in funding many independent museums. This involvement was often a response to community pressure over a funding crisis (OS 3, OS 6, OS 8). The outcome that invariably emerged was an ad hoc funding package that supported the museum, but created a precedent of financial dependency. It is suggested that this custom and practice led museums to become 'financial grant junkies' with little financial responsibility or strategic thought on the part of either the local authority or the museum (OS3). This behaviour was re-enforced by the easy availability of grants. Prior to Scottish local government re-organisation in the mid 1990s museums could source funding from two different tiers of local government: regional and district. The subsequent creation of unitary authorities abolished the opportunity for dual funding, but this period also heralded greater central government's efforts to restrict local authorities discretionary spend (OS 4). Interviewees observed it had become harder for local authorities to use their discretionary spend, because councillors questioned perceived favouritism amongst their ward (LM 1, OS 3, Wh 4),

“Our biggest difficulty is getting the message across to the elected members. If their ward is down in the south west of Dumfries & Galloway, miles and miles away, and their priority is down there and why are we a priority, and they say why are we supporting this museum? That’s a threat, that’s quite a difficult threat.” LM 1

Local authorities provided 13% to 69% of a museum’s income amongst the ten recipients and, in three examples, the local authority was the largest income source. The largest beneficiary in absolute and relative terms was Dunaskin Open Air Museum, which received over £85,000 from East Ayrshire Council or 68.8% of its 2004 income. Local authorities also provided financial support to a number of museums; Inch, Lead Mining, Tarbat, Timespan, Whithorn in the guise of service agreements. This was perceived as a low cost solution to meeting rural communities’ cultural needs (OS 1, OS 3), but is financially a invaluable in sustaining a number of museums, in two instances it provides nearly 50% of the museum’s annual revenue (Insch Connection and Whithorn).

The conundrum facing these museums is that local authority funding can be crucial to a museum’s survival, but events beyond a museum’s control can leave it open to the vagaries of political and managerial re-organisation. The manner in which a local authority can exercise power discourages some museums from actively pursuing service agreements or seeking larger grants (Cr 9). The concern is that local authorities will use administrative controls or financial threats to impose certain values and norms on the way the museum operates. Even those in service agreements fear that they cannot oppose local authority requests or advice in case they withdraw funding (In 1, Ta 1, OS 3). These fears reflect Frooman’s (2002) argument that if the stakeholder has power, but no dependency on the firm, the stakeholder can limit or deny resources to force strategic change. The effect of a local authority’s power is evident at Dunaskin when East Ayrshire Council withdrew financial support in June 2005 as discussed previously.

It was claimed that local government re-organisation in the mid 1990s created financial and curatorial difficulties for a number of museums (OS 8), especially those located in Strathclyde (Da 1, Da 2, Du 1, Du 2).

“The big problem is that the site was started up in the time of Strathclyde region which was a brilliant set up, these people knew what they were doing. They knew where to find money, they spent millions on this site on a holding operation, but when Strathclyde went I am afraid the local authorities don't have the pull that they had to generate cash. We are now dependent on a local authority grant, which doesn't even cover our costs.” (Du 1)

The loss of large regional councils led to the disappearance of departments with specialist technical skills, which were arguably a source of competitive advantage. The new councils lack their predecessors' skills and knowledge, and in some instances are economically unsustainable, because of the local authority's small tax base (Du 1, Du 2).

Local authorities have been encouraged to view museums in economic terms, both to reduce the need for local government, but also as a means of generating local employment (Jansen-Verbeke & van Rekom 1996; Johnson & Thomas 2004; Travers 2006). This strategy is practiced openly by one council, Dumfries & Galloway, to justify council spending (LM 1, Wh 1, Wh 4, Wh 5). This decision explains the presence of full time business managers rather than curators at the Museum of Lead Mining and Whithorn. The effect on direct employment is evident, but qualitative evidence for direct and induced employment emerged through interviews. Examples include a village pub re-opening in Wanlockhead (LM 1), the creation of a café next to Fife Museum (Fi 2) and museum customers directed towards an hotel restaurant in Tarbat (Ta 1).

Scottish Executive has had little impact on these independent museums, either financially or politically. Its role lies more in the funding it provides to Historic Scotland (Thirlestane Castle and Tarbat), Scottish Arts Council (Brownsbank Cottage and Timespan), and SMC (Douglas). Historically Dunaskin, Lead Mining and Timespan have benefited from European Union

money, but its salience has faded as it focuses funding on the new accession countries of central and Eastern Europe (LM 1, Wh1).

Potentially the most significant stakeholder to emerge since the 2001 postal survey is the Heritage Lottery Fund, which is now the largest source of heritage funding in the UK (OS 1). Funding was identified at four museums (Crail, Fife, Inch, Tarbat) including support for the £1,000,000 refurbishment and conversion of a derelict church in Portmahomack into Tarbat Discovery Centre. Despite this financial investment its impact on strategy is limited and disappears once the capital project is complete, in effect becoming a non-stakeholder, yet critically it forces museums to consider the role of the community, before it will grant funding.

6.8.8 Community

The community's role is complex but highly salient because it provides many of the museums' resources: labour, money, and particularly artefacts (Cr 1, Da 2, Da 9, Do 2, In 4, Ta 1, Ta 3, Ti 2), however it generates conflicting opinions. Nonetheless, the perception is that it is a dominant stakeholder (Mitchell, Agle & Wood 1997), a view embraced by government as a means of achieving social inclusion (McPherson 2006), but trustees and staff regarded it primarily as a source of artefacts.

Tufts & Milne (1999) questioned the curatorial value in museums collecting these community artefacts, because they possess little educational, artistic or social value. Their value lies in the complex process of giving, involving a mixture of altruism and egoism (Webster & Nottingham 2000), but the effect is to encourage the donor and related family and friends to visit (Da 1, Do 1, In 1, In 3, OS 8). The dilemma for museums is that accepting these artefacts creates operational difficulties (Cr 9, Do 1, In 3). The need to store and catalogue creates costs, yet rejection can alienate the donor and possibly the wider community, because it is implicitly a rejection of the community's values and experiences.

The tangible advantages and disadvantages associated with donation were well articulated by interviewees, but the intangible role that donation plays in binding the community together through the exchange of ideas and experiences and shared ideas was less well observed. The exceptions appeared to be Dalgarnen and Timespan, which interestingly recorded the largest percentage growth in visitor numbers between 2000 and 2004. It is difficult to assess whether this outcome is a correlation or causation, but comments from trustees and staff (Da 1, Ti 1) indicate; that their understanding of the relationship between the community and the collection is complex. There was a recognition that the collection reflected the community's experiences and ideals both arguably rooted in the event of people leaving the community. Dalgarnen captures the changing agricultural environment of rural Ayrshire (Da 1), whilst Timespan examines the effect on the community of the Highland Clearances (Ti 1).

The two collections record this sense of human loss, but the museums have used their skills and competences to deliver other visitor activities, such as gardening, story telling, catering and antique shops to create a sense of inclusion and a place for the community to interact socially. Most tellingly, both museums appear to have opened up their land and buildings as a community space in which other activities are encouraged. It supports Goulding's (2000) comments about museums as social settings and Kotler and Kotler (2000) that museums have become hybrids: part education, part leisure, and part social. Sandell (2003) states this strategy implies museums are places of inclusion rather than exclusion and emphasises a spirit of democracy (Davis 2004). It also recognises that museums are in competition with other leisure attractions which contain public spaces designed to encourage social interaction, e.g. shopping malls (McNichol 2005).

“From a local perspective it's only in the last two-three years that it has become a local meeting place, and not just a museum.”
(Ti 1)

A comment expressed within the community (Wh2) was that museums hindered development, complaining that they provided low skilled, low paid

employment. A common criticism levelled at tourism (Cooper et al 2005), yet rural employment alternatives are limited (McAdam, Convery & Armstrong 2004) and tourism is viewed as the best solution (Watson et al 2004). Ironically, the criticism that these jobs are low skilled is undermined by the complaint that jobs go to specialists imported from outside the community (Wh 2). Evidence for this claim appeared at sites where low skilled labouring jobs gave way to curators and museum managers (Ta 2, Wh 1). This hostility to imported labour also arose when paid labour replaced volunteers (LM 4).

This sense of alienation re-emerged amongst some in the community who viewed a museum as meeting the needs and wants of a social and educational elite (Du 2, Ta 1, Th 3, Wh 1). Although historically proven (O'Hagan 1995), recent UK data suggests that government policies have had positive results in encouraging visitors from lower socio-economic groups (Travers 2006). The belief is that this perception is maintained by some in the community because they are fearful of having their argument disproved and being embarrassed by their ignorance (Wh 2).

Underling the hostility of some in the community is the fear that museums attract outsiders who represent change and therefore a loss of control. Long term residents may believe that economically and culturally they are being displaced by new arrivals that come to control the levers of power because of their intellect and networks (Th 3). This manifests itself in the belief that new arrivals misinterpret the past, because they have no historical connection to the community and little understanding of its values and then replicate these misinterpretations in a museum (Th 3, Wh 2). It reinforces a belief in the community that the museum 'was not for them' (Ta 1). This alienation increases if visitors view the community as an extension of the museum to be viewed, inspected and scrutinised. Inevitably, this creates a sense of animosity and intimidation.

"You do get visitors abusing, treating the whole village as a museum, peering in windows, situations have arisen where on a day like this a man was sitting in his boxer shorts having his lunch and folk just walked in and took photographs of him." (LM 4)

Urry's (2002) comments that the community's mood can switch from euphoria to xenophobia about tourists and tourism projects is amply demonstrated. It is this need to manage the community amongst other stakeholders that the SMC is keen to emphasise, as it strategically re-orientates itself towards a more advisory role to government.

6.8.9 Scottish Museums Council

The salience of the Scottish Museum Council (SMC) waned between the postal questionnaire undertaken in 2001 and the interviews carried out in 2005. This perception is supported by quantitative data and qualitative comments. Quantitatively none of the stakeholders of four museums made any reference to the SMC (Brownsbank Cottage, Inch Connection, Timespan and Whithorn), yet all had cited the SMC in 2001. Further analysis revealed that another four museums (Crail, Dalgarven, Dunaskin, and Tarbat) believed that the SMC had become less relevant, whilst three museums regarded SMC as largely irrelevant strategically and operationally to their museums (Culross Palace, John Buchan, and Lead Mining). Only three museums (Douglas, Fife Folk and Thirlestane) viewed their professional body's performance positively.

One stakeholder (OS 5) believed that Scottish Devolution had prompted SMC to re-incarnate itself as a strategic agency, a fact documented (SMC 2002a). Some members welcomed this development believing The Scottish Executive would more enthusiastically fund Scotland's museums. This had not materialised, and museums, especially independents, questioned the value of their membership (OS 6). The counter argument is that some stakeholders had been disingenuous or naïve to assume SMC is about financial *largesse*; instead, SMC's role is to represent the sector, not an individual museum or even a typology, e.g. independent museums (OS 6).

SMC's strategy in the 21st century is about developing museums managerial competences (OS 5, OS 6), rather than providing technical support to these museums. This strategy may benefit certain typologies, e.g. local authority, but it disadvantages independent museums. These museums as evidenced in

this thesis reveal that many of these trustees, volunteers and full time staff have managerial skills and knowledge, but lack curatorial skills. This weakness explains the involvement of local authority or national museums as curatorial advisors in the service agreements that exist, for example, at the National Museum of Scotland and Tarbat Discovery Centre, and Stranraer Museum and Whithorn. SMC has perhaps unwittingly developed a strategy that creates frustration and irritation amongst some members, because it is not providing the service they need.

This sense of dislocation between some trustees, volunteers and staff, and SMC is exacerbated in the minds of the former by the latter's staff. Their criticism focuses not on their behaviour, but on their apparent lack of curatorial knowledge, particularly those surrounding independent museums (Cr 9, Da 1) or museums outside the Central Belt (Ta 1, Du 1). Indeed, a number of stakeholders commented that SMC's strategic shift has created a process driven, performance monitoring body focussed on meeting The Scottish Executive's needs (Cu 2, Cr 10, Ta 1), rather than a technical support body that meets the membership's needs. This managerial focus is perceived as symptomatic of an organisation located at the political centre (Du 1) and desirous of being politically correct (Ta 1).

This criticism that technical support is inadequate may resonate amongst many of the museums, but three museums did view SMC favourably, ironically because of their technical support: a conservation project (Do 1), funding (Th 1), and educational literature (Fi 1). The dilemma for SMC is that although it is a membership body, the majority of its funding comes from the Scottish Executive, its definitive stakeholder (SMC 2005). The outcome is that its strategy will reflect this stakeholder's aims with its emphasis on managerial competence and performance measurement. Unfortunately, these issues antagonise many trustees and volunteers whose backgrounds are in small business, because it questions their ability to manage and smacks of government interference.

These issues provoke frequent and recurring criticism from small business men and women that government is overly bureaucratic and intrusive (Analoui & Karami 2003; Bolton & Thompson 2004; Federation of Small Business 2006). These men and women therefore become irritated when they see this policy interfering with an activity that many of them regard as a hobby or a 'social' service. It appears to some of the interviewees that the SMC, and by extension the Scottish Executive, are questioning their managerial competence (OS 6, Ta 1, Da 1, Du 1), yet over a third of the museums listed small business experience within their trustees, volunteers or paid staff (Crail, Dalgarnen, Douglas, Fife, Tarbat, Whithorn).

The paradox is that independent museums benefit from the technical skills of national and local authority museums; yet local authority museums appear not to harness the independent sector's managerial competences to similar effect. Their skill and knowledge of operating and managing commercial organisations, especially small business, are transferable to many local authority museums whose size and structure mirrors small business.

6.9 Section summary

The evidence demonstrates that these museums occupy a complex set of relationships underpinned by different needs and expectations. The ability to achieve these demands rests on the various actors attributes of power, legitimacy and urgency (Mitchell, Agle & Wood 1997). The stakeholders examined all possessed legitimacy, as defined by Suchman (quoted in Mitchell, Agle & Wood 1997) since 'their actions are desirable, proper or appropriate'.

Differences in their typology related to the presence of power and/or urgency. These attributes varied from museum to museum, but within this group of 14 museums, the definitive stakeholder was the governing body because it had the power to define the organisation's aim and objectives and direct its strategy, although as identified in the previous section this may not have always been explicitly or formally set. It is also its ability to exercise power, as defined by Weber 1947, to carry its will despite resistance. This was most evocatively displayed in various redundancies: Dalgarnen, Lead Mining,

Tarbat, Timespan. The clearest exception to this identifiable stakeholder was the local authority at Dunaskin. This example bears out Frooman's (2002) hypothesis that a stakeholder, which is not dependent on the firm for resources, can withhold or limit these resources. If these resources are difficult to substitute, the stakeholder can force the firm out of existence. As more museums contract service agreements with local authorities the fear is that other museums may find themselves in a similar position to Dunaskin, most notably Whithorn, and explains the manager's decision to network with the local authority.

Historically, paid staff has been viewed as the definitive stakeholder, but, as the number of full time staff has declined, their power has shrunk, although within the larger museums (>£70,000) they are still a dominant stakeholder because of their numbers and role in sustaining daily operations. The volunteers, though, are of greater salience to these museums collectively, because they perform the role of paid staff. It is argued that their enthusiasm is often greater than paid staff, because they are emotionally bound to the organisation. This enthusiasm creates a relational experience that visitors welcome and critically provides a source of competitive advantage.

The complexity found within these museums, which separates this typology from larger organisations is that many of the museums' trustees are also volunteers, and that many of these trustees and volunteers come from the community which is also a source of visitors, moral support and a pre-requisite to public or charitable monies, including Heritage Lottery Funding. It is difficult to unpick this sense of duplication and triplication, because some individuals identified with two or more stakeholder groups. This characteristic plays a critical role during the organisational life cycle as will be demonstrated in the following section.

6.10 Stakeholder salience on strategy within the organisational life cycle

The previous section identified that the governing body was the definitive stakeholder in determining organisational strategy, but that museum strategy was influenced also to varying degrees by: volunteers, paid staff, local authorities, community, tourists, local visitors and the SMC. Nevertheless, the evidence identified events in the museums' histories when a stakeholder's salience had changed. Literature (Born 2000; Masurel and van Montfort 2006; Quinn & Cameron 1983) argues that an organisation's behaviour changes as it moves through the organisational life cycle. This section examines Jawahar & McLaughlin's (2001) model that certain stakeholders are more important to an independent, rural museum at particular points in its life cycle, because of the resources they possess and that these resources may be a competitive advantage in determining strategy.

6.10.1 The organisational life cycle

The organisational life cycle comprises different stages that reflect changes in an organisation's strategies and structures over time. The number of stages has been variously identified as between three and ten (Lester, Parnell & Carraher 2003), but the underlying themes to these stages are start up, growth, maturity and decline. The following discussion examines the 14 museums within the life cycle, using data collected from the interviews of 2005 and supported by the 2001 postal questionnaire.

The 14 museums had been open for at least six years and had moved beyond the first phase, start up. Six museums could be categorised as growing, six as mature, and two in decline. The six museums identified as growing and three of the mature museums were experiencing at least their second bout of maturity or growth. This supports Dess, Lumpkin & Eisner's (2007) contention that organisations go through repeated periods of growth, maturity and decline, before ceasing to exist. Two museums indicated signs of decline, Dunaskin and Thirlestane Castle.

6.10.1.1 Growth: Dalgarven, Fife, Lead Mining, Tarbat, Timespan, + Brownsbank

The growth stage marks a period when the organisation is expanding and its strategies are based on differentiating itself from its competitors (Dess, Lumpkin & Eisner 2007). To achieve this goal, it identifies stakeholders who can support growth (Hill & Jones 2003). Jawahar & McLaughlin (2001) lists these stakeholders as employees, suppliers, creditors and professional bodies, e.g. SMC. Clarkson (1995) maintains the firm will manage these stakeholders proactively in order to access valuable resources. Resources Barney (1991) contends not only sustain the firm, but are potentially a source of competitive advantage.

Five museums (Dalgarven, Fife, Lead Mining, Tarbat, Timespan), plus the outlier Brownsbank appeared to be entering a new phase of growth, although the characteristics differed between the museums. Strategic management literature (Dess, Lumpkin & Eisner 2007; Campbell, Stonehouse & Houston 2004) indicates that growth strategies can focus on products and/or markets. This theory is borne out by market development (Dalgarven, Lead Mining, Tarbat and Timespan), new product development (Brownsbank Cottage, Dalgarven, Fife, Tarbat, Timespan) and diversification (Dalgarven, Tarbat, Timespan). For example, Timespan's successful growth strategies over the previous 12 months included the development of a photographic archive (product development); collaboration with local high school children to produce, film and show to the community scenes from the village's life (market development); as well as diversifying into story telling for children (diversification). These strategies and similar ones at Dalgarven, Fife, Lead Mining, and Tarbat seek to move a museum visit beyond displaying a collection of artefacts, and instead become a wider, deeper experience, encompassing a range of leisure activities. It also led to the creation and development of new competencies (Prahalad & Hamel 1990), e.g. film making at Timespan.

These developments appear to relate to a critical event, or chain of events that created a threat involving one or more of the trustees. Two of these

threats were external and three related to internal weaknesses. The Foot & Mouth Disease led to the Museum of Lead Mining's temporary closure and consequent loss of revenue, and redundancy. Similarly, the resources required to fulfil Heritage Lottery Funding requirements created difficulties for Fife Folk Museum. Internal weaknesses arose at Dalgarnen, Tarbat and Timespan when clashes erupted between trustees and/or managers. Brownsbank Cottage's growth stems not from a threat or weakness, but from the creative writer's willingness to take responsibility and show initiative in continuing to develop the product (BC 3, BC 5).

Mullins (2005) puts the onus on directors and senior management to protect the organisation from potentially harmful influences. This theory was demonstrated at each museum. The chairmen of trustees at Dalgarnen and Tarbat appear to have been the critical influence, whilst at Fife Folk, Lead Mining and Timespan, the indication is that an alliance between certain trustees and another stakeholder confronted and overcame the threat. This involved the curator and the business manager respectively at Fife Folk and Lead Mining; by contrast, Timespan relied on an external stakeholder (Scottish Arts Council) and the introduction of a consultant to affect change. The challenge posed by Timespan's disaffected trustees was confronted by an alliance of loyal trustees and paid staff. A coalition will appear, Mintzberg (1984) argues, when actors share values and ideology. The loyal trustees' success was supported by the staff because they shared similar values, although the ideology with its emphasis on developing new products aimed at the community emanated from the staff (Ti 1).

The trustees, managers and paid staff's recurring comments to these incidents identified the need to develop organisational skills and competences.

“My task that I was given was to make this place more professional.” (LM 1)

Growing organisations develop systems and processes to improve decision making, including strategy (Dess, Lumpkin & Eisner 2007), as demonstrated

at Dalgarven when the governing body's chairman allocated the trustees specific duties, such as marketing and education, and held them accountable. Fi 8 predicted a similar outcome at Fife Folk Museum, following the appointment of three businessmen as trustees. The small scale nature of these museums means that trustees, in effect are employees. Jawahar & McLaughlin (2001) argue that during this stage the capacity and quality of the workforce is increased to meet customer demands

The evidence suggests that the need to change created awareness amongst the trustees of their own limitations and that this realisation extended to a lack of strategic planning (Fi 8). Evidence existed that strategic planning now became a more formal, sequential process involving preparation, monitoring and evaluation.

“We actually go up to the library and brainstorm, and go through it all (the strategic plan). We spend a lot of time going through it, taking out what is achievable, what is not achievable... We want to take ownership along with the management.” (LM 3)

This process led the trustees to incorporate other stakeholders' expectations and needs, particularly volunteers, paid staff, community and local authorities (Fi 1, Fi 8, LM 2, LM 4, OS 3, Ta 3). It is argued that a key element of strategic success is built on meeting stakeholders' concerns, (Johnson, Scholes & Whittington 2005), especially those linked to the production of material (Mitchell, Agle & Sonnenfeld 1999). Paid staff and volunteers acknowledge that their opinions are sought, and recognise their comments in the plans. Similarly, the trustees have sought to communicate their ideas to the community and seek the community's support,

“The village have (*sic*) been consulted. There have been questionnaires that have gone out to them asking them what they want, what they think. They are trying to consult the village on what happens.” (LM 2)

This communication policy reflects good practice (Scholes & Clutterbuck 1998), but the trustees recognise that integrating the community into the decision making process can provide access to skills, knowledge and moral support, which ultimately generate revenue. This instrumental view identifies

that the community is a source of volunteers and visitors, but its support is also a trigger to release local authority funding (OS 1, OS 3).

This need to generate revenue could create paradoxes. Da 1, Fi 1, Ti 1 acknowledge that they waived admission prices on a number of occasions, especially to children or visitors who had difficulty paying. This approach is rooted in their moral beliefs, but it was acknowledged that this normative dimension contained an instrumental edge. Waiving admission prices to schoolchildren may be a sign of altruism, but it also encouraged schoolchildren into re-visiting the museum with family and friends. This process is part of the organisation's attempts to create denser networks. Rowley (1997) observes that the denser these relationships the better the organisation can protect itself from environmental buffeting, thus reinforcing the organisation's competitive advantage.

6.10.1.2 Maturity

Maturity sees demand slow and the market appear less attractive. Cost control becomes important and the organisation continues to look for new opportunities to grow (Dess, Lumpkin & Eisner 2007), a reflection Born (2000) maintains of an organisation adopting better managerial systems. Jawahar & McLaughlin (2001) contends that during the mature stage the organisation adopts a proactive strategy towards all stakeholders, except its creditors, because the organisation has to interact with a wider range of stakeholders, an indication of its larger size.

Six museums demonstrated maturity in the form of static visitor numbers and income, but the museums split into two sub groups. One group comprised three micro museums (Douglas, Inch, and John Buchan), which appeared to have followed the sequential stages of start up, growth and maturity. Three other museums Crail, Whithorn and the outlier Culross similarly demonstrated static visitor numbers, although evidence of historical growth existed.

6.10.2.1 Maturity 1: Douglas, Inch and John Buchan

Three museums (Douglas, Inch, and John Buchan), founded respectively in 1993, 1998 and 1982, could be characterised as mature, since visitor numbers and income appeared to have remained constant since 2001. The museums still generated less than £7,500 of revenue and hosted less than 1,000 visitors four years after the postal questionnaire. The museums' processes and products in 2005 paralleled those undertaken in 2001 with their emphasis on static displays.

"I've been there a few times, I've taken visitors there, but it is a very old fashioned museum. I get the impression there is not much current going on. I can't compare it to modern hi tech museums, but it is very traditional: read the stock, look at the books, there's nothing very exciting." (JB 2)

Their limited evolution was borne out by stakeholders' comments (Do 3, In 1, In 3, JB 1), which reflected a degree of frustration and disillusionment (In 1, JB 1). The belief is that the lack of development was a result of external factors; financial and legal restrictions on redeveloping the building, plus distance from the market and community apathy.

Strangely, each museum has benefited from a stakeholder's *largesse*, which has either bequeathed or sold the trustees a building or space for a nominal amount, yet this gift has created long-term problems (Do 2, Do 3, In 1, In 3, JB 1, JB 2). Legal impediments constrain Douglas and Inch's redevelopment, but high heating costs at Douglas and John Buchan are a further problem. Some interviewees (JB 1, In 1, In 3) express annoyance at these limitations, because they prevent more radical and exciting exhibits, and instead force the museums to rely on static glass box displays. The buildings' dimensions also create financial problems. Urry (1990) noted nearly twenty years ago that there was a temptation for property owners to bequeath derelict or decaying buildings to museums with little regard to the building's suitability.

This physical dimension translates into another perceived physical weakness, location. Interviewees (Do 2, JB 2) stated that the museums' locations deterred visitors and explained their small visitor numbers. Their location, they

claimed, discouraged British visitors, whilst overseas visitors ignored them, preferring Edinburgh, Glasgow and certain parts of the Highlands, e.g. Loch Ness. This overseas' disinterest was perceived to extend to the local community (Do 2, JB 1, In 3).

Location has been cited as a variable to explain an organisation's performance (Kotler 2003) and the Scottish Executive (2004) classifies the three locations as rural; but other museums face similar locational problems, yet are growing. Furthermore, this argument of community disinterest appears weak since volunteer numbers have grown at two museums, Douglas and Inch Connection, and remained stable at a third, John Buchan. Community apathy or hostility would indicate declining volunteers, yet data contradicts this suggestion. Growth in volunteers might indicate volunteers pushing to join, rather than trustees proactively pulling volunteers in (Holmes 2003; Tschirhart 2001).

Interviewees may comment that the museums lack of development is attributable to their physical limitations and disinterest from external stakeholders, but intriguingly one organisational feature characterises the three museums, and may explain their lack of development within the organisational life cycle.

A number of people occupy three stakeholder groups within the museum's network. This group is centred on the trustees; but the majority are also volunteers; as well as members of a third stakeholder, the local community. Their various positions mean that this group is in the position to exercise power, legitimacy and urgency through three stakeholders. As trustees, they have influence, because they set strategy, but they also have salience as volunteers, because they provide the labour to operate the museum, whilst as members of the community they can promote and support the museum. This combination of roles gives them unparalleled power, urgency and legitimacy, they are the definitive stakeholder *par excellence*.

This position makes this stakeholder largely immune to other stakeholders' threats. Incongruously, the museum's weak financial position strengthens the

stakeholder's position. The museum cannot financially afford paid employees, therefore a group; staff normally considered a dominant stakeholder is absent (Moore 2004). Another stakeholder frequently seen as dominant, the visitor (McPherson 2006) has limited salience, since they are relatively few in number and their average spend is low, since they are admitted free at Douglas and Inch Connection, and only charged a nominal amount (£1.50) at John Buchan. The visitors' salience lies in their legitimacy, but their lack of financial spending gives them little power. The only other museum stakeholder capable of exercising any degree of salience, according to evidence (SMC 2002b) is the local authority. The local authorities, although a significant source of funding in relative terms have little power over these museums, since funding in absolute terms is limited. Furthermore, since the trustees subscribe to the authorities' policies of life long and social inclusion, there is little political or strategic rationale to refuse museum funding.

Unchallenged, the definitive stakeholder is in a position to set strategy with little recourse to other stakeholders' needs and aspirations, except from an ethical perspective. Cognisance is taken of other stakeholders; Friends at Douglas and visitors' oral and written comments are noted at the three museums, but it is unclear if these comments materially affect the museums' strategies. Strategy instead appears to be set by the definitive stakeholder driven by its needs and expectations but, as section 6.6 demonstrated, strategy is characterised by informal, ad hoc operational plans: 'Strategy just develops' (Do 1), 'Yes, it's a bit haphazard (In 2), and, 'Strategic planning is fairly informal' (JB 3).

The lack of strategic planning has been cited frequently as a cause of poor performance (Johnson 2006) and the absence of a strong dominant stakeholder to challenge or constructively criticise the ad hoc arrangements that have developed leads the trustees to become insular and arguably unaware of possibilities.

The evidence suggests that the museum has reached a point beyond which it cannot grow, because of the trustees' frustrations regarding the building and

its rural location. But lack of this development may in fact reflect a lack of valuable resources. Barney (1991) identifies intangible resources such as managerial skills as a source of competitive advantage, yet small literature repeatedly identifies these skills are weak in many small organisations (Analoui & Karami 2003; Bolton & Thompson 2004; Deakins & Freel 2003), a fact highlighted in the Scottish Executive's (2003) comments about independent museums. Yet, Watson et al (2004) have cited developing managerial skills as essential for tourist organisations seeking a competitive advantage. Evidence of managerial weaknesses existed at the Douglas, John Buchan and Inch Connection because of the limited depth and range of managerial skills amongst the trustees; a characteristic evident amongst the second group of mature museums.

6.10.1.2.2 Maturity (2): Crail, Whithorn + Culross

The data from Crail and Whithorn and an outlier Culross, suggest that visitor numbers stalled in the period 2001–2005, although there was evidence of other successes, for example a £100,000 investment at Whithorn. Similarly, Crail had benefited from Heritage Lottery Fund, albeit on a smaller scale. The investment at Whithorn drew particularly positive comments from the visitors; but Crail and Culross also generated glowing feedback from visitors;

“I loved the garden, everything was well laid out and the smells. There was nothing to dislike it was really first class.” (Cu 7)

The conundrum was that although the visitor experience was viewed positively, other stakeholders' qualitative comments implied that the museums were strategically adrift.

“We've done a lot over the last four years. We've done a lot of work with staff training, we've brought the tearoom in, all the hygiene stuff that goes on with that as well. We've done the new exhibition and so we've now got five star rating with the tourist board, so there's not a lot else we can do with the product; but we are still not getting the visitor numbers.” (Wh 1)

This weakness translates into stakeholder disengagement (Cu 3, Wh 2, Wh 3) and is acknowledged; but it is attributed to a lack of staff ambition and an over reliance on management to problem solve (Wh 1).

These organisational weaknesses are also evident at Crail. Cr 4 admits that strategic planning is based on the need to find funding, but discussions reveal that strategy is a misnomer, because it is really about exhibition planning (Cr 9). Crittenden et al (2004) commented museums view strategic planning as frequently an exercise in raising funds, rather than a tool to set directions. This drift towards operational planning may stem from the trustees' inability to communicate or develop a strategy, but also explains the trustees' desire to recruit people with managerial skills (Cr 4).

This lack of strategy is apparent at Culross. Edinburgh-based directors of the National Trust for Scotland determine strategy, although individual units such as Culross have some latitude to develop strategic ideas, but strategy is set within a national, rather than local context. Culross' local initiative has focused on creating a better working relationship with the community, which has historically been poor. This decision suggests a normative perspective, because as Cu 2 stated 'it was the right thing to do'. This motive satisfies Freeman's (1984) normative principle, but if viewed with Donaldson & Preston's (1995) model it suggests that the strategy lacks an instrumental purpose, because there is no discernible attempt to use this relationship to access resources (Barney 1991).

The contention may be that within such a large organisation, it is impossible for individual unit managers to develop individual strategies beyond operational day-to-day issues with their emphasis on managing stakeholders' needs.

6.10.1.3 Decline: Dunaskin + Thirlestane Castle

The final stage of the organisational cycle, decline, witnesses fewer customers and falling revenue (Dess, Lumpkin & Eisner 2007), and the implication that it has lost its competitive advantage (Hill & Jones 2003). Strategy now focuses on reducing costs and attempting to develop a new product or market (Jawahar & McLaughlin 2001). The customer and investors become the focus of trustees' efforts (Jawahar & McLaughlin 2001), because they provide a hard to substitute resource; money, which is critical to the organisation's survival.

One museum, Dunaskin Open Air museum, and one outlier, Thirlestane Castle, were in decline. They had experienced significant percentage falls in visitor numbers, 60% and 21% respectively since the postal questionnaire of 2001. Dunaskin attributed its problems to lack of investment, but Thirlestane Castle explained their problems as the result of fewer coach tours. The strategic response had centred on cutting costs, through redundancies at Dunaskin and scaling back maintenance programmes at Thirlestane. These strategies correspond to the strategic literature (Dess, Lumpkin & Eisner 2007; Thompson & Martin 2005). The interviewees argued, though, that no further cost savings were achievable without damaging the collection and further weakening trustee, staff and volunteer morale (Du 1, Du 2, Du 3, Th1). The consequence would lead to a fall in quality and output, if poorly implemented (Thompson & Martin 2005; Cangemi & Miller 2004), and undermine the customer's experience, a stakeholder Jawahar & McLaughlin (2001) maintain needs managed proactively to realise revenue.

This strategy needs leadership because of uncertainty and concerns about the organisation's survival (Mullins 2005), but both museums had witnessed greater managerial turnover than the other sampled museums. Managing change should 'emanate from the top of the organisation' (Mullins 2005:920), but evidence from both museums, especially Dunaskin in the form of declining visitor numbers, revenue and staff numbers, indicate trustee and managerial failure.

Dunaskin's difficulties stem from local government re-organisation in the mid 1990s, and the disappearance of its then definitive stakeholder, Strathclyde Regional Council. Its replacement, East Ayrshire Council lacked the financial power and legitimacy of its predecessor, but maintained its predecessor's salience, because it was the principal funder. The trustees in the intervening years had failed to find a funder equal to East Ayrshire Council, therefore by default its power increased, since no other stakeholder possessed financial leverage to challenge it. Frooman's (2002) argument is that the trustees' inability to find an ally left Dunaskin vulnerable, because it had no access directly or indirectly to resources that the Council needed.

Thirlestane Castle's declining visitor numbers and weak strategic response tallies Dunaskin, but critically there are significant differences which may prevent further decline and possible re-growth. One reason is the absence of a definitive or dominant stakeholder willing to challenge the trustees and manager and force decisions upon them, as occurred at Dunaskin. Secondly, the chairman of trustees retains a strong sense of duty to what was the family home and is willing to look at radical solutions to ensure its survival, including selling assets, notably land. Lauder's proximity to Edinburgh means that there is demand for land for commercial development, ironically now a possibility at Dunaskin because of rising house prices and better access to Glasgow (Du 1). The final difference may lie in the appointment of a new castle administrator who has managerial skills and competences gained from working with a commercial organisation.

6.10.2 Analysis

These museums have all passed through the start up phase and are at different points in the organisational life cycle. It is evident, as Dess, Lumpkin & Eisner (2007) state that these museums, like other organisations, have moved back and forth between the various stages of the life cycle. Explanations for their individual position within various stages are complex, but six museums exhibited signs of growth, eight maturity or decline. The resource-based view would be tempted to explain variations on the museums' collection; the purpose of its existence, yet with the exception of Whithorn

their collections are insignificant beyond a local setting (SMC 2002b). A feature policy makers observed (Roberts 2003; Ryder 2003), but also support agencies (OS9).

A critical difference between the growth museums and the mature and declining museums appears to be access to intangible resources and organisational capabilities which are valuable, rare, inimitable and difficult to substitute (David 2007). Small business literature (Kuivalainen, Sundqvist, and Puumalainen & Cadogan 2004) supports this idea that access to critical access such as organisational capabilities explains differences in a firm's performance. The growth museums' possess two sources of competitive advantage: firstly, their managerial skills and competences; and secondly, the relationship the museums enjoy with the visitor and the community. Attributes Barney (1991) claims are a source of competitive advantage.

Evidence of managerial skills and competences existed within all the museums, including Dunaskin. The difference between the growth museums and the mature and declining museums was the presence of more dynamic strategic skills amongst the trustees and/or managers, a characteristic associated with successful small business growth firms (Masurel & van Monfort 2006; Pena 2002; Sadler-Smith, Hampson, Chatson & Badger 2003). These skills included a greater awareness of community and museum issues, which led them to understand the museum's position within the wider environment. This awareness underpins strategic management, since it allows the organisation to evaluate its strengths and weaknesses in relation to the opportunities and threats facing it, thereby planning a course of action to exploit the opportunity or counter the threat (Johnson, Scholes & Whittington 2005). This observation reinforces The Scottish Executive's (2003) implied belief that greater environmental scanning would strengthen the sustainability of Scottish independent museums. The growth firms articulated this awareness in words and deeds, for example, Dalgarven's riverside re-development into meadowland walks, as a strategy designed to encourage visitors to stay longer and spend more.

This strategic awareness stemmed from either an individual or group of individuals within the museum. Entrepreneurial leadership characterised Dalgarnen, Tarbat and Whithorn, each leader had prior experience of a small business environment and each explicitly stated that these experiences had provided them with transferable skills, e.g. awareness of cost control (Ta 1, Wh 1). Prior small business experience has been cited as reason for a small business' success (Bolton & Thompson 2004), because it prepares the individual for the issues confronting a small organisation, such as limited resources.

The second group of growth museums, Fife, Lead Mining, and Timespan, also demonstrated the existence of managerial skills. These skills related to the arrival of new trustees or to the presence of trustees who lived and worked outside the local community. The benefit of recruiting beyond the local community is that it allows the museum access to a wider range of skills, but also access to a wider social network. This reinforces these museums greater environmental awareness, e.g. market trends (Kuivalainen et al 2004). In effect, both groups of museums are using networks; one based on an individual, the other a wider group of trustees and managers, to access knowledge and overcome the limited resources available within the local market.

The museums demonstrate these principles of trust and exchanging information in their interaction with customers and the community. Customers attached greater value to the visit when they accesses information that is unique and often unrecorded. This information may be technical, e.g. carpentry at Culross, but is often more valued where it demonstrates a social setting, e.g. a kitchen scene at Dalgarnen. This social experience underpinned many visitors' comments. The ability to unlock unique, often positive, personal events is a source of competitive advantage. It may also explain why museums are popular with older people, because they have a richer bank of experiences on which to draw.

The other relationship these museums have crafted is with the local community. This relationship marks a spectrum between transactional at one end and relational at the other end. The transactional exchange signifies the museum accepting an artefact or even voluntary labour with little recognition of its significance. The other end of the spectrum recognises the complex reasons involved in giving; whether altruistic, egotistical, or emotional, and uses these as a source of competitive advantage. For example, as Milne & Tufts (1999) state, artefacts of mediocrity fill small local museums, but by accepting them, the museum generates financial goodwill, directly and indirectly. Directly, it encourages the donor to visit the museum; indirectly, the donor promotes the museum as a tourist destination to potential visitors, but also as a symbol of social inclusion, the donor can help to release third part funding, e.g. Heritage Lottery Fund.

6.11 Summary

It is evident that differences in museum performance reflect their position on the life cycle. A resource-based view explains the growth museums superior performance. This in turn is framed within stakeholder theory, which argues stakeholders provide the firm with valuable resources and hence superior performance. These resources centre on the definitive stakeholder, the trustees or, in one instance, a manager. One source of competitive advantage is the trustees'/manager's skills, which allow the organisation to neutralise threats and exploit opportunities. This valuable resource is complemented by access to an inimitable resource, social networks. This resource is based on social complexity and the ideas of trust and relationships. This resource provides access to knowledge, a resource, which reinforces the trustees'/managers capabilities. This social complexity also manifests itself in the relationship customers and the community enjoy with the museum. This complexity is underpinned by the exchange of knowledge, but also emotions and experiences that are difficult to disentangle, but often unique in their ability to trigger childhood memories.

The next and final chapter presents a model demonstrating the relationship between the definitive stakeholder, strategy and the organisational life cycle, as well as offering areas for further research.

CHAPTER 7: CONCLUSION

7.1 Introduction

This research aimed to investigate the role stakeholders play in influencing an independent, rural museum's strategy during the organisational life cycle. The previous six chapters have critically explored this aim and six of its supporting objectives. This chapter concludes the thesis by assessing its contribution to knowledge, in terms of stakeholder theory and strategic museum management, two areas that have lacked empirical research. The outcome of this knowledge is the seventh objective, a model linking the definitive stakeholder to strategy and the organisational life cycle. The chapter subsequently highlights areas for further research.

7.2 Addition to knowledge

The starting point for this research drew on personal observations as a museum director and volunteer of a small, independent, Scottish museum. A subsequent literature search supported the observation that museums' activities were increasingly shifting from a curatorially, intellectually focused experience to one centred on a leisure experience (Cossons 1996; Evans 1995; Fopp 1997, Kawashima 1998; McLean 1997). The demands imposed by this change emphasised the need for greater managerial skills and competences in the museum sector (McLean 1997; Moore 1994). Museum research has subsequently explored managerial ideas within a museum setting, especially, marketing, human resources, finance and operations (Barton 2000; Graham & Lennon 2002; McPherson 2006; SMC 2006), but strategy has received little attention (Reussner 2003). Research (Davies 2004; Mann 2007) has found evidence of strategy within museum practice, but it is often in the guise of strategic planning and used as a tool to satisfy funders, rather than to set direction. This practice may explain the vulnerability of so many Scottish museums (SMC 2002b). A belief shared by The Scottish

Executive (Scottish Executive 2003b) who maintain that too often museums are established without reference to their long term sustainability, or their relationships with the wider world; relationships that McLean (1997) claimed were 'extremely influential'.

McLean (1997) identified various museum stakeholders, in a process that paralleled other sectors e.g. Frost 1995. However, this approach encourages criticism that stakeholder theory simply rests on identification, rather than critically explaining or testing stakeholder theory (Gioia 1999). A criticism that has dogged stakeholder theory, despite the volume of literature published, however closer inspection of many of these articles often reveals an absence of stakeholder theory. This absence explains comments that stakeholder theory lacks an empirical base to validate its ideas and principles (Tsai et al 2006). This thesis was therefore a response to these three issues: theory, practice, and policy.

The outcome of this thesis has been to support and illuminate previous theoretical and practical knowledge, but critically it adds to this knowledge. Firstly, it develops ideas and observations promoted in the National Audit (SMC 2002b), the most important museum policy document published since Devolution (Wade 2002). The exploratory data collected for this thesis complements the National Audit, because of a similar objective: sizing and scoping the Scottish museum sector. However, it differed in that its objectives unlike the National Audit sought to explain the environment within which Scottish museums were operating using the respondents' written comments, as basis of analysis. These qualitative comments underpinned and explained the quantitative data, a feature absent from the National Audit's discussions. The thesis' statistical data nonetheless supported the National Audit's findings that many independent museums operated on the financial periphery and that rural museums particularly succumbed to this issue; an issue SMC (2002b) identified as requiring further research.

A phenomenological approach was used to investigate fourteen, independent, rural museums in mainland Scotland; an approach Denscombe

(2003) argues is particularly suited to making sense of people's experiences, in this case stakeholders' influence on museum strategy. Drawing on data collected from over 150 interviews involving 141 stakeholders revealed a relationship between the definitive stakeholder and the organisation's strategy that corresponds to Jawahar & McLaughlin's (2001) propositions. This information presented in Table 7.1 identifies the 14 museums in relation to the organisational life cycle, the definitive stakeholder and the organisation's approach to strategy. Eleven museums have a clearly identifiable link. These museums clustered into four groupings, linking the definitive stakeholder and strategy to the organisation's point on the organisational life cycle. This relationship is also evident amongst the three outliers: Brownsbank Cottage, Culross Palace and Thirlestane Castle, although variations occur because their museums are not their core activities, but are subsumed within wider organisational aims and structures.

Table 7.1 identifies a group of two museums: Dalgarven and Tarbat, which are growing, plus a third Whithorn that grew recently and is attempting to re-grow. In each example, an entrepreneur dictates strategy. At Dalgarven and Tarbat, it is the chairman of trustees, whilst a similar role is occupied by the business manager at Whithorn. These individuals will accept technical advice, but demonstrate repeatedly a need to control the organisation's direction e.g. creating managerial sub-group (Ta 1), organising town arts festival, based on personal networks (Wh 1), and a belief in their inner locus of control (Da 1). Their strategy aligns to Jawahar & McLaughlin's (2001) assertion that during the growth phase the organisation focuses proactively on trade associations and similar bodies to gather market information and target new customers.

A further group of three museums: Fife, Timespan and Lead Mining also exhibit signs of growth. These museums however adopt a more consensual approach involving trustees and paid staff. This approach may relate to personality types, but also reflects a response to historical threats i.e. Heritage Lottery Fund, Foot & Mouth Disease, and internal organisational conflict. These museums behave towards their stakeholders in a similar fashion to the first group of growth museums, by using a mix of proactive and

accommodating mechanisms to access resources, but the emphasis is on securing new sources of funding to develop new products and services, to increase customer footfall.

Table 7.1: Table demonstrating the relationship between a museum's position in the life cycle, the identity of its definitive stakeholder and strategy

<i>Museum</i>	<i>Stage of Life cycle</i>	<i>Definitive stakeholder</i>	<i>Influence on strategy</i>
<i>Dalgarven</i>	<i>Growth</i>	<i>Entrepreneur (Chairman of trustees)</i>	<i>Entrepreneurial</i>
<i>Tarbat</i>	<i>Growth</i>	<i>Entrepreneur (Chairman of trustees)</i>	<i>Entrepreneurial</i>
<i>Whithorn</i>	<i>Mature/growth</i>	<i>Entrepreneur (Business manager)</i>	<i>Entrepreneurial</i>
<i>Fife Timespan</i>	<i>Growth</i>	<i>Trustees~Paid staff</i>	<i>Formal</i>
<i>Lead Mining</i>	<i>Growth</i>	<i>Trustees~Paid staff</i>	<i>Formal</i>
<i>Crail</i>	<i>Mature</i>	<i>Volunteer~trustee</i>	<i>Ad hoc</i>
<i>Douglas</i>	<i>Mature</i>	<i>Volunteer~trustee</i>	<i>Ad hoc</i>
<i>Insch</i>	<i>Mature</i>	<i>Volunteer~trustee</i>	<i>Ad hoc</i>
<i>John Buchan</i>	<i>Mature</i>	<i>Volunteer~trustee</i>	<i>Ad hoc</i>
<i>Dunaskin</i>	<i>Decline</i>	<i>Funder</i>	<i>None</i>
<i>Outliers Brownsbank</i>	<i>Growth</i>	<i>Funder</i>	<i>Ad hoc</i>
<i>Culross</i>	<i>Mature</i>	<i>NTS Directors</i>	<i>Formal</i>
<i>Thirlestane Castle</i>	<i>Decline</i>	<i>Chairman of trustees/Castle Administrator</i>	<i>Entrepreneurial?</i>

Four museums: Crail, Douglas, Insch Connection and John Buchan (Table 7.1) are at the mature stage of the life cycle. Their income and visitor numbers recorded during the 2005 interviews corresponded to data collected from the 2001 postal questionnaire. These museums employ no paid staff and operate solely with volunteers, many of whom are also the trustees and live locally within the community. This group is *the* undisputed definitive stakeholder, because it occupies three stakeholder groups: volunteers, trustees and community. No other stakeholder has the power, legitimacy or urgency to challenge this group's dominance. Strategy is often framed therefore within an

enthusiastic hobbyist's perspective, in effect ad hoc and operationally focused. They adopt a risk-averse strategy, which reflects the trustees' decision to focus on operational planning, primarily concerned with forthcoming exhibitions. This decision to act in a risk adverse way and adopt an accommodating strategy towards their stakeholders rather than proactively engaging with them as predicted, may relate to their size and structure. Small business writers (Bolton & Thompson 2004) contend small business in particular focus on the needs of the moment, rather than strategic issues, because they lack resources. The other possibility is that these museums do not act in the way predicted, because the very small nature of the organisation means they do not need resources.

The last stage of the cycle, decline and death includes Dunaskin. Strategy is about organisational survival and focuses on proactively trying to meet the demands of those stakeholders who provide revenue; local government and customers. However, failure to meet these demands resulted in strategy effectively passing to the major funder: the local authority, and consequently many trustees disengaged. Strategy then became concerned only with day-to-day operational issues, such as paying bills as it became evident the museum would close.

The three outliers (Table 7.1) exhibit characteristics associated with these four groupings; for example, Thirlestane Castle possesses similar characteristics to Dalgarven and Tarbat, but appears to lack their range of managerial skills and competences given the Castle's performance. Brownsbank corresponds to the four micro museums in terms of museum income and visitors, but the museum is of peripheral concern to the main activity; stimulating creative writing in south Lanarkshire, which the definitive stakeholders judge to be successful. The third outlier, Culross Palace parallels Lead Mining in its size, but its head office, The National Trust for Scotland determines strategy, and local management instead focus on operational issues.

The museums' strategies aligned to organisational lifecycle or small business literature and adds to the growing body of stakeholder literature, but crucially

differs from other stakeholder thesis e.g. Frooman 2002, Schwager 2004; in that it focuses on the not-for-profit sector, a sector largely ignored by stakeholder research (Fletcher et al 2003). The evidence demonstrated that a museum's definitive stakeholder plays a crucial role in determining a museum's position within the organisational life cycle and that this position is linked to its strategy, particularly its approach to strategic planning. These findings are integrated within a model fusing the thinking of Mitchell, Agle & Wood (1997) with Jawahar & McLaughlin (2001) which is discussed more fully in the following section.

This research has been therefore invaluable in empirically demonstrating the relationship between theory and practice in the context of independent, rural Scottish museums. However, more broadly, it may be applicable to small not-for-profit organisations and those operating in rural environments, as the following model demonstrate.

7.3 The Model

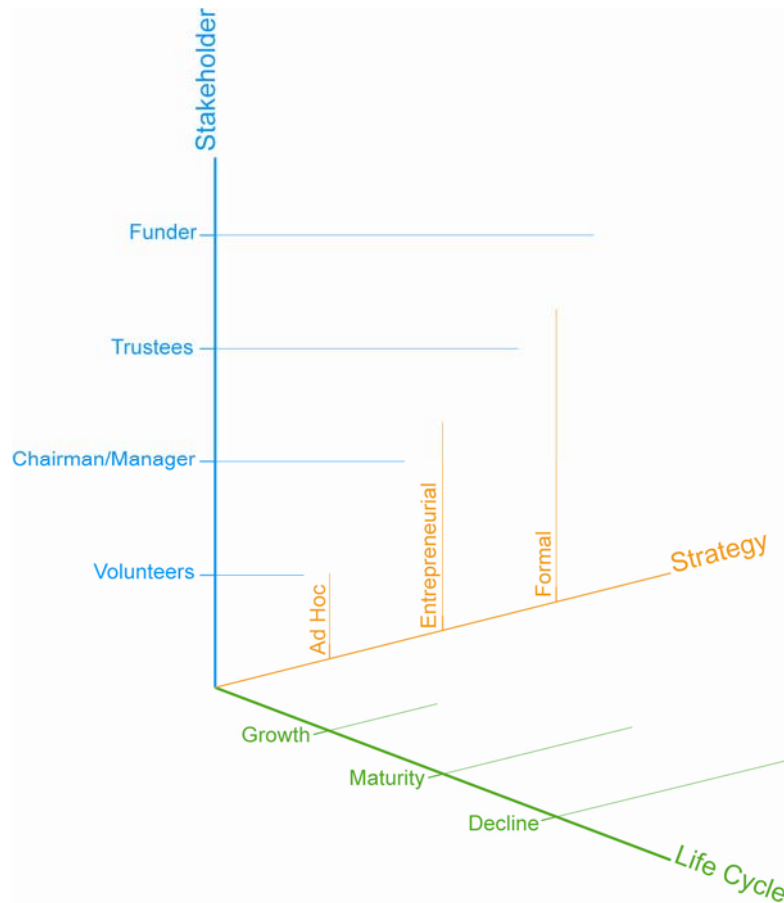
The Resource-Based View argues that a firm derives its competitive advantage from access to rare, valuable and difficult to imitate or substitute resources (Barney 1991). Various writers (Hill & Jones 1992; Hillman & Keim 2001; Litz 1996) have framed this concept within stakeholder theory, arguing that a stakeholder can provide access to these resources. Freeman (1984) championed the idea that an organisation could improve its performance, if it collaborated more effectively and thoughtfully with its stakeholders. A view articulated in Savage et al's (1991) model. Frooman's (2002) model offered a different framework; he argued that decision-making flows from real or perceived conflict. These models though focus on incidents, rather than a passage of time, such as the stage of a life cycle. The strength of the life-cycle model is that it frames the organisation's response within a strategic approach; where as Frooman's response suggests a tactical approach designed to meet the needs of the moment.

The model proposed (Figure 7.1) considers stakeholding from the perspective of the small - micro organisation, numerically the most common type of not-for-profit organisation in the U.K. (Hankinson & Lomax 2006), but also numerically the most common type of business organisation in the U.K. (Bolton & Thompson 2004). The model demonstrates that the definitive stakeholder shapes an organisation's approach towards strategy, based on the definitive stakeholder's managerial skills and ability to create socially complex relationships between the museum, its visitors and the community. These traits help to explain a museum's position within the organisational life cycle and its success or failure in accessing resources.

The model presented is unique because it integrates life cycle theory, strategy, notably strategic planning and the idea of the definitive stakeholder within a not-for-profit setting. It reveals the relationship between these various elements and maps a path a museum must satisfy to grow. This model, although theorised on rural museums has applicability to other organisations, especially similar sized profit and not-for-profit organisations operating in a rural environment, because of the universality of many of these stakeholders i.e. government, the community, paid staff, and customers.

Figure 7.1 integrates the tabular information (Table 7.1) within a three dimensional model, showing life cycle on the X-axis, the definitive stakeholder on the Y-axis, and strategy on the Z-axis. The model predicts the point an independent, rural museum will occupy in the life cycle and the strategy it will follow, depending on the definitive stakeholder. It suggests that mature museums pursuing an ad hoc strategy reflect volunteer trustees as the definitive stakeholder, whilst an entrepreneur defines entrepreneurial growth museums. Larger, growth museums reveal a coalition between paid staff and trustees determines a more formal, deliberate strategy than the entrepreneurial strategy practiced by smaller growth museums. The final point on the life cycle, death, identifies that the major funder has lost confidence in the museum's strategy, consequently strategy evaporates to be replaced by an ad hoc, operational function.

Figure 7.1: Model-identifying link between definitive stakeholder, life cycle and strategy



The model's limitation is that no museum start-ups existed; therefore, it is difficult to confirm their behaviour and possible impact on the model. Nonetheless, this model moves Mitchell, Agle & Wood (1997) and Jawahar & McLaughlin's (2001) ideas forward, because it is rooted in empirical reality, rather than hypotheses. It demonstrates there is provable linkage between the definitive stakeholder, strategy and organisational life cycle.

7.4 Critical Review of Research Approach

Freeman's (1984) work marks the popular acceptance of stakeholder theory (Donaldson & Preston 1995; Jones & Wicks 1999; Mitchell, Agle & Wood 1997). This research therefore started against a backdrop of an emerging

theory with the problems and contradictions inherent in any new theory, for example definitional differences (Mitchell, Agle & Wood 1997). Researchers struggled to adopt and adapt this unproven theory, as a result data often appeared simplistic, and hence the criticisms (Argenti 1997; Gioia 1999; Winn 2001).

The other difficulty encountered was that the evolving stakeholder literature increasingly focused on the theory's normative element and expressed only limited interest in the instrumental angle of stakeholder theory. This may in part be a response to the accusation that the theory's ethical core equated to little more than 'doing the right thing' (Gioia 1999), and therefore was a retort to this accusation. Another explanation is that a spate of high profile corporate failures in the 1990s and early 2000s, e.g. Enron, Parmalat triggered a wider debate about business strategy and ethics. Stakeholder theory offered a theoretical framework within which to consider these issues. However, the lack of instrumental literature meant that the research had to return to the wider strategic management literature to explore the connection between strategic management, Resource-Based View and stakeholder theory.

Two models guided the research framework: Mitchell, Agle & Wood (1997) salience typology, and Jawahar & McLaughlin descriptive stakeholder model (2001).

Mitchell, Agle & Wood's (1997) model evolved as a response to definitional arguments surrounding Freeman's (1994) work. Their model in practice proved capable of sorting the museums' stakeholders by typology, particularly in terms of urgency and legitimacy, because of identifiable benchmarks; time and legal/moral codes e.g. elections. Distinguishing varying degrees of power however proved more difficult. Subjective, qualitative comments could not always decode the differences in power and a scale tool would have helped. This weakness possibly explains Frooman's (2002) and Caughlan's (2002) decisions to use Likert scales to test hypotheses.

Mitchell, Agle & Wood (1997) similarly inspired Jawahar & McLaughlin's thinking (2001), but they framed their ideas within Clarkson's (1995) RDAP

methodology and the organisational life cycle. They queried their model's applicability to 'non- traditional businesses', but pleasingly the growth and decline museums acted in the way Jawahar & McLaughlin (2001) foresaw, although the mature museums acted in a way more redolent of small business literature. The one stage, which could not be examined empirically, was start up, because each museum had been in existence for at least six years and in many cases for more than fifteen years.

7.5 Areas for further research

This section considers areas for further research, particularly in relation to a) applicability, b) museums, and c) board of trustees.

7.5.1 Area for further research: Applicability

7.5.1.1 Health and Education

The decision to ground much of the literature within non-museum settings has enabled this research to demonstrate its relationship to not-for-profit and tourism literature. Further research into similar voluntary organisations such as health or education would provide a comparison to museums. This would enable similarities and differences to be discerned, and possible ideas and best practices transferred between the sectors. This merits particular interest as both UK and Scottish governments have stated that their policy is to encourage further the voluntary sector to deliver these services.

7.5.1.2 Small Business

Explanations for the survival of 21 of the original 22 independent museums within the sample offer possible ideas and practices for other rural small businesses. This high survival rate contrasts the experience of many commercial small businesses, which a significant minority cease trading within three years. It would be valuable to examine rural businesses in the same locations as the fourteen museums to consider reasons for possible differences to explain different survival rates.

7.5.2 Area for further research: Museums

7.5.2.1 Longitudinal study

During the course of this research, collected data from 2001 and 2005 offers the basis for further data to be collected during 2009 as part of a longitudinal study of these fourteen museums. This data would provide information relating to environmental changes within the sector, but also the opportunity to monitor these changes within the context of the organisational life cycle.

7.5.2.2 Island museums

The 2001 postal questionnaire revealed little statistical difference between independent mainland museums and independent island museums, but comments from local authorities and Scottish Museums Council suggest that these island museums are characterised by innovative thinking and practices. The perception is that these museums have had to adapt, because of their relative isolation. The outcome is that these museums have focused on the community's needs and expectations, rather than the customer; consequently, these museums have evolved to become multi-functional organisations embracing leisure, the arts and entertainment. These observations merit further investigation to discover the role stakeholders have played in shaping these decisions and the impact it has had on stakeholders.

7.5.2.3 Cross typology

This doctoral evidence reveals that independent, rural museums have a low failure rate. Research should be undertaken to identify whether this typology is typical or atypical of the museum sector and it would be valid to examine the issue in relation to the variables of governance and location, particularly in the context of independent museums located in towns, but also local authority museums located in towns and rural areas.

7.5.2.4 Start up

A limitation of the research and the subsequent model is that no start up museum was in the sample. This type of museum merits investigation to identify and examine whether it conforms to Jawahar & McLaughlin's (2001) model. Investigation would also focus on applying Mitchell, Agle & Wood's (1997) 8-point stakeholder model to determine stakeholder salience and whether it aligned to the patterns of other independent, rural museums.

7.5.3 Board of trustees

7.5.3.1 Management skills

Rhodes & Keogh (2005) state the issue of the managerial skills within not-for-profit trustees is under-researched outside an American setting, but this research indicates managerial skills are present and explain the museums' growth. Mordaunt & Cornforth (2004) discovered that boards of trustees played a crucial in failure and turnaround in not-for-profit organisations, but their sample size was very small $n = 4$ and data was collected using a 1 -2 hour interview. A larger study focussed on not-for-profit organisations would allow the researcher to identify and examine trustee behaviour and relationships in situ.

7.6 Summary

This research has gratifyingly achieved its aim and objectives. It set out to discover the role stakeholders play in museum strategy, but also to gain a deeper understanding of the environment Scottish museums operate in. A survey of Scotland's museums using a postal questionnaire provided a detailed picture of the nation's museums and their experiences at the start of the 21st century, but it also categorised a specific typology; rural, independent museums as worthy of further study. Intriguingly SMC's National Audit (2002) similarly identified concerns relating to independent and rural museums.

The selection of this typology led to a more critical investigation, which provided exceptionally rich information and the platform for further research in a variety of areas. The outcome of this research is that it provides a better understanding of the dynamics and behaviour of stakeholders in shaping and determining organisations that affect them and they affect. The knowledge gained personally has been invaluable in terms of subject matter, research processes and own development, but also it is believed this research contributes significantly to stakeholder theory, and museum practice and policy.

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**STAKEHOLDERS: A SOURCE OF
COMPETITIVE ADVANTAGE?
An Analysis of the Influence of Stakeholders
on the Strategies of Independent, Rural,
Scottish Museums during their Organisational
Life Cycle**

K HALCRO

APPENDICES

**A thesis in submitted in partial fulfilment of the
requirements of Doctor of Philosophy**

QUEEN MARGARET UNIVERSITY

2008

Appendices

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- Appendix 2: Definitions of stakeholder (Mitchell, Agle & Wood 1997)
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Appendix 1 - The Evolution of Strategic Thinking (Sources: Edgar 1997; Grant 2004)

Period emerged	1950s	1960s	Early-mid 1970s	Late 1970s- early 1980s	Late 1980s - early 1990s	Late 1990s- Early 2000s
Dominant theme	Budgetary planning and control	Corporate planning	Corporate strategy	Analysis of industry and competition	The quest for competitive advantage	Strategic innovation and the new economy
Main issues	Financial control through operational and capital budgeting	Planning growth	Diversification and portfolio planning	Choice of industries, markets and segments, and positioning within them	Sources of competitive advantage within them	Competitive advantage through strategic innovation. Competing on knowledge. Adapting to the new digital networked economy
Principal concepts and techniques	Financial budgeting Investment planning Project appraisal	Business forecasting Investment planning models	Synergy Strategic business units Portfolio planning matrices	Experience curve and returns to market share Analysis of industry structure Competitor analysis PIMS analysis	Resource analysis Analysis of core competencies	Organisational flexibility and speed of response. Knowledge management and organisational learning Competing for standards
Organisational implications	Financial management the key	Rise of corporate planning departments and medium term formal planning	Diversification Multi-divisional structures Quest for global market share	Greater industry and market selectivity Industry restructuring Active asset management	Corporate restructuring and business process re-engineering Refocusing and outsourcing	The virtual organisation The knowledge based firm Alliances and networks The quest for critical mass
Exponents		Argenti 1965, Ansoff 1965	Miles & Snow 1978, Mintzberg 1979	Goold & Campbell 1987; Porter 1985	Barney 1991, Hamel & Prahalad 1990, Kay 1993	Nonaka 2000, Pemberton & Stonehouse 2000

Appendix 2 – Definitions of stakeholders (Mitchell, Agle and Wood 1997)

<i>Source and date</i>	<i>Stake</i>
Stanford memo 1963	Those groups without whose support the organisation would cease to exist
Rhenman 1964	Are depending on the firm in order to achieve their personal goals and on whom the firm is depending for its existence
Ahlstedt and Jahnukainen 1971	Driven by their own interests and goals are participants in a firm and thus depending on it and whom for its sake the firm is depending
Freeman and Read 1983:91	Wide: can affect the achievement of an organisation's objectives or who is affected by the achievement of an organisation's objectives Narrow: on which the organisation is dependent for its continued survival
Freeman 1984:46	Can affect or is affected by the achievement of the organisation's objectives or who is affected by the achievement of an organisation's objectives
Freeman and Gilbert 1987:397	Can affect or is affected by a business
Cornell and Shapiro 1987:5	Claimants who have contracts
Evan and Freeman 1988:75-76	Have a stake or claim on the firm
Evan and Freeman 1988:79	Benefit from or are harmed by, and whose rights are violated or respected by corporate actions
Bowie 1988:112	Without whose support the organisation would cease to exist
Alkhafaji 1989:36	Groups to whom the organisation is responsible
Carroll 1989:57	Asserts to have one or more of these kinds of stakes ranging from an interest to a right (legal or moral) to ownership or legal title to the company's assets or property
Freeman and Evans 1990	Contract holders
Thompson et al 1991:209	In relationship with an organisation
Savage et al 1991:61	Have an interest in the actions of an organisation and the ability to influence it
Hill and Jones 1992:133	Constituents who have a legitimate claim on the firm established through the existence of an exchange relationship who supply the firm with critical resources and in exchange each expects its interests to be satisfied by inducements
Brenner 1993:205	Having some legitimate, non-trivial relationship with an organisation such as exchange transactions, action impacts, and moral responsibilities
Carroll 1993:60	Asserts to have one or more of these kinds of stakes in

	business- may be affected or affect
Freeman 1994:415	Participants in the human process of joint value creation
Wicks et al 1994:483	Interact with and give meaning and definition to the corporation
Langtry 1994:433	The firm is significantly responsible for their well being, or they hold a moral or legal claim on the firm
Starik 1994:90	Can be making their actual stakes known – are or might be influenced by, or are potentially influencers of the organisation
Clarkson 1994:5	voluntary stakeholders bear some form of risk as a result of having invested some form of capital , human or financial , something of value in a firm. Involuntary stakeholders are placed at risk as result of the firm's activities. But without the element of risk there is no stake
Clarkson 1995:106	Have or claim ownership rights or interests in a corporation and its activities
Näsi 1995:19	Interact with the firm and thus make its operation possible
Brenner 1995:76	Are or which could impact or be impacted by the firm/organisation
Donaldson and Preston 1995:85	Persons or groups with legitimate interest in procedural and /or substantive aspects of corporate activity

**Appendix 3 – Attributes found within definitions
(Source: Mitchell, Agle and Wood 1997)**

A relationship exists	
<i>The firm and the stakeholders are in relationship</i>	
Thompson et al 1991:209	In relationship with an organisation
Brenner 1993:205	Having some legitimate , non-trivial relationship with an organisation such as exchange transactions, action impacts, and moral responsibilities
Freeman 1994:415	Participants in the human process of joint value creation
Wicks et al 1994:483	Interact with and give meaning and definition to the corporation
<i>The stakeholder exercises voice with respect to the firm</i>	
Starik 1994:90	Can are making their actual stakes known – are or might be influenced by, or are potentially influencers of the organisation
Power Dependence:Stakeholder Dominant	
Stanford memo 1963	Those groups without whose support the organisation would cease to exist
Freeman and Read 1983:91	Wide: can affect the achievement of an organisation's objectives or who is affected by the achievement of an organisation's objectives Narrow:on which the organisation is dependent for its continued survival
Bowie 1998:112	Without whose support the organisation would cease to exist
Näsi 1995:19	Interact with the firm and thus make its operation possible
The stakeholder has over power over the firm	
Freeman 1984:46	can affect or is affected by the achievement of the organisation's objectives or who is affected by the achievement of an organisation's objectives
Freeman and Gilbert 1987:397	can affect or is affected by a business
Savage et al 1991:61	Have an interest in the actions of an organisation and the ability to influence it
Carroll 1993:60	Asserts to have one or more of these kinds of stakes in business- may be affected or affect
Starik 1994:90	Can are making their actual stakes known – are or might be influenced by, or are potentially influencers of the organisation
Brenner 1995:76	Are or which could impact or be impacted by the firm/organisation

Power Dependence: Firm Dominant	
<i>The stakeholder is dependent on the firm</i>	
Langtry 1994:433	The firm is significantly responsible for their well being, or they hold a moral or legal claim on the firm
<i>The firm has power over the stakeholder</i>	
Freeman and Read 1983:91	Wide: can affect the achievement of an organisation's objectives or who is affected by the achievement of an organisation's objectives Narrow: on which the organisation is dependent for its continued survival
Freeman 1984:46	can affect or is affected by the achievement of the organisation's objectives or who is affected by the achievement of an organisation's objectives
Freeman and Gilbert 1987:397	can affect or is affected by a business
Carroll 1993:60	Asserts to have one or more of these kinds of stakes in business- may be affected or affect
Starik 1994:90	Can are making their actual stakes known – are or might be influenced by, or are potentially influencers of the organisation
Brenner 1995:76	Are or which could impact or be impacted by the firm/organisation
Mutual Power-dependence relationship	
<i>The firm and the stakeholder are mutually dependent</i>	
Rhenman 1964	Are depending on the firm in order to achieve their personal goals and on whom the firm is depending for its existence
Ahlstedt and Jahnukainen 1971	Driven by their own interests and goals are participants in a firm and thus depending on it and whom for its sake the firm is depending
Basis for legitimacy of relationship	
<i>The firm and stakeholder are in contractual relationship</i>	
Cornell and Shapiro 1987:5	Claimants who have contracts
Carroll 1989:57	Asserts to have one or more of these kinds of stakes ranging from an interest to a right (legal or moral) to ownership o legal title to the company's assets or property
Freeman and Evans 1990	Contract holders
Hill and Jones 1992:133	Constituents who have a legitimate claim on the firm established through the existence of an exchange relationship who supply the firm with critical resources and in exchange each expects its interests to be satisfied by inducements

The stakeholder has a claim on the firm	
Evan and Freeman 1988:75-76	Have a stake or claim on the firm
Alkhafaji 1989:36	Groups to whom the organisation is responsible
Carroll 1989:57	Asserts to have one or more of these kinds of stakes ranging from an interest to a right (legal or moral) to ownership or legal title to the company's assets or property
Hill and Jones 1992:133	Constituents who have a legitimate claim on the firm established through the existence of an exchange relationship who supply the firm with critical resources and in exchange each expects its interests to be satisfied by inducements
Langtry 1994:433	The firm is significantly responsible for their well being, or they hold a moral or legal claim on the firm
Clarkson 1995:106	Have or claim ownership rights or interests in a corporation and its activities
The stakeholder has something at risk	
Clarkson 1994:5	Voluntary stakeholders bear some form of risk as a result of having invested some form of capital, human or financial, something of value in a firm. Involuntary stakeholders are placed at risk as result of the firm's activities. But without the element of risk there is no stake
The stakeholder has a moral claim on the firm	
Evan and Freeman 1988:79	Benefit from or are harmed by, and whose rights are violated or respected by corporate actions
Carroll 1989:57	Asserts to have one or more of these kinds of stakes ranging from an interest to a right (legal or moral) to ownership or legal title to the company's assets or property
Langtry 1994:433	The firm is significantly responsible for their well being, or they hold a moral or legal claim on the firm
Clarkson 1995:106	Have or claim ownership rights or interests in a corporation and its activities
Donaldson and Preston 1995:85	Persons or groups with legitimate interest in procedural and /or substantive aspects of corporate activity
Stakeholder Interest – Legitimacy Not Implied	
Carroll 1989:57	Asserts to have one or more of these kinds of stakes ranging from an interest to a right (legal or moral) to ownership or legal title to the company's assets or property
Savage et al 1991:61	Have an interest in the actions of an organisation and the ability to influence it

Carroll 1993:60	Asserts to have one or more of these kinds of stakes in business- may be affected or affect
Clarkson 1995:106	Have or claim ownership rights or interests in a corporation and its activities

Appendix 4
Stakeholder Categorisation Schemes (Critical attributes)

Freeman & Reed (1983:173)	Narrow – vital to the company Wide – any group or individual affecting or affected by a firm
Freeman (1984:53)	Legitimate – hold similar values and agendas for action as a firm Illegitimate – hold vastly different values/agendas for action as a firm
Freeman (1984:142-3)	Cooperative potential – able to help the firm achieve its objectives Competitive threat – able to interfere with a firm's objectives
Carroll (1989:21)	Internal – those inside the organisation's formal boundaries External - those outside the organisation's formal boundaries
Carroll (1989:62)	Generic – broad grouping containing many specific stakeholder Specific – stakeholders with proper names
Goodpastor (1991:69)	Strategic – can affect a firm Moral – area affected by a firm
Wood (1994:171)	Single issue – focused on one aspect of firm's operations Multiple issue - focused on several aspects of firm's operations
Wood (1994:171)	Social – concerned with how the firm's activities affect issues usually not expressed in terms of dollars or intangibles Economic – involved in the supply and distribution of a firm's material and financial resources
Clarkson (1994:5)	Voluntary – bear risk due to investment of value in a firm Involuntary - at risk by a firm's activities
Clarkson (1995:106-7)	Primary – engage in essential transactions with a firm Secondary – engage in non-essential transactions with a firm
Mitchell, Agle & Wood (1997: 865 – 870)	Urgent – exert claim that are time-sensitive and critical Legitimate – exert claims deemed appropriate by societal norms Powerful – able to force others to act in particular ways
Frooman 2002	Direct – possess resources critical to a firm Indirect – lack a resource critical to a firm

Source: Frooman 2002

Appendix 5

Development of the Museum Definition according to *ICOM Statutes*

Development of the Museum Definition according to *ICOM Statutes* (1946 - 2001)

This list was compiled according to the documents held in the UNESCO - ICOM Information Centre. The translation dates do not necessarily correspond to the French version.

1946

Article II - Section 2.

The word "museums" includes all collections open to the public, of artistic, technical, scientific, historical or archaeological material, including zoos and botanical gardens, but excluding libraries, except in so far as they maintain permanent exhibition rooms.

(Constitution and By-Laws of the International Council of Museums, 1946)

1956

Article II - Definition

The word of museum here denotes any permanent establishment, administered in the general interest, for the purpose of preserving, studying, enhancing by various means and, in particular, of exhibiting to the public for its delectation and instruction groups of objects and specimens of cultural value: artistic, historical, scientific and technological collections, botanical and zoological gardens and aquariums. Public libraries and public archival institutions maintaining permanent exhibition rooms shall be considered to be museums.

(ICOM Constitution, July 9th, 1956)

1961

Section II - Definition of a museum

Article 3

ICOM shall recognise as a museum any permanent institution which conserves and displays, for purposes of a study, education and enjoyment, collections of objects of cultural or scientific significance.

Article 4

Within this definition fall:

- exhibition galleries permanently maintained by public libraries and collections of archives,
- historical monuments and parts of historical monuments or their dependencies, such as cathedral treasuries, historical, archaeological and natural sites, which are officially open to the public,
- botanical and zoological gardens, aquaria, vivaria, and other institutions which display living specimens,
- natural reserves.

(ICOM Statutes 1960, November 1961 (Doc. 61/43)

1974

Section II - Definitions:

Article 3

A museum is a non-profit making, permanent institution in the service of the society and its development, and open to the public, which acquires, conserves, researches, communicates, and exhibits, for purposes of study, education and enjoyment, material evidence of man and his environment.

Article 4

In addition to museums designated as such, ICOM recognizes that the following comply with the above definition:

- conservation institutes and exhibition galleries permanently maintained by libraries and archive centres.

- natural, archaeological, and ethnographic monuments and sites and historical monuments and sites of a museum nature, for their acquisition, conservation and communication activities.

- institutions displaying live specimens, such as botanical and zoological gardens, aquaria, vivaria, etc.

- nature reserves.

- science centres and planetariums.

(ICOM Statutes, adopted by the Eleventh General Assembly of ICOM, Copenhagen, 14 June 1974)

1989

Article 2 - Definitions

1. A museum is a non-profit making, permanent institution in the service of society and its development, and open to the public which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment.

The above definition of a museum shall be applied without any limitation arising from the nature of the governing body, the territorial character, the functional structure or the orientation of the collections of the institution concerned.

In addition to institutions designated as "museums" the following qualify as museums for the purposes of this definition:

- natural, archaeological and ethnographic monuments and sites and historical monuments and sites of a museum nature that acquire, conserve and communicate material evidence of people and their environment;

- institutions holding collections of and displaying live specimens of plants and animals, such as botanical and zoological gardens, aquaria and vivaria;

- science centres and planetaria;

- conservation institutes and exhibition galleries permanently maintained by libraries and archive centres;

- nature reserves;

- such other institutions as the Executive Council, after seeking the advice of the Advisory Committee, considers as having some or all the characteristics of a museum, or as supporting museums

and professional museum workers through museological research, education or training.

(ICOM Statutes, adopted by the 16th General Assembly of ICOM, The Hague, 5 September 1989)

1995

Article II - Definitions

1. A museum is a non-profit making permanent institution in the service of society and of its development, and open to the public which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment.

The above definition of a museum shall be applied without any limitation arising from the nature of the governing body, the territorial character, the functional structure or the orientation of the collections of the institution concerned.

In addition to institutions designated as "museums" the following qualify as museums for the purposes of this definition:

natural, archaeological and ethnographic monuments and sites and historical monuments and sites of a museum nature that acquire, conserve and communicate material evidence of people and their environment;

institutions holding collections of and displaying live specimens and plants and animals, such as botanical and zoological gardens, aquaria and vivaria;

science centres and planetaria;

conservation institutes and exhibition galleries permanently maintained by libraries and archive centres;

nature reserves;

international or national or regional or local museum organisations, ministries or departments or public agencies responsible for museums as per the definition given under this article;

non-profit institutions or organisations undertaking research, education, training, documentation and other activities relating to museums and museology;

such other institutions as the Executive Council, after seeking the advice of the Advisory Committee, considers as having some or all of the characteristics of a museum, or as supporting museums and professional museum workers through museological research, education or training.

(ICOM Statutes, adopted by the 16th General Assembly of ICOM, The Hague, 5 September 1989, and amended by the 18th General Assembly of ICOM, Stavanger, Norway, 7 July 1995)

2001

Article 2 - Definitions

1. A museum is a non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment.

The above definition of a museum shall be applied without any limitation arising from the nature of the governing body, the territorial character, the functional structure or the orientation of the collections of the institution concerned.

In addition to institutions designated as "museums" the following qualify as museums for the purposes of this definition:

- natural, archaeological and ethnographic monuments and sites and historical monuments and sites of a museum nature that acquire, conserve and communicate material evidence of people and their environment;

- institutions holding collections of and displaying live specimens of plants and animals, such as botanical and zoological gardens, aquaria and vivaria;

- science centres and planetaria;

- non-profit art exhibition galleries;

- nature reserves;

- international or national or regional or local museum organisations, ministries or departments or public agencies responsible for museums as per the definition given under this article;

- non-profit institutions or organisations undertaking conservation, research, education, training, documentation and other activities relating to museums and museology;

- cultural centres and other entities that facilitate the preservation, continuation and management of tangible or intangible heritage resources (living heritage and digital creative activity);

- such other institutions as the Executive Council, after seeking the advice of the Advisory Committee, considers as having some or all of the characteristics of a museum, or as supporting museums and professional museum personnel through museological research, education or training.

(amended by the 20th General Assembly of ICOM, Barcelona, Spain, 6 July 2001)

Appendix 6

Definitions of museum (Australia, Canada, New Zealand, USA)

Australia – Museums Australia

Museums Australia defines “museum” as an institution with the following characteristics:

A museum helps people understand the world by using objects and ideas to interpret the past and present and explore the future. A museum preserves and researches collections, and makes objects and information accessible in actual and virtual environments. Museums are established in the public interest as permanent, not-for-profit organisations that contribute long term value to communities.

Museums Australia recognises that museums of science, history and art may be designated by many other names (including gallery and Keeping Place). In addition, the following may qualify as museums for the purposes of this definition:

- (a) natural, archaeological and ethnographic monuments and sites and historical monuments and sites of a museum nature that acquire, conserve and communicate material evidence of people and their environment;
- (b) institutions holding collections of and displaying specimens of plants and animals, such as botanical and zoological gardens, herbaria, aquaria and vivaria;
- (c) science centres;
- (d) cultural centres and other entities that facilitate the preservation, continuation and management of tangible or intangible heritage resources (living heritage and digital creative activity);
- (e) such other institutions as the Council considers as having some or all of the characteristics of a museum.

Source: <http://www.museumsaustralia.org.au/>

Canada – Canada Heritage

What is a museum?

The International Council of Museums (ICOM) defines a museum as "a non-profit making, permanent institution in the service of society and of its development, and open to the public which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment."

Source: http://www.pch.gc.ca/special/jim-imd/canada_e.cfm

New Zealand – The New Zealand Framework for Cultural Statistics

defines museums services as:

“the collection, acquisition, registration, research into, conservation, communication and exhibition of the material evidence of people, their culture and their environment, including the natural world, for the purposes of study, education and enjoyment by the general public and/or specialists. Included are the operation of history, natural science, combined general science and history, applied science and technology, transport, maritime, military and other specialist museums, science centres, art museums, art galleries and historical theme parks”.

Source: New Zealand Framework for Cultural Statistics, Statistics New Zealand and the Ministry of Cultural Affairs, 1995, p.31

United States of America - American Association of Museums

What is a Museum?

American museums are infinitely diverse. The AAM notes that their common denominator is making a "unique contribution to the public by collecting, preserving, and interpreting the things of this world." The code also acknowledges the variety of sizes and types of museums: "Their numbers include both governmental **and private** museums of anthropology, art history and natural history, aquariums, arboreta, art centers, botanical gardens, children's museums, historic sites, nature centers, planetariums, science and technology centers, and zoos."

Source: <http://www.aam-us.org/>

**Appendix 7: Most Visited Museums and Galleries in Scotland
(Source: VisitScotland / Moffat Centre for Travel and Tourism Business
Development Visitor Attraction Monitor 2005)**

Visits in 2005

- 1 Royal Museum and Museum of Scotland, Edinburgh 828,367
- 2 National Gallery of Scotland, Edinburgh 810,054
- 3 National War Museum of Scotland, Edinburgh 567,744
- 4 Gallery of Modern Art, Glasgow 530,751
- 5 Museum of Transport, Glasgow 376,115
- 6 People's Palace, Glasgow 342,904
- 7 Burrell Collection, Glasgow 228,007
- 8 Museum of Childhood, Edinburgh 222,584
- 9 Scottish National Gallery of Modern Art, Edinburgh 201,098
- 10 Aberdeen Art Gallery, Aberdeen 183,776
- 11 Scottish National Portrait Gallery, Edinburgh 162,781
- 12 Dean Gallery, Edinburgh 159,348
- 13 Museum of Flight, nr Haddington 150,908
- 14 Royal Scottish Academy Building, Edinburgh 111,652
- 15 Dick Institute Museum, Kilmarnock 101,127
- 16 Summerlee Heritage Park, Coatbridge 97,932
- 17 Scottish Fisheries Museum, Anstruther 92,049
- 18 Aberdeen Maritime Museum, Aberdeen 87,373
- 19 People's Story Museum, Edinburgh 74,129
- 20 Inverary Jail, Inverary 70,849
- 21 McLellan Galleries, Glasgow 67,612
- 22 City Art Centre, Edinburgh 67,531
- 23 Marischal Museum, Aberdeen 67,383
- 24 Museum of Scottish Country Life, East Kilbride 64,541
- 25 Perth Museum and Art Gallery, Perth 59,090

Source SMC website 25 September 2007

Appendix 8:Scotland's National Cultural Strategy

The National Cultural Strategy contains four Strategic Objectives, each with three supplementary key priorities, these are:

1: Promote creativity, the arts, and other cultural activity

- _ Facilitate a climate supportive to those working in the cultural sector
- _ Enhance Scotland's creative industries
- _ Celebrate excellence in the arts and other cultural activity

2: Celebrating Scotland's cultural heritage in its full diversity

- _ Promote Scotland's languages as cultural expressions and means to access Scotland's culture
- _ Conserve, present and promote interest in, and knowledge of, Scotland's history and culture
- _ Promote international cultural exchange and dialogue

3: Realising culture's potential contribution to education, promoting inclusion and enhancing people's quality of life

- _ Promote and enhance education and lifelong learning in and through arts, culture and heritage
- _ Develop wider opportunities for cultural access
- _ Maximise the social benefits of culture

4: Assuring an effective national support framework for culture

- _ Develop a modern national framework of support for cultural provision
- _ Improve the quality and management of cultural provision
- _ Target funding to achieve clear priorities

Appendix 9: Key points of draft Cultural Bill (Scotland)

In December 2006 the Executive published a draft Cultural bill which is a response to the Cultural Commission (Scottish Executive 2005), but it is arguably more a continuum of the earlier National Cultural Strategy 2000. Although the language has been modified, the ideas of accessibility and wider socio-economic benefits can be gleaned from the bill's three key points which are to:

1. ensure that cultural talent in Scotland is recognised and nurtured, and that excellence is developed as a national resource, recognising and advancing Scotland's outstandingly talented artists and their achievements;
2. promote the best of Scotland's rich cultural treasure-store, maintaining and presenting, as openly and accessibly as possible, Scotland's superb national galleries', museums' and library collections; and
3. make the best of the nation's performing activity available to be accessed right across the country, providing national performing arts companies – produced and producing the best in and for Scotland.

Appendix 10: Database created from Scottish Museums Council website and 24hourmuseum website

Museum	SMC 2001	24 hour museum	common to both databases	unique to SMC	unique to 24 hour	Total
Letter A	yes	yes				
Abbot House Heritage Centre	yes	yes				
Aberdeen Art Gallery	yes	yes				
Aberdeen Maritime Museum	yes	yes				
Aberdeenshire Farming Museum	yes	yes				
Abernethy Museum	yes	yes				
Aikwood Tower	yes	yes				
Albion Archive	yes	yes				
Almond Valley Heritage Centre	yes	yes				
Alyth Museum	no	yes				
An Iodhlann	yes	no				
An Tuireann Art Centre	no	yes				
Andrew Carnegie Birthplace Museum	yes	yes				
Angus Folk Museum	no	yes				
Annan Museum	no	no				
Arbroath Art Gallery	yes	yes				
Arbroath Museum	yes	yes				
Arbuthnot Museum	yes	yes				
Argyll and Sutherland Highlanders Regimental Museum	no	yes				
Armadale Museum	no	no				
Arran Heritage Museum	yes	yes				
Atholl Country Life Museum	no	no				
Auchindrain Museum	yes	yes				
Auld Kirk Museum	yes	yes				
Auld Skoll	yes	yes				
Avoch Heritage Association	yes	no				

	19	21	17	2	4	23
Letter B						
Baird Institute Museum	yes	yes				
Balnain House	yes	no				
Banchory Museum	yes	yes				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Banff Museum	yes	yes	databases	SMC	hour	
Bank of Scotland Museum	yes	yes				
Barony Chambers Museum	yes	yes				
Barra Heritage and Cultural Centre	no	no				
Barrack Street Museum	yes	yes				
Barrhead Community Museum	yes	no				
Bennie Museum	yes	yes				
Berneria Museum	yes	yes				
Black Watch Regimental Museum	yes	yes				
Blackridge Community Museum	no	no				
Bo'ness and Kinneil Railway	yes	yes				
Bowhill House	yes	yes				
Brander Museum	yes	yes				
Brass Rubbing Centre	no	yes				
Brechin Museum	yes	yes				
British Golf Museum	yes	yes				
Brodick Castle, Gardens and Country Park	yes	yes				
Broughton House and Garden	yes	yes				
Broughty Castle Museum	yes	yes				
Brownsbank Cottage	yes	yes				
Broxburn Community Museum	no	yes				
Buckhaven Museum	yes	yes				
Buckie Drifter Museum	yes	yes				

Bulkhead	yes	yes				
Burghead Visitor Centre	no	no				
Burns Cottage	yes	yes				
Burns House	yes	yes				
Burns House Museum (Mauchline)	yes	no				
Burntisland Museum	yes	yes				
Burrell Collection	yes	yes				
Bute Museum	yes	yes				
Bygones Museum	no	yes				
	29	29		26	3	3
						32
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Letter C			databases	SMC	hour	
Caithness Area Museum Service Headquarters	no	yes				
Callendar House	yes	no				
Campbeltown Museum	yes	yes				
Castle House Museum	no	yes				
		yes in above as				
Castlehouse Museum	no	well				
Carnegie Inverurie Museum	no	yes				
Castle Douglas Art Gallery	yes	yes				
Castle of St John Visitor Centre	yes	yes				
Cathcartson Visitor Centre	yes	no				
CCA	yes	yes				
Chatelherault	yes	yes				
City Art Centre	yes	yes				
Clackmannanshire Museum & Heritage	yes	yes				
Clan Armstrong Trust Museum	yes	yes				
Clan Cameron Museum	yes	no				
Clan Donnachaidh Museum	yes	yes				
Clan Grant Centre	no	yes				

Clan Gunn Heritage Centre and Museum	yes	yes				
Clan Macpherson Museum	yes	yes				
Clydebank Museum	yes	yes				
Clydebuilt, Scottish Maritime Museum at Braehead	yes	no				
Clydesdale District Museum Service	yes	yes				
Coats Observatory	yes	yes				
Coldstream Museum	yes	no				
Colzium Museum	yes	yes				
Comann Eachdraidh Lios Mor	no	no				
Corrigall Farm Museum	yes	yes				
Cousland Smiddy	no	yes				
Crail Museum	yes	yes				
Crawford Arts Centre	yes	yes				
Crawfordjohn Heritage Venture	yes	no				
Creetown Heritage Museum & Exhibition Centre	yes	yes				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Cromarty Courthouse	yes	yes	databases	SMC	hour	
Culross Palace	yes	yes				
Cumbernauld Museum	yes	yes				
	27	26	21	5	5	31
Letter D						
Dalbeattie Museum	yes	yes				
Dalgarven Mill	yes	no				
Dalmeny House	yes	no				
David Livingstone Centre	yes	yes				
Dean Castle	yes	yes				
Dean Gallery	yes	in twice				
Dell Mill	yes	yes				
Denny Ship Model Experiment Tank, Scottish Maritime Museum	yes	yes				
Dingwall Museum	yes	yes				

Discovery Point (Royal Research Ship Discovery 2001)	yes	yes				
Dollar Museum	yes	yes				
Doon Valley Museum	no	no				
Douglas Heritage Museum	yes	yes				
Drumlanrig's Tower	yes	yes				
Drummond Castle	yes	yes				
Dualchas, Barra Heritage & Cultural Centre	yes	yes				
Duff House	yes	yes				
Dufftown Museum	yes	yes				
Dumfries & Galloway Archives	yes	yes				
Dumfries and Galloway Aviation Museum	no	no				
Dumfries Museum and Camera Obscura	yes	yes				
Dunaskin Open Air Museum	yes	no				
Dunbeath Heritage Centre	yes	yes				
Dunblane Museum	yes	yes				
Dundee Contemporary Arts	yes	yes				
Dunfermline Museum	yes	yes				
Dunkeld Cathedral Chapter House Museum	yes	yes				
Dunoon and Cowal Heritage Centre	yes	no				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Duns Area Museum Office	yes	yes	databases	SMC	hour	
	27	23	23	4	0	27
Letter E						
Easdale Island Folk Museum	yes	no				
East Lothian Museum service Headquarters	no	yes				
Edinburgh College of Art	no	yes				
Edinburgh Printmakers Workshop	no	yes				
Edinburgh University, Cockburn Museum of Geology and Geophysics	yes	yes				
Edinburgh University, Collection Of Historic Musical Instruments	yes	yes				
Edinburgh University, Natural History Collections	yes	yes				

Edinburgh University, Russell Collection of Early Keyboard Instruments	yes	yes				
Edinburgh University, Talbot Rice Gallery	yes	yes				
Elgin Museum	yes	yes				
Eyemouth Museum	yes	yes				
	8	10	7	1	3	11
Letter F						
Falconer Museum	yes	yes				
Falkirk Museums	yes	yes				
Fergusson Gallery	yes	yes				
Fetlar Interpretive Centre	yes	yes				
Fife Council Museums East Headquarters	no	yes				
Fife Folk Museum	yes	yes				
Finlaystone House - Doll Collection	no	no				
Fordyce Joiner's Workshop and Visitor Centre	no	no				
Forfar Museum and Art Gallery	yes	no				
Forth Bridges Visitor Centre	no	no				
Fossil Grove	yes	no				
Fraserburgh Heritage Centre	yes	no				
Frigate Unicorn	yes	yes				
Fyvie Castle	yes	yes				
Fuse/Fly Gallery	no	yes				
	10	9	7	3	2	12
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
			databases	SMC	hour	
Letter G						
Gairloch Heritage Museum	yes	yes				
Gallery of Modern Art	yes	yes				
Garlogie Mill Power House	no	no				
George Waterson Memorial Centre	no	no				
Gladstone Court Museum	yes	yes				

Glasgow Museums Resource Centre	no	no				
Glasgow Print Studio and Gallery	yes	no				
Glasgow School of Art	yes	no				
Glasgow Vennel Art Gallery	no	yes				
Glencoe and North Lorn Folk Museum	yes	yes				
Glenesk Folk Museum	yes	yes				
Glenfinnan Station Museum	yes	yes				
Gordon Highlanders Regimental Museum	yes	yes				
Gracefield Arts Centre	yes	yes				
Grampian Hospitals Art Trust Gallery	no	yes				
Grampian Transport Museum	yes	yes				
Grangemouth Heritage Trust	yes	yes				
Grangemouth Museum	yes	no				
Grantown Museum and Heritage Centre	yes	yes				
Greenhill Covenanters' House	yes	yes				
Groam House Museum	yes	yes				
	16	15	13	3	2	18
Letter H						
Halliwell's House Museum	yes	yes				
Hawick Museum and The Scott Art Gallery	yes	yes				
Heatherbank Museum of Social Work	yes	yes				
Heriot Watt University Archive	yes	yes				
Highland Council Museum Service	no	yes				
Highland Folk Museum	yes	yes				
Highland Museum of Childhood	yes	yes				
Hirsel Homestead Museum and Craft Centre	yes	no				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Historic Resources Centre	yes	no	databases	SMC	hour	
Historylinks Museum	no	no				

Hopetoun House	yes	no				
Hospitalfield House	yes	no				
House of Dun	yes	yes				
Hugh Miller's Cottage	yes	yes				
Hunter House Museum	yes	no				
Huntly House	yes	yes				
Hunterian Art Gallery (University of Glasgow)	yes	yes				
Hunterian Museum (University of Glasgow)	yes	yes				
	16	12	11	5	1	17
Letter I						
Innerleithen Museum	no	yes				
Inveraray Jail	yes	yes				
Inverary Maritime Museum	yes	yes				
Inverkeithing Museum	no	yes				
Inverness Museum and Art Gallery	yes	yes				
Inverurie Museum	yes	no				
Iona Abbey Museum	yes	no				
Ionad Dualchais Nis	no	yes				
	5	6	3	2	3	7
Letter J						
James Duns House	yes	yes				
James Paterson Museum	yes	yes				
Jedburgh Castle Jail and Museum	yes	yes				
Jim Clark Room	yes	yes				
John Buchan Centre	yes	yes				
John Hastie Museum	yes	yes				
John Paul Jones Birthplace Museum	yes	yes				
	7	7	7	0	0	7

	SMC 2001	24 hour museum	common to both databases	unique to SMC	unique to 24 hour	Total
Museum						
Letter K						
Kelso Museum & Turret Gallery	no	yes				
Kelvingrove Art Gallery and Museum	no	no				
Kilmartin House Museum of Ancient Culture	yes	yes				
Kilsyth's Heritage	yes	yes				
Kinneil Museum and Roman Fortlet	yes	yes				
Kirbuster Museum	yes	yes				
Kirkcaldy Museum and Art Gallery	yes	yes				
Kirriemuir Gateway to the Glens Museum	no	no				
	5	6	5	0	1	6
Letter L						
Laidhay Croft Museum						
Laing Museum						
Lamp of Lothian Collegiate Centre	yes	no				
Lanark Museum	yes	yes				
Largs Museum	yes	yes				
Lauriston Castle	yes	yes				
Leadhills Miners Library	yes	yes				
Lemon Tree	no	yes				
Lighthouse	no	yes				
Lillie Art Gallery	yes	yes				
Linlithgow Display Area	no	no				
Lochwhinnoch Community	yes	yes				
Lothian Health Board	yes	no				
Low Parks Museum	yes	yes				
	9	9	7	2	2	11
Letter M						
MacDougall Collection	yes	no				

Maclaurin Art Gallery	yes	yes			
Mallaig Heritage Centre	yes	yes			
Martyr's School	yes	no			
Mary Queen of Scots House and Visitor Centre	yes	yes			
	SMC		common	unique	unique
Museum	2001	24 hour museum	to both	to	to 24
Maud Railway Station Museum	no	no	databases	SMC	hour
Mcdouall Stuart Museum	yes	yes			Total
McKechnie Institute	yes	yes			
McLean Museum and Art Gallery	yes	yes			
McLellan Galleries	yes	yes			
McManus Galleries	yes	yes			
Megginch Castle	yes	no			
Methil Heritage Centre	yes	yes			
Mills Observatory	yes	yes			
Moat Park Heritage Centre	yes	yes			
Moffat Museum	yes	yes			
Montrose Air Station Heritage Centre	yes	yes			
Montrose Museum and Art Gallery	yes	yes			
Motherwell Heritage Centre	yes	yes			
Motoring Heritage Centre	no	no			
Mull Museum	yes	yes			
Murrayfield Experience	no	yes			
Museum Bharraigh Agus Bhatarsidh	no	yes			
Museum Cheann A'loch	no	yes			
Museum Chill Donnart	no	yes			
Museum Nan Eilean, Sgoil Lionacleit	yes	yes			
Museum Nan Eilean, Steornabhagh	yes	yes			
Museum of Childhood	yes	yes			
Museum of Communication	yes	yes			
Museum of Edinburgh	no	no			

Museum of Fire	yes	yes				
Museum of Islay Life	yes	yes				
Museum of Lead Mining	yes	yes				
Museum of Piping	no	yes				
Museum of Scotland	no	yes				
Museum of Scottish Country Life	no	no				
Museum of Scottish Lighthouses	yes	yes				
Museum of the Cumbraes	yes	yes				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Museum of the Isles	yes	yes	databases	SMC	hour	
Museum of Transport	yes	yes				
Museum workshop & stores, Falkirk	no	yes				
	30	34	27	3	7	37
Letter N						
Nairn Fishertown Museum	yes	yes				
Nairn Museum	yes	yes				
National Gallery of Scotland	yes	yes				
National War Museum (Scottish United Services Museum 2001)	yes	yes				
Nelson Tower	no	no				
Ness Heritage Centre	yes	yes				
Newhaven Heritage Museum	no	yes				
North Ayrshire Museum	yes	yes				
North Berwick Museum	yes	yes				
North Carr Lightship	no	yes				
Northlands Viking Centre	yes	yes				
	8	10	8	0	2	10
Letter O						
Oban Museum	no	yes				
Oban War and Peace Museum	no	no				

Old Bridge House	yes	yes				
Old Gala House Museum	yes	yes				
Old Haa Museum	yes	yes				
Oldmills Working Mill	no	yes				
Open Museum	yes	no				
Orkney Wireless Museum	yes	yes				
	5	6	4	1	2	7
Letter P						
Paisley Museum and Art Galleries	yes	yes				
Palacerigg House Museum	yes	yes				
Palacerigg Visitor and Exhibition Centre	yes	yes				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
			databases	SMC	hour	
Paxton House	yes	yes				
Peebles Picture Gallery	no	yes				
People's Palace Museum	yes	yes				
People's Story	yes	yes				
Perth Museum and Art Gallery	yes	yes				
Peter Anson Gallery	yes	yes				
Pier Arts Centre	yes	yes				
Pittencrieff House Museum	yes	yes				
Pollok House	yes	yes				
Portfolio Gallery	no	yes				
Prestongrange Industrial Heritage Museum	yes	yes				
Provand's Lordship	yes	yes				
Provost Skene's House	yes	yes				
	14	16	14	0	2	16
Letter Q						
Queensferry Museum	yes	yes				

	1	1	1	0	0	1
Letter R						
Raasay Heritage Centre						
Regimental Museum of the Cameronians	no	yes				
Regimental Museum of The Highlanders (Queen's Own Highlanders Collection)	yes	yes				
Regimental Museum of the Royal Scots Dragoon Guards	yes	yes				
Renfrew Community Museum	no	no				
Robert Burns Centre	yes	yes				
Ross of Mull Historical Centre	no	no				
Rossllyn Chapel	yes	no				
Royal Highland Fusiliers Regimental Museum	yes	yes				
Royal Museum and Museum of Scotland	yes	yes				
Royal Observatory Visitor Centre	yes	yes				
Royal Scots Regimental Museum	yes	yes				
Royal Scottish Academy	yes	yes				
Rozelle House Galleries	yes	yes				
	10	10	9	1	1	11
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
Letter S			databases	SMC	hour	
Sandhaven Meal Mill Visitor Centre	yes	yes				
Sanquhar Tolbooth Museum	yes	yes				
Satrosphere	yes	yes				
Savings Banks Museum	no	no				
Scapa Flow Visitor Centre	yes	yes				
Scotland Street School Museum	yes	yes				
Scottish Agricultural Museum	yes	no				
Scottish Borders Museum Service	no	yes				
Scottish Fisheries Museum	yes	yes				
Scottish Football Museum	yes	no				

Scottish Jewish Archives Centre	yes	no				
Scottish Maritime Museum	yes	yes				
Scottish Mining Museum	yes	yes				
Scottish National Gallery of Modern Art	yes	yes				
Scottish National Motorsport Collection	yes	no				
Scottish National Portrait Gallery	yes	yes				
Scottish Rugby Union Library & Museum	no	yes				
Scottish Society for Conservation & Restoration	no	yes				
Scottish Traditions of Dance Trust	yes	no				
Scottish Vintage Bus Museum	no	no				
Session Cottage Museum	yes	yes				
Shambellie House Museum of Costume	yes	yes				
Shetland Croft House Museum	yes	yes				
Shetland Museum	no	yes				
Shotts Heritage Centre	no	yes				
Sir Walter Scott's Courtroom	yes	yes				
Skerryvore Museum	no	yes				
SMA' Shot Cottages	no	yes				
Speirs Centre	no	no				
Springburn Museum	yes	yes				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
St Andrews Museum	yes	yes	databases	SMC	hour	
St Andrews Preservation Trust Museum	yes	yes				
St Mungo Museum of Religious Life and Art	yes	yes				
St Peter's Heritage Centre	no	no				
St Ronan's Wells Interpretation Centre	yes	yes				
Staffin Museum	yes	no				
Stewartry Museum	no	yes				
Stills Gallery	yes	yes				
Stirling Smith Art Gallery and Museum	yes	yes				

Strachur Smiddy	yes	yes				
Stranraer Museum	yes	yes				
Strathnaver Museum	yes	yes				
Stromness Museum	yes	yes				
Summerlee Heritage Park	yes	yes				
Surgeons' Hall Museums (Museum of Surgeons 2001)	yes	no				
	33	34	26	7	8	41
Letter T						
Taigh Chearsabhagh	yes	yes				
Taigh Tasgaidh Chill Donnain	yes	no				
Tain and District Museum	yes	yes				
Tangwick Haa Museum	yes	yes				
Tarbat Discovery Centre	yes	no				
The Blairs Museum	yes	yes				
The Dick Institute	yes	yes				
The Glasgow Police Museum	no	no				
The Grand Lodge of Scotland	yes	no				
The Inch Connection	yes	no				
The Linlithgow Story	yes	yes				
The Meffan	no	yes				
The Museum of Flight	yes	yes				
The Museum, Newtown Stewart	yes	yes				
The Old Waiting Room	yes	no				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
The Orkney Museum	yes	no	databases	SMC	hour	
The Stewartry Museum	yes	no				
The Tall Ship (S.V. Glenlee 2001)	yes	no				
The Travelling Gallery	no	yes				
The Writers' Museum	yes	yes				

Thirlestane Castle	yes	yes				
Tigh Hughag	no	yes				
Timespan Heritage Centre	yes	yes				
Tolbooth Art Centre	yes	yes				
Tolbooth Museum	yes	yes				
Toy Museum	no	yes				
Tomintoul Visitor Centre	yes	yes				
Trimontium Museum	yes	yes				
Trongate Studios	no	yes				
Tugnet Ice House	yes	yes				
Tweeddale Museum and Gallery	yes	yes				
	25	22	17	8	5	30
Letter U						
uig Heritage Trust	yes	yes				
Ullapool Museum and Visitor Centre	yes	yes				
University of Aberdeen, Anatomy Museum	no	yes				
University of Aberdeen, Geological Collections	yes	yes				
University of Aberdeen, Herbarium	no	yes				
University of Aberdeen, Marischal Museum	yes	yes				
University of Aberdeen, Natural Philosophy Collection of Historical Scientific Instruments	no	yes				
University of Aberdeen, Picture Collection	yes	yes				
University of Aberdeen, Pathology and Forensic Medicine Collection	yes	no				
University of Aberdeen, Zoology Museum	yes	no				
University of Dundee Medical History Museum	no	yes				
University of Dundee Fine Arts Collection	yes	yes				
University of Dundee Museum Collections	yes	no				
University of Dundee Zoology Museum	no	no				
	SMC		common	unique	unique	
Museum	2001	24 hour museum	to both	to	to 24	Total
University of St Andrews Museum Collections	yes	no	databases	SMC	hour	

University of St Andrews, Amerindian Collection	yes	yes				
University Of St Andrews (Bell Pettigrew Museum of Natural History)	yes	yes				
University of St Andrews, Anatomy	yes	yes				
University of St Andrews, Chemsitry Collection	yes	yes				
University of St Andrews, Scientific Instruments	yes	yes				
University of St Andrews, Ethnography	yes	yes				
University of St Andrews, Geological	yes	yes				
University of St Andrews, Heritage Collections	yes	yes				
University of St Andrews, Psychology	yes	yes				
University of Stirling Art Collection	yes	yes				
University of Strathclyde, Collins Gallery	yes	yes				
	21	21	17	4	4	25
Letter V						
Vennel Gallery	yes	yes				
Verdant Works	yes	yes				
Victorian Pharmacy Museum	yes	no				
	3	2	2	1	0	3
Letter W						
Weavers Cottage Museum	yes	yes				
West Highland Museum	yes	yes				
West Kilbride Museum	yes	yes				
West Lothian Council Museums Service	no	yes				
Westside Croft	yes	yes				
Whitburn Community Museum	no	no				
Whitespace	yes	yes				
Whithorn Museum	yes	yes				
William Lamb Memorial Studi	yes	yes				
	7	8	7	0	1	8
Letter X						

Letter Y

Museum
Letter Z

TOTAL

SMC
2001

24 hour museum

common
to both
databases

unique
to
SMC

unique
to 24
hour

Total

TOTAL

TOTAL

279

55

58

392

Appendix 11: Postal questionnaire used to survey Scotland's museums

Faculty of Business and Consumer
Studies
Queen Margaret University College
Clerwood Terrace
Edinburgh EH12 8TS

Email: khalcro@qmuc.ac.uk

Telephone 0131 317 3588 (direct
line)

Dear Sir/Madam

You are probably aware that visiting museums is one of the most popular leisure activities in Scotland, yet concern has been expressed that museums are finding it increasingly difficult to manage the competing demands placed upon them. This Ph.D. research is being undertaken to investigate whether it is possible to manage these competing demands more effectively. Your responses will help to create a preliminary picture of Scotland's museums, before approaching a number of museums to explore some of the issues in greater depth. Once completed it is intended to provide a summary to all those participating in the study.

I would be grateful if you could give 5-10 minutes of your time to complete this questionnaire. The questionnaire has been designed to be quickly and easily answered. Once completed please return the questionnaire in the pre-paid envelope by Friday 2 February 2001.

All information received will be treated in the strictest confidence. If you have any queries please contact me on 0131 317 3588 or email me at khalcro@qmuc.ac.uk.

Thank you for your co-operation

Keith Halcro
Lecturer

1. Name of museum?
.....

2. Name of person completing
questionnaire?.....

3. Position of person completing
questionnaire?.....

4. Telephone number (including STD)?.....

5. E mail address?
.....

6. Where is the museum located (please state)?
Aberdeen, Dundee, Edinburgh, or Glasgow
Any other town or city
Rural

7. Please tick the box which is most applicable to your museum

National	<input type="checkbox"/>
Local	<input type="checkbox"/>
University	<input type="checkbox"/>
Independent	<input type="checkbox"/>
Regimental	<input type="checkbox"/>
Other (please state)	<input type="checkbox"/>

8. What is the aim of your museum/gallery? e.g your published mission
statement
.....
.....
.....
.....
.....
.....
.....
.....
.....

9. What year did the museum/gallery open?
.....

10. What is the museum/gallery's opening hours in summer (month-month)?

11. What is the museum/gallery's opening hours in winter (month-month)?

12. Approximately what percentage of visitors visit the museum/gallery each quarter

	%
January – March	----
April – June	----
July – September	----
October – December	----

13. How many people visited the museum/gallery in 2000, please tick box

Less than 10,000	<input type="checkbox"/>
10,000 – 25,000	<input type="checkbox"/>
25,001 – 50,000	<input type="checkbox"/>
50,001 – 100,000	<input type="checkbox"/>
More than 100,000	<input type="checkbox"/>

14. How do you believe your museum/gallery's attendance figures have changed between 1990 and 2000, or since the museum opened, if after 1990, please tick box

Increased by +1% - 10%	Decreased by -1% - 10%
Increased by +11 – 25%	Decreased by -11 – 25%
Increased by +26%- 50%	Decreased by -26%- 50%
Increased by +51% - 75%	Decreased by -51% - 75%
Increased by +76% - 100%	Decreased by -76% - 100%
Increased by +100% - 250%	
Increased by more than 250%	

15. What is the museum/gallery's approximate income from all sources in 2000 (please tick)?

Less than £25,000	<input type="checkbox"/>
£25,000-£50,000	<input type="checkbox"/>
£50,001– £100,000	<input type="checkbox"/>
£100,001 – £250,000	<input type="checkbox"/>
£250,001 - £500,000	<input type="checkbox"/>
£500,001 – £1,000,000	<input type="checkbox"/>
More than-£1,000,000	<input type="checkbox"/>

16. Approximately what percentage of your income in 2000 is derived from?

%		
Admission charges	.....
Donations	.....
Local/National/EU funding	.....
Covenant/gift aid	.....
Sale of items e.g books, videos	.....
Catering e.g restaurant, functions	.....
Other e.g room hire, creche	.....
Total		100%

17. What is your admission charge for an adult ? £.....

18. Rank in importance to the museum/gallery, if operated by another party e.g contract caterer mark with an asterisk(*)? If you don't operate please put 0

Café/restaurant	<input type="checkbox"/>	Function/room hire	<input type="checkbox"/>
Gift shop	<input type="checkbox"/>	E-Commerce	<input type="checkbox"/>
Creche	<input type="checkbox"/>	Mail order	<input type="checkbox"/>

19. How many staff did the museum/gallery employ in 2000?

Paid – full time	.....
Paid – part time	.....
Voluntary/Unpaid	.....

20. How much does each of the following groups affect the management of your museum/gallery? (please circle)

	A lot				Not at all
	1	2	3	4	5
Customers – (general public-local)	1	2	3	4	5
Customers – (general public-tourist)	1	2	3	4	5
Customers (commercial e.g functions)	1	2	3	4	5
Customers – (researchers)	1	2	3	4	5
Staff (paid)	1	2	3	4	5
Staff (voluntary)	1	2	3	4	5
Governing body	1	2	3	4	5
Suppliers (equipment)	1	2	3	4	5
Banks	1	2	3	4	5
Benefactors	1	2	3	4	5
Competitors	1	2	3	4	5
Local Government (funding)	1	2	3	4	5
Scottish Government (funding)	1	2	3	4	5
UK Government/EU (funding)	1	2	3	4	5
Scottish/UK Government (legislation)	1	2	3	4	5
EU (legislation)	1	2	3	4	5
Scottish Museums Council	1	2	3	4	5
Local area tourist board	1	2	3	4	5
Local community	1	2	3	4	5
Other (please state)					
.....	1	2	3	4	5

21. In your opinion how have museums and galleries changed in the last ten years, and specifically how has your museum/gallery changed?

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Appendix 12: List of museums incorrectly recorded as national or local authority museums

10 museums incorrectly recorded as national museums

<i>Museum number and name</i>	<i>Original posting</i>	<i>Corrected posting</i>
McLean Museum & Art Gallery	National	Local authority
Edinburgh Brass Rubbing Centre	National	Local authority
The Lighthouse	National	Independent
Hugh Miller's Cottage	National	Independent
The Piping Centre	National	Independent
Eyemouth Museum	National	Independent
John Buchan Centre	National	Independent
Burns Cottage, Alloway	National	Independent
The Grand Lodge of Scotland Museum	National	Independent
Royal Scottish Academy	National	Independent

20 museums incorrectly recorded as local authority museums

<i>Museum number and name</i>	<i>Original posting</i>	<i>Corrected posting</i>
Tain & District	Local authority	Independent
Laidhay Croft	Local authority	Independent
Old Haa	Local authority	Independent
Dollar Museum	Local authority	Independent
Cousland Smiddy	Local authority	Independent
Castle House Museum	Local authority	Independent
Largs Museum	Local authority	Independent
Strathnaver Museum	Local authority	Independent
Mallaig Heritage Centre	Local authority	Independent
Eyemouth Museum	Local authority	Independent
Kildonan Museum	Local authority	Independent
The Linlithgow Story	Local authority	Independent
The Royal Burgh of Lanark Museum	Local authority	Independent
The Inch Connection	Local authority	Independent
Cromarty Court House	Local authority	Independent
West Kilbride Museum Trust	Local authority	Independent
Moffat Museum	Local authority	Independent
Nairn Museum	Local authority	Independent
An Iodhlann	Local authority	Independent
Sma' Shot Cottages Heritage Centre	Local authority	Independent

Appendix 13

Pilot interview with Museum of Communication

The purpose of the interview is to identify what is the relationship between rural independent museums and their stakeholders, and how they influence these museums' strategies. I attach a list of questions as a framework for discussion, but intend the interview should be adaptable if required. If there are questions or topics you feel would be appropriate, do not hesitate to insert them.

I would like to use the Museum of Communication as a pilot because it is an independent museum so would understand many of the issues, albeit not necessarily rural ones, furthermore as I know you all I believe it is easier for you to constructively criticise the methodology which is the real purpose of the pilot. The purpose of the interview is to primarily look at the process rather than at the quality of the respondents' content, and to identify any flaws weaknesses with the process.

I will provide a 5-10 minute explanation of what I am doing at the start and try to answer any queries. The whole process may take an hour, but would probably be broken down into three segments involving the following stakeholders; governing body, voluntary staff, and investor. The first group governing body would probably take the longest time as many of the questions they answer would not need to be repeated for the other two groups e.g. what is the definition of a museum.

Given the group of people present some will actually represent more than one group e.g. a member of the governing body, an investor, and a volunteer. One of the things I need to find out through the pilot is whether you perceive yourself as three distinct entities or whether it is so blurred I have to interview three distinct stakeholder groups who have no overlap.

I would like to tape it, and I have also asked Dorothy to take notes, she is agreeable if that is okay with you.

The themes I would like to explore are

- museums in general; their purpose, the environment in which they operate
- these issues in particular vis a vis independent rural museums
- your role, needs and expectations as a stakeholder of an independent museum

Stakeholder questionnaire

1. Name of participant
2. Name of organisation
3. What is the value and purpose of a museum to society?
4. How would you define an independent museum?
5. What do you believe are the strategic opportunities and threats facing the museum sector in Scotland in the short, medium and long term?
6. And in particular rural independent museums?
7. What do you believe are independent rural museums' strengths and weaknesses?
8. How would you define stakeholder and who are this museum's stakeholders?
9. Do you perceive there to be differences in the power and interest exerted by stakeholders, if yes please explain, particularly in terms of strategy
10. As a stakeholder of the museum what are your needs and expectations and how are they met?
11. As a stakeholder do you believe you affect the museum, in particular its strategy, and if so how?
12. What do you believe is the museum's perceptions of you as a stakeholder, including what is the nature of the relationship between this museum and this stakeholder group?

Appendix 14: Amended questionnaire following pilot comments

Stakeholding and independent rural museums

The aim of this research is to try and understand the role stakeholders play in shaping rural independent museum strategy in Scotland.

The purpose of the interview is to identify what is the relationship between a rural independent museum and its stakeholders, and how these stakeholders influence the museum's strategy. I attach a list of questions as a framework for discussion, but intend the interview should be adaptable if required.

I will provide a 5-10 minute explanation of what I am doing at the start and try to answer any queries regarding the study's aims and objectives or the process involved. The interview itself will take about 45 minutes.

The themes I would like to explore are

- your perception of the museum's strengths and weaknesses and the opportunities and threats facing it
- the key groups or individuals who have shaped or are shaping the museum and why
- the process involved in developing the museum's strategy

Definitions

Stakeholder "A stakeholder in an organisation is any group or individual who can affect or is affected by the achievement of the organisation's objectives."

Primary stakeholder "Primary stakeholders are those who have formal, official, or contractual relationships and have a direct and necessary influence upon the organisation."

Power "the means to impose one's will in the relationship"

Legitimacy "a stakeholder's actions are deemed as being desirable, proper or appropriate"

Urgency "the interest is time sensitive and important to the organisation"

Stakeholder questionnaire

1. Name of participant(s)
2. Name of museum
3. What are the aims and objectives of your museum?
4. What do you believe are the strengths and weaknesses of your museum?
5. What do you believe are the opportunities and threats facing your museum?
6. What particular issue(s) do you believe that the museum has successfully dealt with or failed to deal with, and why?
7. Who are this museum's primary stakeholders?
8. Who is/are the most critical stakeholder(s) and why are they so critical?
9. How does the museum develop its strategy?
10. What input/influence do your stakeholders have in shaping your strategy?
11. As a stakeholder of this museum what are your needs and expectations and how are they met?
12. Can you think of a major event or incident where a group has pushed you to do something and how they went about it?

Appendix 15: Stakeholders interviewed at independent, rural museums in mainland Scotland

	<i>Name of museum, (identification tag), location</i>						
<i>Stakeholder</i>	Brownsbank (4), Biggar	Douglas Heritage Museum (5), Douglas	Timespan Museum & Art Gallery (31), Helmsdale	Thirlestane Castle (38), Lauder	Crail Museum & Heritage Centre (55), Crail	Whithorn Cradle of Christianity (58), Whithorn	Fife Folk Museum (59), Ceres
Board of trustee	√	√	√	√	√	√	√
Staff	√	√	√	√	√	√	√
Visitor	x	√	√	√	√	√	√
Community	√	√	√	√	√	√	√
Volunteer	√	√	√	√	√	√	√
Local authority	x	x	√	x	x	√	x
SMC	√	√	√	√	√	√	√
	<i>Name of museum, (identification tag), location</i>						
<i>Stakeholder</i>	Scottish Lead Mining (95), Wanlockhead	Dunaskin Open Air Museum (97), Dalmellington	John Buchan Centre (99)	Tarbat Discovery Centre (101), Tarbat	Insch Connection (104), Insch	Museum of Ayrshire Rural Life Costume at Dalgarven Mill (123), Kilwinning	Culross Palace (129) Culross
Board of trustee	√	√	√	√	√	√	√
Staff	√	√	√	√	√	√	√
Visitor	√	√	√	√	x	√	√
Community	√	√	√	√	√	√	x
Volunteer	x	√	√	√	√	√	x
Local authority	√	x	x	√	x	√	x
SMC	√	√	√	√	√	√	√

Appendix 16: email sent prior to visit

Dear xxxxxxxxx

Thank you for expressing an interest in my work and agreeing to be interviewed on Tuesday 26 April at 3.00 pm. I am trying to develop a process that will help independent rural museums in Scotland to survive and succeed in what is seen as an increasingly competitive environment.

You kindly participated in my earlier study into Scottish museums, and this PhD work follows on from that research. This time I am trying to discover the influence stakeholders have on independent rural Scottish museums and their strategy.

The process is a two step process, the first step is a short questionnaire to update records and assess whether there have been any changes since the last questionnaire, if you wish it can be completed before the discussion. The second step would be a discussion to try and find out your ideas and opinions about your museum, its relationships and its strategy. A copy of the proposed questions are attached.

Your identity will be anonymised to protect your identity. If you wish a summary of this research's findings I am happy to provide you with a copy or to discuss them. I appreciate you have other commitments and am grateful for your co-operation. I look forward to speaking with you, if there are any queries please contact me on 0131 xxxxxxxx or email me at xxxxxxxxx.

I will contact you shortly before hand to confirm that the meeting is still suitable.

Yours faithfully
Keith Halcro

Attached
Step 1 - update records
Step 2 - topics for discussion

Stakeholding and independent rural museums

Step 1 - update of data

Name of museum	
How many people approximately visited the museum in 2004?	
Approximately how much (in percentage terms) has the museum's attendance increased or decreased since 2000?	
What was the museum's approximate income from all sources in 2004?	
Approximately what percentage of the museum's income in 2004 was derived from?	%
<ul style="list-style-type: none"> • Admission charges 	
<ul style="list-style-type: none"> • Donations 	
<ul style="list-style-type: none"> • Local authority funding 	
<ul style="list-style-type: none"> • Scottish executive funding 	
<ul style="list-style-type: none"> • Gift aid 	
<ul style="list-style-type: none"> • Retailing 	
<ul style="list-style-type: none"> • Catering 	
<ul style="list-style-type: none"> • Other 	
6. What is the museum's admission charge for an adult?	
7. How many staff did the museum employ in 2004?	
<ul style="list-style-type: none"> • Paid - full time 	
<ul style="list-style-type: none"> • Paid - part time 	
<ul style="list-style-type: none"> • Unpaid - voluntary 	

Stakeholding and independent rural museums

Step 2 - discussion

The aim of this research is to try and develop a strategic model that will help rural independent museums in Scotland.

The purpose of the interview is to identify what are the relationships between rural independent museums and their stakeholders, and how they influence these museums' strategies. I attach a list of questions as a framework for discussion, but intend the discussion should be adaptable if required.

I will provide a 5-10 minute explanation of what I am doing at the start and try to answer any queries regarding the study's aims and objectives or the process involved. The discussion itself will take about 40-50 minutes.

The themes I would like to explore are

- your perception of the issues facing your museum
- the role, needs and expectations of your museum's stakeholders, in particular in shaping your museum's strategy

Definitions

Stakeholder "A stakeholder in an organisation is any group or individual who can affect or is affected by the achievement of the organisation's objectives."

Primary stakeholder "Primary stakeholders are those who have formal, official, or contractual relationships and have a direct and necessary influence upon the organisation."

Power "the means to impose one's will in the relationship"

Legitimacy "a stakeholder's actions are deemed as being desirable, proper or appropriate"

Urgency "the interest is time sensitive and important to the organisation"

Stakeholder discussion

1. Name of participant(s)
2. Name of museum
3. What are the aims and objectives of your museum?
4. What do you believe are the strengths and weaknesses of your museum?
5. What do you believe are the opportunities and threats facing your museum?
6. What particular issue(s) do you believe that the museum has successfully dealt with or failed to deal with, and why?
7. Who are this museum's primary stakeholders?
8. Who is/are the most critical stakeholder(s) and why are they so critical?
9. What input/influence do your stakeholders have in shaping your strategy?
10. As a stakeholder of this museum what are your needs and expectations and how are they met?
11. As a stakeholder do you believe you affect the museum, in particular its strategy, and if so how?
12. Can you think of a major event or incident where a group has pushed you to do something and how they went about it?

Appendix 17: Visitor questionnaire

1. Name of museum
2. Gender
3. Age
 - < 20 years or less
 - 21 – 30
 - 31 – 40
 - 41 – 50
 - 51 – 60
 - 61 – 70
 - 71 years or older
4. Where do you live? village, town, city or country (if outside UK)
5. What do you believe are the strengths and weaknesses of this museum?
6. What do you believe are the opportunities and threats facing this museum?
7. As a visitor what do you expect museums to provide?
8. As a visitor do you believe you affect the museum, in particular its strategy, and if so how?

Appendix 18: Outliers

Brownsbank Cottage – purpose of the organisation

Brownsbank Cottage seeks to preserve artefacts related to the Scottish poet Hugh MacDiarmid, but following an interview with the Biggar Museum Trust it became apparent the purpose of Brownsbank Cottage was to promote creative writing within South Lanarkshire. The Cottage is part of the Biggar Museum Trust, but the trust is only responsible for the maintenance of the building and collection, the museum's main aim is to host creative writing workshops and act as a base for the writer in residence. The writer in residence's salary for the last ten years has been underwritten by The Scottish Arts Council and South Lanarkshire Council.

Crawfordjohn Heritage Venture – accessibility

A visit to Crawfordjohn Heritage Venture to include a face-to-face interview with the museum's co-ordinator proved problematic, because of the co-ordinator's other work commitments, consequently a telephone interview was undertaken. The information provided rich, informative material, but the lack of accessibility both to view the museum and to interview other stakeholders proved limiting.

Culross Palace – organisational structure

The third outlier Culross Palace had been recognised from the outset as different from the rest of the sample, because it is part of the National Trust for Scotland, in effect, although independent of government, Culross's strategy is shaped by a larger organisation: National Trust for Scotland. The influence of this stakeholder was evident in discussion and differentiated it from other independent, rural museums.

Thirlestane Castle – purpose of the organisation

The castle is listed as a museum, but discussions and a visit revealed that the museum is a peripheral concern to the main tourist attraction, the castle itself. Technical difficulties also compounded the problem. The interviewer was unaware that during his interview with the castle administrator the tape recorder failed to record. No explanation for this failure exists. This failure however meant that the interviewer had to rely on hand written notes and memory to subsequently flesh out details. This method is less than satisfactory as memory can prove to be unreliable and information is filtered by the interviewer's perceptions and beliefs (Blaxter, Hughes & Tight 2001; Marshall & Rossman 1999)

APPENDIX 19: FINDINGS AND ANALYSIS OF 2001 SCOTTISH MUSEUM SURVEY: NATIONALLY, BY GOVERNANCE AND BY LOCATION

This appendix was previously chapter 6 of original thesis, hence all numbering is prefixed with a 6

6.1 Introduction

The thesis' inductive approach initially required a survey of Scotland's museums in order to scope Scotland's museums. The purpose of this scoping exercise was to characterise the sector's organisational features, but also identify a museum typology for more critical investigation, which was the aim of the thesis. This appendix examines the size and structure of Scotland's museums, particularly in the context of their governance and location. The analysis evaluates the museums' aims, their visitor patterns, and their financial and employment characteristics in order to build a picture of Scotland's museums. The appendix then evaluates the relative importance of the sector's stakeholders. The data from each question is statistically supported by descriptive statistics, and where relevant, tests for association. This quantitative analysis is supported by respondents' comments and opinions about developments in Scottish museums. The appendix concludes by justifying the typology for selection.

6.2 Research method

A postal questionnaire was undertaken between February and June 2001, and provides a snapshot of Scotland's museums, in terms of its operations, environment and relationship with stakeholders. It is recognised though that events, such as Foot and Mouth Disease, September 11 terrorist attacks, and the growth of the low cost airlines will have affected the museums collectively and individually, since the survey was undertaken (Anderson & Irvine 2004; Scottish Museums Council 2005, Williams & Ferguson 2005). One hundred and fifty-three museums responded with useable data, representing 110 organisations. The questionnaires' quantitative and

qualitative data were analysed, using Excel, SPSS and content analysis to create a picture of Scottish museums. The data is presented sequentially, in line with the questionnaire's questions (Appendix 11). The rationale for this approach is that it allows easier cross-referencing to the questionnaire. It also allows the reader to be drawn from the specific, in terms of data to the subjective, in the form of individual opinions about stakeholders and the environment. Questions 1 and 2 asked the respondent to list the name of the responding museum/gallery and the name of the respondent. This served to identify a contact and the museum in the event of further research; question 3 sought the position of the person completing the questionnaire.

6.3.1 Position of person completing questionnaire

This section examines the position of the person completing the questionnaire and explains variations in responses relating to governance and location. Governance encompassed five categories: national, local authority, university, independent, and regimental using Scottish Museum Council's categories (Scottish Museums Council 1999). Location was adapted from Slattery's (1992) typology and defined as primary (Aberdeen, Dundee, Edinburgh, and Glasgow), secondary (town), and tertiary (rural).

6.3.1.1 Position of person completing questionnaire - *Scotland*

Diversity characterised this question's responses. It could be contended that this feature reflects the heterogeneous organisational structure of the sector. The responses (Table 6.3.1.1) identified 21 different positions; however the most common response to the position of the person completing the questionnaire was curator or keeper; 73 (47.7%). Other positions recording double digit responses included museum officer (15), secretary (14), museum & arts manager (11), and chairman of trustees (10). All the other positions recorded one to three responses and encompassed positions such as property manager (two), guide (two), press officer (one) and receptionist (one). These variations in job title may reflect the heterogeneity of the sector, but they may also indicate a weakness with a postal questionnaire, which is that the absence of the researcher may tempt organisations to delegate a repetitive, administrative task. The difficulty for the researcher is that the postholder completing the questionnaire may have insufficient knowledge about the data requested (Black 1999; Bryman 2004; Denscombe 2003). It could however be argued that the respondent has demonstrated a willingness to participate and that much of the information requested would be known or accessible within the organisation which gives confidence to the results.

Table 6.3.1.1: Position of person completing questionnaire (Scotland) n= 153

<i>Position of person completing questionnaire</i>	<i>Frequency</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Curator	60	39.2	39.2
Keeper	13	8.5	47.7
Heritage programme manager	2	1.3	49.0
Collections manager	2	1.3	50.3
Property manager	2	1.3	51.6
Customer services manager	2	1.3	52.9
Museum officer	15	9.8	62.7
Museum supervisor	2	1.3	64.1
Receptionist	1	0.7	64.7
Director	5	3.3	68.0
Treasurer	2	1.3	69.3
Secretary	14	9.2	78.4
Owner	2	1.3	79.7
Chairman	10	6.5	86.3
Museum & arts manager	11	7.2	93.5
Administrator	3	2.0	95.4
Guide	2	1.3	96.7
Reader	1	0.7	97.4
Admin manager	1	0.7	98.0
Press officer	1	0.7	98.7
Co-ordinator	2	1.3	100.0
Total	153	100.0	

6.3.1.2 Position of person completing questionnaire *by governance*

All five governances: national, local authority, university, independent, and regimental (Table 6.3.1.2) identified curator/keeper as the most common respondent, and in four of the five categories this position accounted for over 50% of the respondents, only the independent sector indicated a variation with a response rate of less than 50%. The independent sector revealed a more eclectic range of responses, including secretarial (11), chairman (10), as well as various managerial positions, suggestive of a less formalised organisational structure in which staff borrow organisational terminology with which they are familiar. The absence of curators/keepers heading many independent museums may indicate a more fluid structure, but it may also reflect their financial inability to afford a curator's salary. The concern is that the absence of a curator may hinder a museum's ability to conserve, research, communicate and exhibit the collection i.e. a museum's key requirements as spelt out in ICOM (2001) and Scottish Museums Council (SMC 2001) definitions; and implicitly a condition of accreditation. Loss of accreditation can result in loss of financial support. This financial difficulty may also explain a feature of many local authority museums, the presence of museum officers (12) rather than curators, suggestive, that these lower paid posts provide a means of controlling costs, whilst also meeting professional criteria.

Table 6.3.1.2: Position of Person completing questionnaire by governance

<i>Position of person completing questionnaire</i>	<i>National N = 8</i>	<i>Local Authority N = 46</i>	<i>University N = 16</i>	<i>Independent N = 78</i>	<i>Regimental N = 5</i>
Curator	5	23	6	23	3
Keeper	0	4	7	2	0
Heritage programme manager	0	2	0	0	0
Collections manager	0	0	0	2	0
Property manager	0	0	0	2	0
Customer services manager	1	0	0	1	0
Museum officer	0	13	0	1	1
Museum supervisor	0	0	0	2	0
Receptionist	0	1	0	0	0
Director	0	0	1	4	0
Treasurer	0	0	0	2	0
Secretary	0	0	0	13	1
Owner	0	0	0	2	0
Chairman	0	0	0	10	0
Museum & arts manager	0	2	1	8	0
Administrator	0	0	0	3	0
Guide	0	0	0	2	0
Reader	0	0	1	0	0
Admin manager	0	0	0	1	0
Press officer	1	0	0	0	0
Co-ordinator	1	1	0	0	0
Total	8	46	16	78	5

6.3.1.3 Position of person completing questionnaire *by location*

Table 6.3.1.3 revealed that the position of curator/keeper was the most common response amongst primary and secondary locations. Although curator/keeper ranked as the most common response amongst tertiary museums, other categories returned significant responses including; secretarial (seven) managerial (six) and chairman (five). This variety of responses may suggest that museums in tertiary locations are less rigid in their organisational structure or maybe unable to financially support a curator. The other employment characteristic to suggest a financial undertone is the presence of museum officers amongst secondary (10) and tertiary located museums (five), but absent from primary located museums. These posts although small in number, maybe indicate that some museums employ a museum officer as a cheaper alternative to a curator.

Table 6.3.1.3: Person completing questionnaire by location

<i>Position of person completing questionnaire</i>	<i>Primary N = 33</i>	<i>Secondary N = 80</i>	<i>Tertiary N =40</i>
Curator	15	35	10
Keeper	2	9	2
Heritage programme manager	1	1	0
Collections manager	1	1	0
Property manager	1	0	1
Customer services manager	1	0	1
Museum officer	0	10	5
Museum supervisor	0	2	0
Receptionist	1	0	0
Director	4	0	1
Treasurer	0	2	0
Secretary	1	6	7
Owner	0	0	2
Chairman	0	5	5
Museum & arts manager	1	6	4
Administrator	1	1	1
Guide	0	1	1
Reader	1	0	0
Admin manager	0	1	0
Press officer	1	0	0
Co-ordinator	2	0	0
Total	33	80	40

6.4.1 Location of museums

This section examines the spatial distribution of museums nationally and by governance using an adaptation of Slattery's (1992) Three-Fold classification. Primary located museums were sited in Aberdeen, Dundee, Edinburgh and Glasgow; secondary located museums were to be found in other urban centres, whilst tertiary located museums were rural sites. The respondent self selected the most suitable location typology; city (Aberdeen, Dundee, Edinburgh, Glasgow), town, or rural.

6.4.1.1 Location of museums - *Scotland*

Kotler (2003) cites location as a key element in an organisation's performance. This is because it is easier access to stakeholders, especially customers and suppliers. Scotland's four largest cities contained over a fifth of the survey. The largest number of museums, 15, was located in Glasgow, Scotland's largest city. This number not only reflects Glasgow's size, but also the city's enthusiasm for museums (Heal 2006). Secondary located accounted for over 50% of the survey's museums. These museums are found from Lerwick in the north of Scotland to Stranraer in the southwest. Tertiary museums similarly existed throughout the country, in some cases close to the major Scottish cities, however the majority were concentrated in the Highlands & Islands, Fife, Scottish Borders, Dumfries & Galloway, and parts of Ayrshire.

Figure 6.4.1.1

Location of Scotland's Museums n = 153

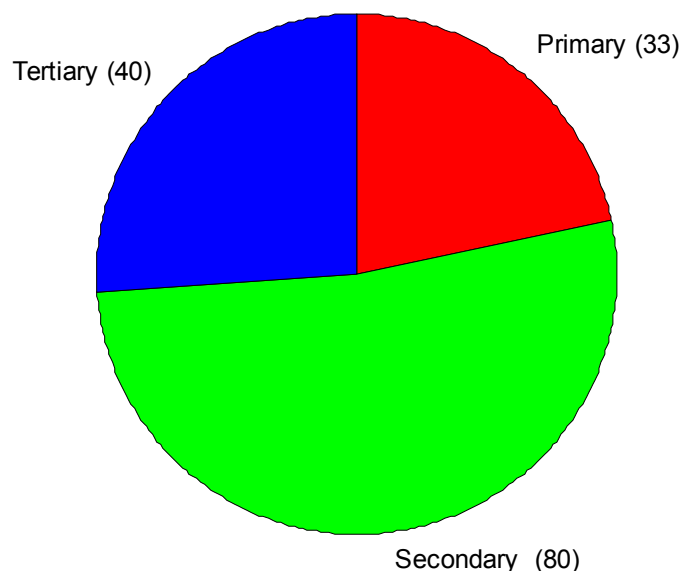


Figure 6.4.1.1 shows that the majority of museums are located in urban areas n = 113 (80 + 33), arguably this dominance is predictable since 80% of Scotland's population is classified as urban (Scottish Executive 2005). However the surprise is that there is not a greater concentration of museums in Scotland's four major urban centres given their populations, their commercial pull and their appeal as visitor destinations. VisitScotland (2001) estimated a third of tourist visits were to attractions in Edinburgh and Glasgow, but if Aberdeen and Dundee's visitor numbers were added to these two cities, the figure rose to 45% of all visits in Scotland (VisitScotland 2001). Yet within this thesis' survey, primary located museums represent only 21.6% (33 of 153 museums) – a figure which closely corresponds to Scottish Museum Council 2002 own calculations of 22.3% (Table 6.4.1.1)

Table 6.4.1.1: Number of museums by governance within Scotland's four largest cities (Scottish Museums Council 2002b)

<i>City</i>	<i>National</i>	<i>Local Authority</i>	<i>University</i>	<i>Regt.</i>	<i>Independ.</i>	<i>Total</i>
Aberdeen	0	3	6	1	2	12
Dundee	0	3	4	0	3	10
Edinburgh	8 +1*	11	8	2	11	41
Glasgow	0	9	7	1	5	22
Total	9	26	25	4	21	85

Notes

* Royal Botanic Garden, Edinburgh

** The National Audit records 85 museums within these four cities plus a further 12 stores. This equates to 97 museums and stores out of a total of 435 museums or 22.3% of the museum population.

These cities may possess fewer museums than expected, however their size and popularity dwarf their tertiary counterparts as evident in Table 4.2 (Chapter 4). Nonetheless the lower than expected number of museums to be found in Aberdeen, Dundee, Edinburgh and Glasgow may reflect the economic principle of supply and demand. There is greater demand for land and buildings in these cities (McAllister 2001), therefore prices are higher and museums are unable to compete financially with commercial activities, in effect there is a financial barrier to entry. This under representation amongst primary located museums contrasts tertiary over representation, where land and buildings are generally cheaper, and in some cases possess little commercial value; consequently museums offer a viable alternative to dereliction and decay.

The ability to develop land or refurbish redundant buildings as museums may also reflect the availability of cheap capital. This capital in the form of government or QUANGO grants provides museums with a competitive advantage over commercial activities; furthermore, there may be fewer legal restrictions and less community hostility to the redevelopment of land and buildings as a museum, rather than as a commercial venture (Jansen-Verbeke & van Rekom 1996; Mclean 1997). Support for redevelopment is based on social, economic and political criteria. Socially the community may welcome a museum in the belief that it can foster community cohesion, whilst

property owners may support it economically, because a sympathetically refurbished building will add value to their house. Politically, national and local government may support refurbishment, because it is a means of embedding social inclusion and life long learning in the community. Finally a fusion of political, economic and social argument may support their development in certain tertiary areas, because of limited employment opportunities (Watson et al 2004), e.g. Scottish Lead Mining Museum in Upper Nithsdale Valley.

6.4.1.2 Location of museums *by governance*

A feature of national museums is their urban location (Table 6.4.1.2); only one national museum is located in a tertiary site: The Museum of Flight at East Fortune. The collection's theme argues that a rural site is more practical, operationally and financially, than an urban site, due to the size of many of the artefacts. University and regimental museums existed in roughly, equal measure between primary and secondary locations, whilst over two thirds of local authority museums favoured secondary locations, with smaller equal distributions amongst primary and tertiary locations. Independent museums predominated amongst secondary and tertiary locations, but less than 10% of independent museums were sited in primary locations, the lowest percentage figure for any governance category. ANOVA one-way variance (sig 0.025) strengthens the argument that national museums are more likely to be located in primary sites, and independent museums located in tertiary sites.

Table 6.4.1.2: Location of museum by governance

<i>Location</i>	<i>National</i> <i>N = 8</i>	<i>Local Authority</i> <i>N = 46</i>	<i>University</i> <i>N = 16</i>	<i>Independ.</i> <i>N = 78</i>	<i>Regimental</i> <i>N = 5</i>
Primary	5	8	9	9	2
Secondary	2	31	7	37	3
Tertiary	1	7	0	32	0
Missing	0	0	0	0	0

A reason that many national museums are located in primary locations is the power exercised by a dominant stakeholder; national government, for example the Scottish Executive's financial support for the £45m re-development of the Museum of Scotland, Chambers Street, Edinburgh (Anon 2007). This political influence can also produce dividends in the role the Ministry of Defence deploys in supporting the location of regimental museums (Miller 1998). The relationship regimental museums enjoy with its stakeholder, the Ministry of Defence, may help to explain their ability to locate in such an aesthetically desirable site as Stirling Castle (The Argyll and Sutherland Highlanders), or a financially desirable site: Sauchiehall Street,

Glasgow (The Royal Highland Fusiliers). University museums are located in premises or space allocated by the universities which themselves are located in either primary or secondary locations.

Only nine independent museums were located in primary sites; by contrast, tertiary locations contained 32 independent museums, a figure four times greater than all the other governances combined. This link between governance and location reflects historical issues (university), but also the presence of a stakeholder with the political and financial power to support investment. The National, regimental and local authority museums' benefit from their relationship with government derived through their governances, as do university museums indirectly through their universities. Independent museums, by contrast have been historically the creation of an enthusiast's investment (Scottish executive 2003b).

6.5.1 Museum governance

This section assesses governance using Scottish Museum Council's governance categories; national, local authority, university, independent, and regimental and previously discussed in section 4.5.

6.5.1.1 Museum governance – Scotland

The most populous museums were those badged as independent n = 78, and included three National Trust for Scotland properties, a decision that aligned to Scottish Museums Council (2002b) practice, followed by local authority n = 46 (Figure 6.5.1.1).

Figure 6.5.1.1: Museum governance in Scotland

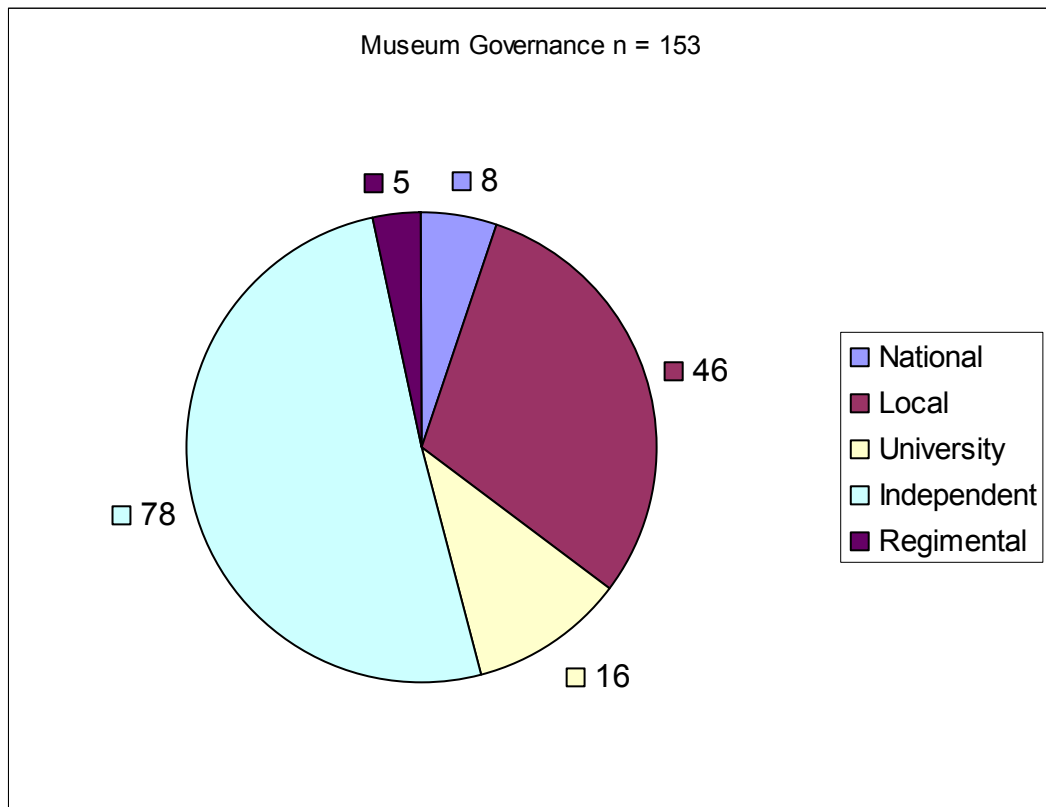


Figure 6.5.1.1 shows that independent museums accounted for 50% of the sample and in conjunction with local authority museums represented nearly 80% of museums in Scotland. Their numerical popularity mirrors the National

Audit's (SMC 2002b) findings, which are replicated in Table 6.5.1.1. However, The National Audit's ranking differs, placing local authority museums as the most prevalent typology n = 182 followed by independent museums n =164. This difference may relate to the political importance local authorities attached to the National Audit; a recognition that the Audit's funder, the Scottish Executive, was and is the major funder of Scottish local authorities.

**Table 6.5.1.1: Museum governance
(Thesis versus National Audit)**

<i>Governance</i>	Thesis' findings 2001		National Audit (SMC 2002b)	
	<i>frequency</i>	<i>valid %</i>	<i>frequency</i>	<i>valid %</i>
National	8	5.23%	34	7.82%
Local Authority	46	30.04%	182	41.84%
University	16	10.46%	45	10.34%
Independent	78	51.00%	164	37.70%
Regimental	5	3.27%	8	1.84%
Other	-	-	2	0.46%
Total	153	100.00%	435	100.0%

This assumption was borne out by off-the-record discussions with a number of museum professionals who argued they had participated in the hope of generating extra government. National, university, and regimental ranking in this research mirrors the National Audit ranking, but their numerical smallness in both this research and the National Audit emphasises the numerical dominance of independent and local authority museums.

6.6.1 Aim of the museum

The purpose of this question was to evaluate the aims of Scottish museums and their relationship to ICOM (2001) and SMC (2001c) definitions, which identified six themes: promotion, learning, conservation, display, acquisition, and enjoyment. Analysis of the aims allowed the research to consider whether museums aims aligned to professional body declarations (SMC 2001c)

6.6.1.1 Aim of the museum - *Scotland*

The museums' aims were analysed, and verbs and expressions clustered around the six themes (Table 6.6.1.1) in order to consider whether the museum's stated aims aligned with museum definition.

Table 6.6.1.1: Scottish museums' thematic aims

<i>Theme</i>	<i>Terminology used</i>	<i>Frequency</i>
Promotion	promote, encourage, market actively,	89
Learning	learn, educate, research, interpret	85
Conservation	conserve, maintain, preserve, store, archive	73
Display	display, show, exhibit, present	62
Acquisition	acquire, collect, gather, obtain, assemble	37
Enjoyment	entertain, enjoy, have fun	31

The six thematic aims drew 31 to 89 responses (Table 6.6.1.1). The most frequently cited theme was promotion, which revealed itself in verbs and expressions, such as: promote, encourage and market actively. The language construed a sense of selling the museum and implied that the collection could provide numerous benefits: culturally, economically and socially, for example

“To present the history and culture of G-o-S for the benefit of the local area and to act as a resource for the community”
(Grantown Museum)

This aim suggests that the community is looking beyond the notion that a museum is simply a collection of artefacts; instead, it implies that it is a wider community resource. A concept that finds expression in numerous articles (Hooper-Greenhill, Dodd, Philips, Jones, Woodward & O’Riain 2004; Kotler & Kotler 2000; O’Neill 2006a; Travers 2006).

The second most popular theme revolved around the issue of learning and included verbs such as educate, interpret, research and inform; values. This terminology has been explicitly and implicitly associated with museums for hundreds of years and found expression in aims such as;

“The Trust will stimulate public interest in the museum as a focal point of education and of historic, artistic or scientific interest “
(79)

Delingpole (2006) maintains this theme is the core function of museums, but is being overtaken by customers’ demands to be entertained. His pessimism seems unproven based on these explicit core aims, although practice may differ from public statements. Government policy though has repeatedly demonstrated the role of education within publicly funded cultural activities e.g. National Cultural strategy (2000), draft Culture (Scotland) Bill 2006.

The aims of 73 museums encompassed ideas around maintain, conserve, and preserve, all verbs expressing a sentiment that collections were held in trust for future generations. It re-emphasises the concept that collections are resources which can benefit society, but it also conveys a sense of permanence when it suggests that artefacts can be restored and their lives prolonged. This philosophy can be reflected in language as simply stated

“To conserve the artefacts and memorabilia which relate to Nairnshire”
(Nairn Museum)

Or a more specific aim;

“To preserve, collect, present and research all aspects of maritime history pertinent to Aberdeen and Aberdeen related areas in subject areas including fishing, North Sea oil and gas industries, shipbuilding and Aberdeen harbour.”

(Aberdeen Maritime Museum)

It appears that the aims of Scottish museums do align with professional bodies' definitions, particularly the concepts of promotion, learning and conservation. It can be argued, though; that Scottish museums' aims align to these principles for rhetorical purposes, in order to gain accreditation and, ultimately, funding.

6.6.1.2 Aim of the museum by governance

Examining the museums' aims by governance (Table 6.6.1.2) revealed that the themes' rankings aligned across governances with only minor adjustments in ranking between the five governances.

Table 6.6.1.2 Aim of the museum by governance

<i>Aim</i>	National N = 4	Local Authority N = 42	University N = 16	Independent N = 73	Regimental N = 5
Promote	2	26	11	45	5
Learn	3	24	14	42	2
Conserve	2	22	7	38	4
Display	4	17	11	28	2
Collect	2	12	2	19	2
Enjoy	2	17	0	12	0
<i>Missing</i>	4	4	0	5	0

The theme of promotion pervaded all governances and three of the typologies listed it as the most popular theme. Interestingly, local authority and independent museums frequently viewed the idea of promotion as a means of promoting community identity and spirit, harking back to this concept of a museum as intangible resource, for example:

Local authority,

“It is conscious that in all its work it (the museum) must be informed by the distinctive and particular linguistic and cultural inheritance of the Western Isles.”

(Museum Nan Eilean)

And independent,

“Linlithgow Heritage Trust exists to advance and promote interest in the town and its history to the general public, both local people and visitors by the establishment and maintenance of a museum which will collect material which provides a record identifying the unique local identity of the town and its people.”

(Linlithgow Heritage Trust)

Regimental museums used promotion in a different context; promotion was seen as a means of encouraging recruitment and publicising the regiment's history, both to the military enthusiast, and to the community, for example part of the Black Watch museum's aim states:

“...in a way that ensures the deeds of the Regiment are remembered and which stimulates recruitment.”

(The Black Watch Regimental Museum)

This aim reinforces Miller's (1998) observation that regimental museums were not only about remembering past military achievements, but they were also about recruiting future soldiers.

Universities emphasised the theme of learning, suggestive of their original role in creating museums;

“The specimens will be conserved as an invaluable and now irreplaceable resource for teaching students of the University and outside institutions.”

(University of Edinburgh Natural History Collections)

However, learning also figured prominently amongst independent and local authority museums. This data suggests that local authority and independent museums view learning as important as promotion. National museums placed the highest emphasis on display, although university museums also gave it prominence, which may reflect the presence of greater technical skills available to national and university museums. The former because of their size employ technical specialists, whilst the latter may be able to access the talents of university staff and students.

One surprising feature to emerge is that independent museums did not place a higher value on enjoyment, instead local authority museums appeared to be more enthusiastic in promoting enjoyment, both in absolute terms 17 v 12, and in relative terms 34.7% v 16.7%. The observations made by Babbidge (2002), Fopp (1997), and Smith (2001) suggested that independent museums' success could in part be attributed to their greater awareness of the need to entertain customers, yet this ideology does not appear to be reflected in their mission statements.

6.6.1.3 Aim of the museum by location

Examination of the museums' aims by location (Table 6.6.1.3) reveals that, whilst rankings may vary, the three most prevalent themes: promotion, education and conservation characterise each typology, although display also figures prominently.

Table 6.6.1.3: Aim of the museum by location

<i>Aim</i>	<i>Primary</i> <i>N = 33</i>	<i>Secondary</i> <i>N = 80</i>	<i>Tertiary</i> <i>N = 40</i>
Promote	15	53	21
Educate	16	52	17
Conserve	13	41	19
Display	10	35	17
Collect	4	20	13
Enjoy	4	24	3
Missing	6	6	1

The theme of promotion resonates with the idea that it is more than a means of advertising the collection; it is also a means of encouraging economic regeneration and community spirit. This concept aligns with the resource-based view (Barney 1991) and one that many museums understand that a collection is more than a physical resource, it is also an intangible resource. This concept transcends all locations, for example a primary located museum;

“To promote architecture and design for social, cultural, educational, economic benefit, to as wide an audience as possible.”

(The Lighthouse)

And a secondary located museum;

Objective 7 “ To pursue the above objectives (1-6) in such a way as to act as a focus for local economic and community development.”

(Cromarty Courthouse)

And a tertiary located museum,

“To conserve and interpret the heritage ... To inspire a pride of place and provide an environment conducive to economic regeneration in the valley.”

(Dunaskin Open Air Museum)

These views reflect observations in locations as diverse as Montreal (Tufts & Milne 1999), Rotterdam (Jansen-Verbeke & van Rekom 1996) and Valladolid (Sanz, Herrero & Bedate 2003); that museums should be regarded as more than just a collection of artefacts, but a resource capable of generate social and economic benefits and therefore wider stakeholder support, if these benefits are acknowledged and practiced.

One point to note is that only secondary museums place a relatively high value on enjoyment both in absolute terms and in relative terms. The low priority attached to enjoyment by primary and tertiary located museums is unclear and no apparent explanation is evident; this maybe an issue worthy of further investigation.

6.7.1 Year museum opened

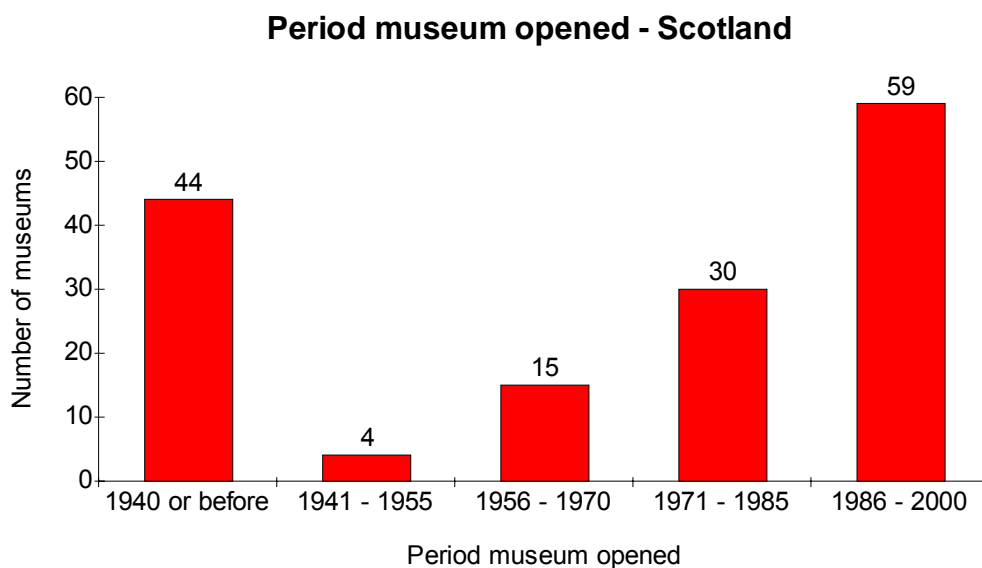
This section charts the peaks and troughs of museum openings in Scotland and offers explanations for these surges and dips.

6.7.1.1 Year museum opened - *Scotland*

The survey's earliest recorded museum is Edinburgh University's Natural History Collection which, according to the respondent, "*opened sometime in the early seventeenth century*". Other museums were established at Aberdeen and St Andrews Universities in the late eighteenth century and early nineteenth century. This historical relationship reflects the original rationale of museums: to support teaching and learning (de Clercq and Lourenco 2004). This survey's first publicly accessible museum, The Hunterian, opened in 1807, but interestingly many of the first publicly accessible museums to open were in secondary locations in the North East of Scotland; Elgin (1843), Arbuthnot (1850), Nairn (1860). The first national collection to open in a major urban centre was the National Galleries of Scotland (1850) in Edinburgh.

The pace of museum openings quickened through the late nineteenth century and into the early twentieth century driven by a number of stakeholders, as evident in Figure 6.7.1.1. These stakeholders, often philanthropists, businessmen and politicians, created museums as totems to civic pride and as a means of encouraging people to better themselves through education. This was a period of public pride and confidence expressed in the erection of many community buildings, such as town halls, libraries and museums (McLean 1997). One of the best expressions of Scottish civic pride is Kelvingrove Art Gallery and Museum which was originally funded by public subscription and completed by Glasgow town council in 1901.

Figure 6.7.1.1:Period museum opened, Scotland n = 152



Forty-four museums opened in Scotland up to 1940 (Figure 6.7.1.1), but 40 of these museums opened prior to 1914. An indication that the stability and confidence of Victorian and Edwardian society unravelled in the wake of the First World War and the Great Depression of the 1930s. The cost of fighting the War and subsequent loan repayments followed by the Great Depression left few stakeholders willing to invest in what many must have regarded as a luxury. This slowdown in museum development appears graphically (Figure 6.7.1.1) to have bottomed in the period 1941–55 when only six museums opened. The following period, 1956–70, indicates a significant leap in museum opening, but closer examination of the data reveals that museum openings were concentrated in the period 1965–1970, a period that corresponds to major social upheaval in an attempt to create a more open and egalitarian society in the U.K. and more widely in Western society.

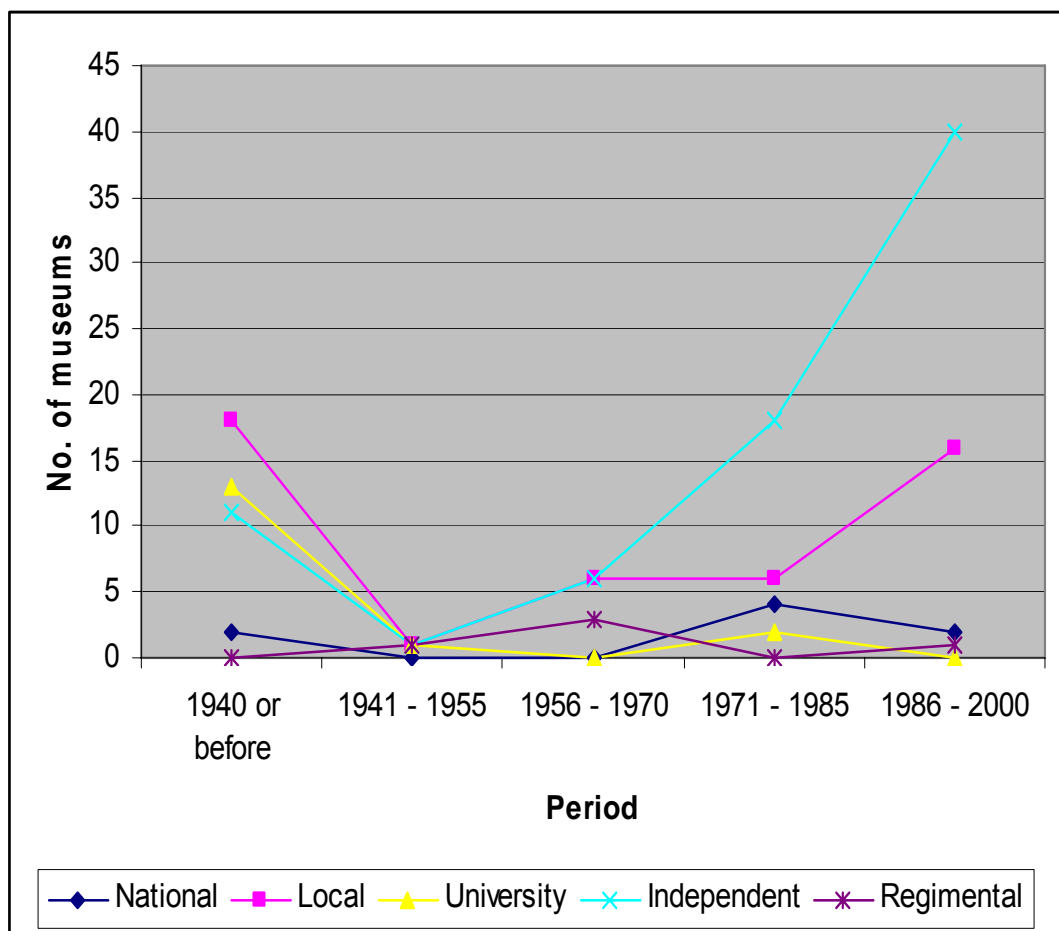
The period 1971–1985 saw museum openings double compared to 1956–1970, an upward trend that continued into 1986–2000. In effect, more museums were created in the period 1971–2000 than in the previous 300 years. It is accepted that some Scottish museums probably opened in the

past but subsequently closed, however historical data is unavailable. This exponential growth is attributable to a number of stakeholders acting directly or indirectly to encourage museum development. At a macro level rising prosperity, reduced working hours and technological change created demand for leisure activities (Cooper et al 2005), such as museums. Enthusiasts created supply by converting industrial buildings and derelict buildings into museums (McLean 1997), although it has been argued sometimes with little awareness of their sustainability (Scottish Executive 2003b).

6.7.1.2 Year museum opened by governance

Figure 6.7.1.2 illustrates that national, local authority and independent museum openings experienced the same vicissitudes: growth, stagnation, growth. University and regimental openings experienced a different pattern. The golden age for university museum openings was prior to 1941, whilst the post war years saw the greatest development of Scottish regimental museums.

Figure 6.7.1.2: Year museum opened by governance



National museum development occurred in two periods: pre 1941, and 1971-1985. Major collections such as The Royal Museum (1861) and National Galleries of Scotland (1850) opened in middle of 19th century. Newer national museums were created in the period 1971–1985, but

focussed on specialised collections, such as aircraft, at Museum of Flight (1975) and the three maritime museums at Braehead, Dumbarton, and Irvine (1983-1999). The absence of any national museum openings in the period 1941-1970 could be attributed to national and global factors. The national government's priorities lay in defence and post-war reconstruction, rather than activities such as museums. This historical pattern was mirrored to an extent amongst local authority museums. A surge of museum openings occurred in the Victorian and Edwardian periods encouraged by legislation e.g. Public Libraries Consolidation (Scotland) 1887 Act, but waned after the First World War and continued to decline until the mid 1960s. This period of military and economic problems diverted local authority attention to more pressing social issues, such as housing (Schama 2002). It was only in the mid 1950s that stable economic and political conditions began to re-emerge, but it was a further ten years before this effect percolated through in the form of renewed museum development.

The mid 1960s witnessed the creation of a number of local authority museums including; Shetland (1966), Orkney (1968), and Jim Clark (1969). Local Authority museum development grew apace, especially from 1985 onwards. This data contradicts comments from Johnson (2003); Lawley (2003) and McLean (1997) who declared that cuts in local authority expenditure had diminished local authority museums. The reality was that local authorities invested considerably in museums throughout the 1980s and 1990s. The dilemma for local authorities was that stakeholders' expectations rose faster than investment; stoked by comparisons to other museums and leisure attractions at home and abroad. The other explanation for this perception that museums had suffered may stem from local authority investment patterns. Investment focussed on capital assets, such as buildings and information technology, rather than operating costs, such as labour and energy. The consequences of this decision could be observed whenever there were financial constraints, such as 1995-7 during local government re-organisation. It was easier for organisations, such as councils, to cut operating costs than retrieve sunk costs, consequently staff would

often be made redundant or asked to work fewer hours in an attempt to save money. The impact was noticeable therefore to staff.

University museums are the most established of all museum governances, dating back in some cases, such as Edinburgh, to the first flowering of European museums. Their existence then, as now, was to support academic teaching and research, but recent developments have been limited, and according to this data, no university has created a museum in the last 15 years, the only governance to experience this fate. This situation reflects the financial squeeze endured by many universities over the last 25 years, and against this financial backdrop many universities perceive museums to be a peripheral activity and a financial luxury (University Museums Group UK 2004).

The independent museum sector is the most illuminating. Its development since the Second World War has been marked by constant growth, but interestingly these collections are often focused on a specific theme, one frequently rooted in a local issue. This may relate to an industry such as iron and brick (Dunaskin Open Museum 1988), or a personality such as the novelist and statesman John Buchan at Broughton (1982), or The Douglas Family e.g. Douglas Heritage Trust (1993). These collections are often driven by enthusiasts, but they are sustained by the community in the form of various donations. The community provides artefacts, labour, financial support and encouragement. The development of these museums by enthusiasts rather than curatorial specialists means that ideas have been imported from the commercial world, which have challenged organisational thinking (Babbidge 2002; Fopp 1990, 1997 Reussner 2003).

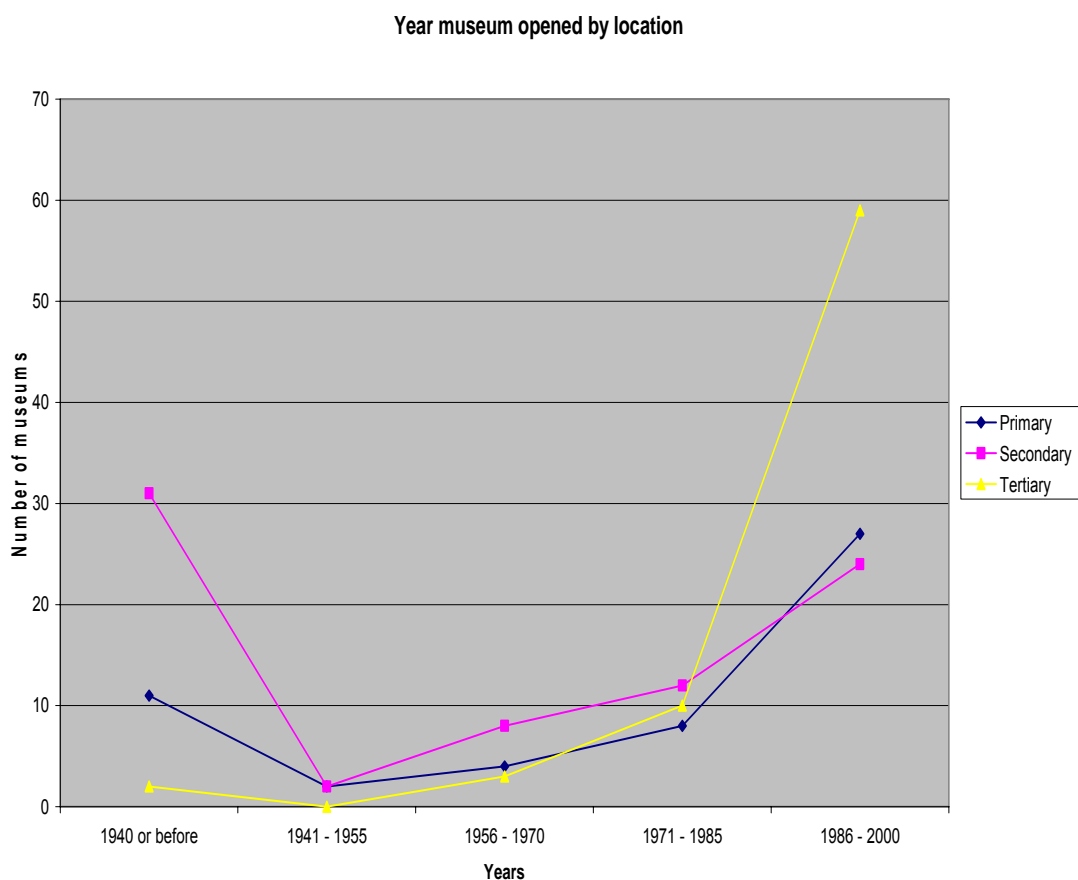
This challenge to traditional museum thinking also occurred amongst regimental museums with its emphasis on the customer rather than curatorial research (Lewis 1992, Miller 1998). The first Scottish military museum to appear was the United Services Museum in Edinburgh in 1930, which was

national in character rather than specifically focussed on one regiment. It was only after World War Two that Scottish regimental museums appeared. More regimental museums were created in the period 1941-1970 than national and university museums combined. This post-war period development was an expression of the local community's military experiences and a response to the many that had experienced World War Two, directly or indirectly either through family or friends. This demand was possibly stimulated as well by former National Servicemen looking to sustain and recreate their own experiences of regimental life. These museums serve as a physical reminder to the community when the regiment is invariably posted to other parts of the country or overseas and as physical presence in the form of a recruiting agent (Miller 1998).

6.7.1.3 Year museum opened by location

The graphical distribution of primary and secondary located museums is U-shaped, reflective of significant growth prior to 1941 followed by stagnation then growth in the latter half of 20th century (Figure 6.7.1.3). Tertiary museums by contrast are a more recent phenomenon, particularly of the period 1986-2000. This different pattern is supported by ANOVA analysis which reveals that the mean age of tertiary museums is statistically different from primary museums (0.001) and secondary museums (0.000).

Figure 6.7.1.3:Year museum opened by location



The explanation for the development of primary and secondary museums before 1940 is the presence of publicly funded museums, a reflection of civic pride, government legislation, and universities.

The emergence of tertiary located museums reflects structural changes in the economy (McLean 1997) which saw the closure of many primary and manufacturing businesses from the 1960s onwards. The consequence was depopulation and derelict and abandoned buildings, often unsuitable or unusable for other commercial activities, for example brick works at Dalmellington or the church in Broughton.

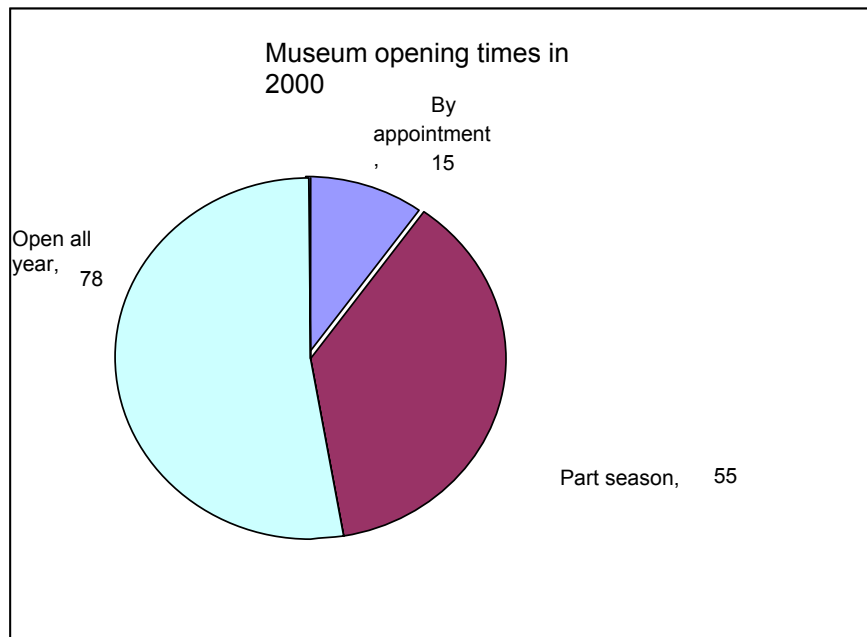
6.8.1 Museum opening times

This question sought to establish museum opening times and whether there were variations through the year, and whether variations related to governance and/or location.

6.8.1.1 Museum opening times – Scotland

Figure 6.8.1.1 indicates that a majority of museums are open all year round, but a significant minority, 55, only open part of the year. This bland statement disguises the reality that each museum appeared to have a unique pattern of opening times. Opening hours varied from museum to museum not only by month, but also by week; even those museums open all year encompassed diverse opening hours, ranging from 2.5 hours a day to 8.5 hours a day. Those museums termed seasonal, interpreted a season as long as March to October, or as short as June to August, though many seasonal museums stated that they would open out of season by appointment, either for individuals or parties.

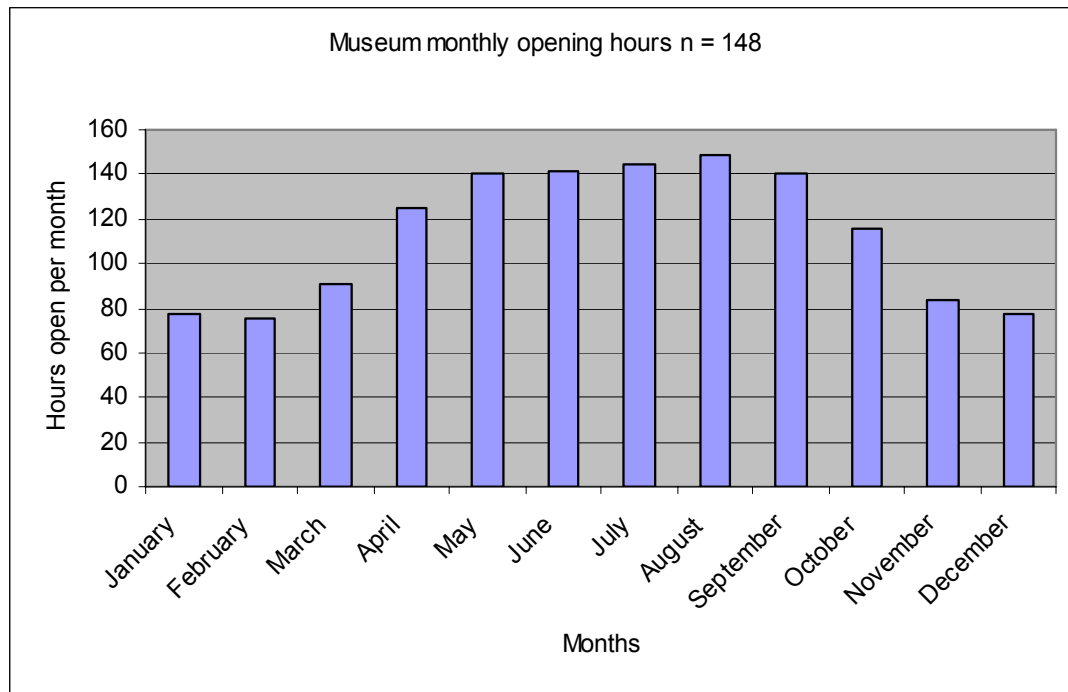
Figure 6.8.1.1:Museum opening times - Scotland



The huge variations in opening times made it difficult to discern any statistical patterns, however plotting the mean opening hours on a monthly basis

(Figure 6.8.1.2) indicates that the high season runs from May to September; peaking in August with a mean figure of 148.5 hours and a standard deviation of 86 hours.

Figure 6.8.1.2: Average museum monthly opening hours in 2000



These opening hours correspond to the most popular month for visitors to Scotland (Scottish Tourist Board 2001; Scottish Tourist Board 2002; VisitScotland 2003; VisitScotland 2005; VisitScotland 2007). September's popularity nearly matches August before declining in October and then noticeably tailing off in November and December as many museums close, because of declining demand, and because of the increased cost of heating and lighting buildings. This pattern continues through the traditional off season months of January and February. A frequent response to rising costs and declining demand in the off-season has been to close.

6.8.1.2 Museum opening times *by governance*

The data in Table 6.8.1.2 indicates that all national as well as the majority of local authority and regimental museums open all year, but all year opening only appears amongst a minority of university and independent museums. The explanation for this pattern is suggestive of a stakeholder's power. National and local authority museums rely on government funds (Scottish Museums Council 2002b; Wilson & Boyle 2004), therefore museum strategy will align with government policy of social inclusion and life long learning. Opening all year is a ploy, which can help to meet the government's policy of social inclusion. Regimental museums opening hours reflect stakeholders' salience in the form of the Ministry of Defence and the regiment, which views a regimental museum as an all year round recruiting 'sergeant'.

Table 6.8.1.2: Opening times by museum governance

<i>Opening times</i>	<i>National</i> <i>N = 8</i>	<i>Local</i> <i>N = 46</i>	<i>University</i> <i>N = 16</i>	<i>Independent</i> <i>N = 78</i>	<i>Regimental</i> <i>N = 5</i>
Open all year	8	32	7	27	4
Part season	0	13	0	41	1
By appointment	0	1	9	5	0
Missing	0	1	0	4	0

Nine out of 16 university museums open only by appointment. The explanation lies in their small number of staff, often only one member, who is also required to lecture and research. The concern is that the curator's academic output is more valued by the university than his or her curatorial responsibilities and issues of accessibility are of secondary importance (University Museums Group UK 2004). These other activities and pressure from a definitive stakeholder, the university mean that the curator/keeper is unable to open the museum all year. The larger university museums, e.g. Hunterian, are able to sustain all year opening, because of the size of their staffing complements, which in turn reflect their large visitor numbers.

Only a minority of independent museums operate all year opening. The majority of independent museums open only part of the year or by appointment; a reflection of weaker demand outside the peak months of April to October, plus potentially higher energy costs associated with winter.

6.8.1.3 Opening times by location

Museums in primary locations are overwhelmingly open all year (Table 6.8.1.3), 27 museums or 84.8% of primary located museums fall into this category, by contrast only 47.8% of secondary located museums open all year, a figure that falls by another 11 percentage points to 36.8% when applied to tertiary museums.

Table 6.8.1.3 Opening times by location

<i>Opening times</i>	<i>Primary</i> <i>N= 33</i>	<i>Secondary</i> <i>N = 80</i>	<i>Tertiary</i> <i>N = 40</i>
Open all year	27	37	14
Part season	2	33	20
By appointment	3	8	4
Missing	1	2	2

This data suggests that accessibility plays a role in determining open times, because those museums in primary sites are more than twice as likely to open all year. The issue of location as a determinant of demand has previously been cited in data (MLA 2004; Scottish Museums Council 2002; Selwood 2001). The evidence of weaker demand in tertiary locations leads museums to reduce opening times in order to reduce costs, particularly the higher energy costs associated with operating in winter. This cost control mechanism arguably helps to sustain some financially vulnerable museums.

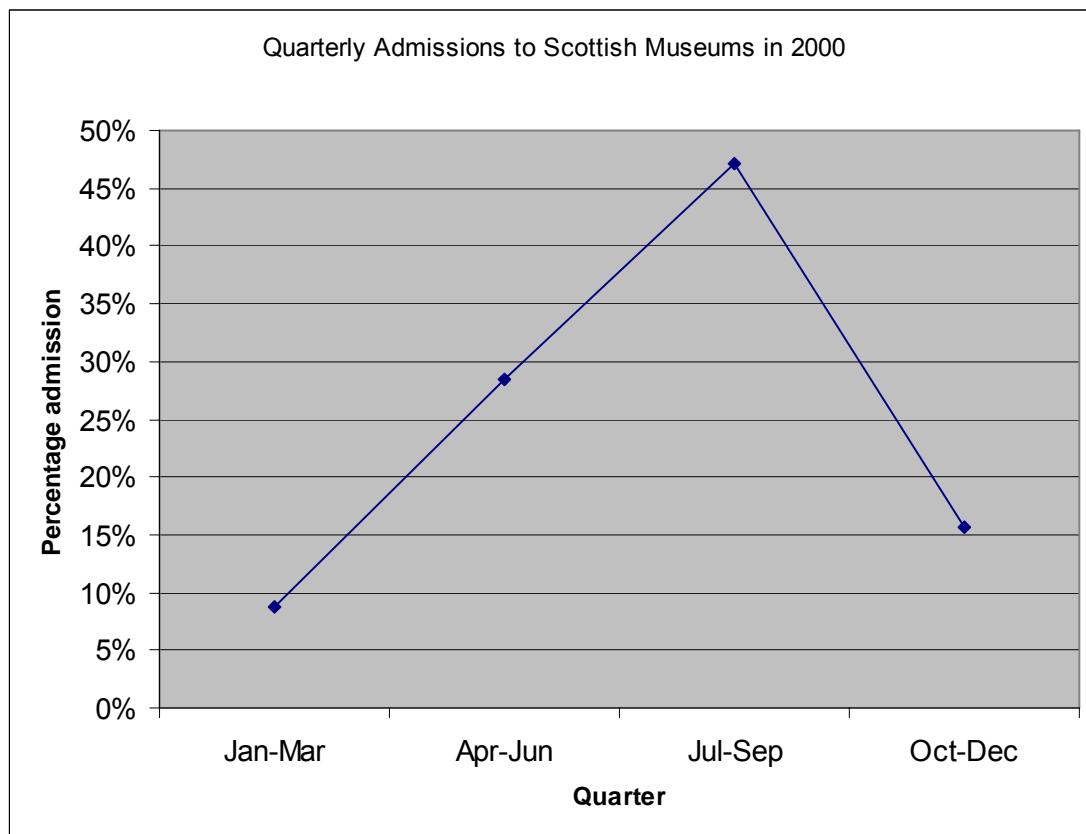
6.9.1 Quarterly visitor distribution in 2000

Visitors have been cited as a dominant stakeholder in section 4.7.5. The following three sections help to quantitatively profile this stakeholder and understand its characteristics. The following section analyses quarterly visitor attendance in Scotland's museums, before examining attendance in terms of governance and location.

6.9.1.1 Quarterly visitor distribution in 2000 – Scotland

Nearly half of all visitors descend on museums in the months July to September (Figure 6.9.1.1), this popularity reflects tourist arrival patterns to Scotland, especially amongst overseas visitors (Scottish Tourist Board 2001). This is also the period when most museums are open and for longer hours as evidenced in section 6.8.1, in effect supply is meeting demand, though from a point of sustainability a more evenly distributed profile would aid employment, by removing employment peaks and troughs.

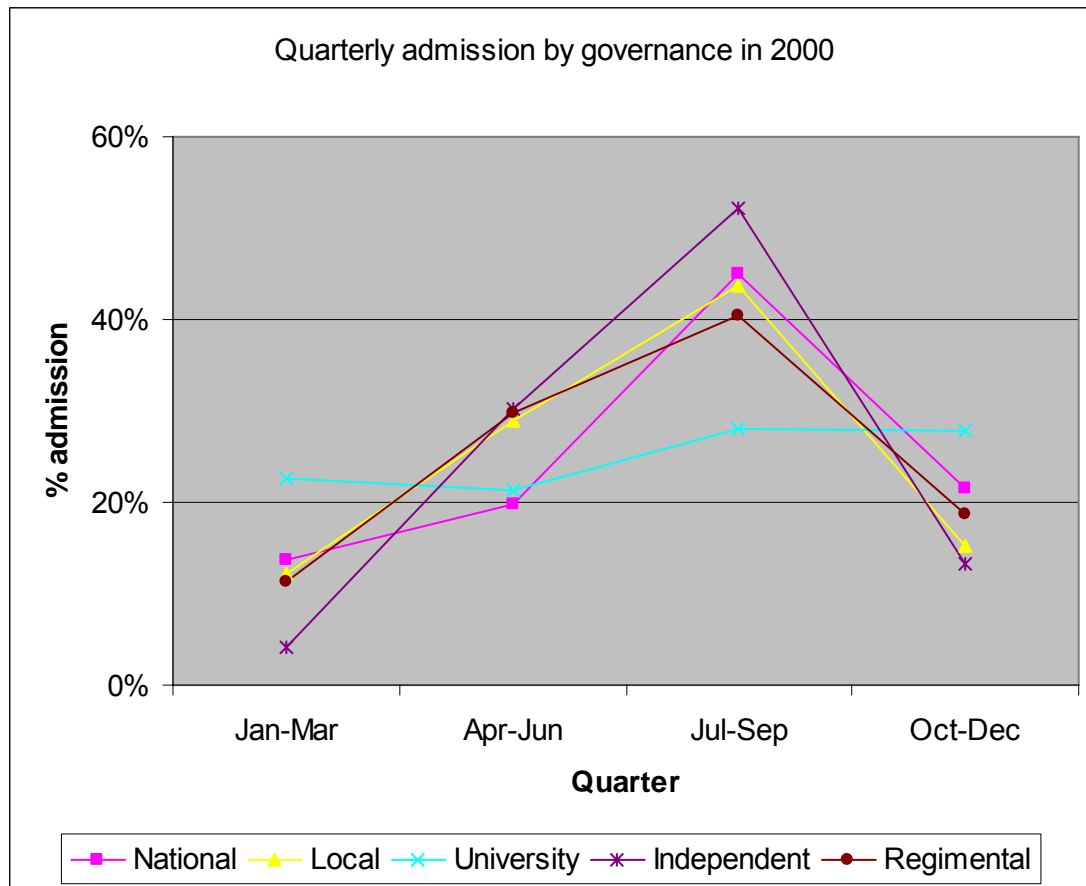
Figure 6.9.1.1:Percentage quarterly admissions to Scottish museums n =123



6.9.1.2 Quarterly visitor distribution in 2000 by governance

National, local authority and regimental museums' admissions over the year loosely parallel one another. Visitor numbers doubled from January-March (Q1) to April-June (Q2) and then doubled again in the third quarter, before halving in the last quarter of the year, although this decline was more pronounced amongst local authority museums in Q4. The reason for these three museum governances exhibiting this admission profile may lie in their longer opening times as previously evidenced.

Figure 6.9.1.2 Percentage quarterly admission by governance in 2000



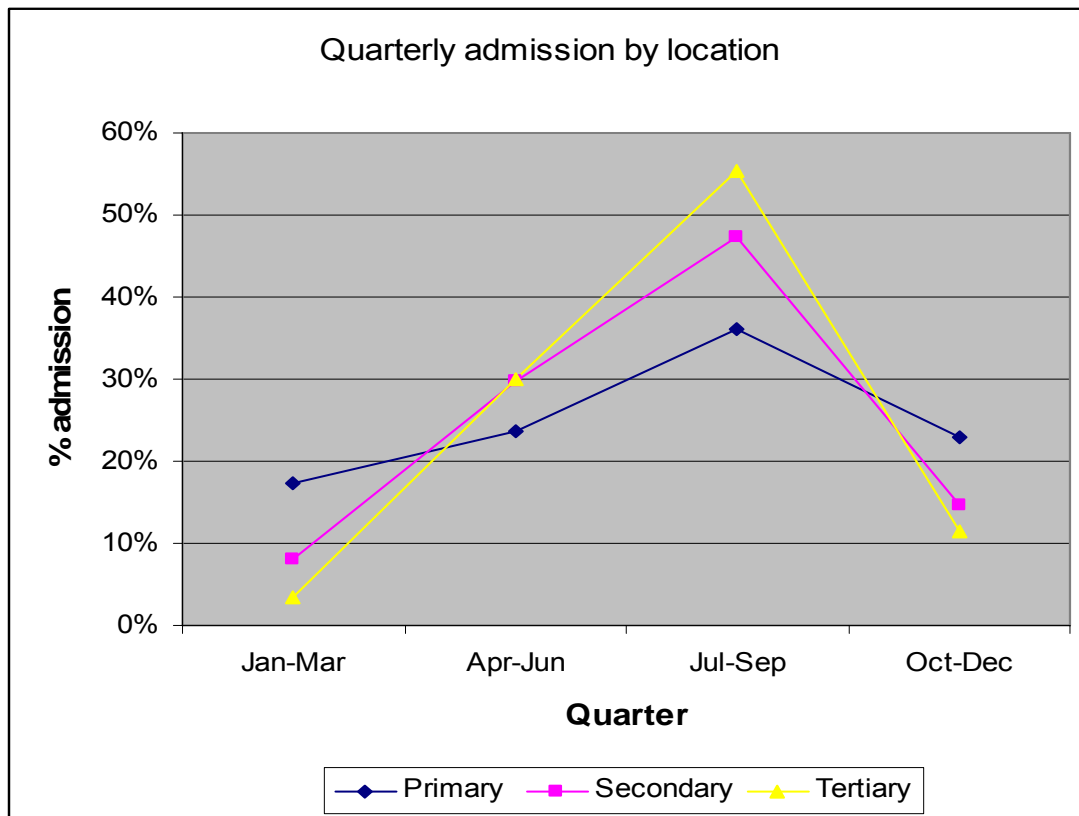
Admissions to university museums revealed a more evenly distributed profile with approximately a quarter of visitors arriving each quarter. The universities smoother profile could be explained by students and academics visiting the museum during term time (Q1, Q2 and Q4) and visitors occupying the summer months.

Independent museums show the most marked variation. Between Q1 and Q2 numbers climb sevenfold, before nearly doubling again from Q2 to Q3 before collapsing by three quarters in Q4. This profile in part reflects the large number of museums which only open for part of the year as previously stated. The fourth quarter's numbers are misleading, since a number of independent museums only stay open until the end of October this creates the impression that footfall is higher across this quarter than in quarter 1. The reality is that footfall in November and December is probably more similar to Q1.

6.9.1.3 Quarterly visitor distribution in 2000 by location

Admission to museums located in primary sites (Figure 6.9.1.3) is the most evenly distributed, rising from 17.38% in Q1 to 36.08% in Q3, before declining by 13 percentage points in Q4. Museums in secondary locations show a more marked spike, climbing sixfold between Q1 and Q3, before sharply sliding in Q4, however museums in tertiary locations portray an even more pronounced spike with admissions soaring seventeen fold between Q1 and Q3, before plummeting by nearly 80% in Q4. This reflects the point observed in section 6.8.1.3 that many tertiary museums are only open part of the year, therefore demand cannot be higher, because supply is unavailable.

Figure 6.9.1.3 Quarterly admissions by location in 2000



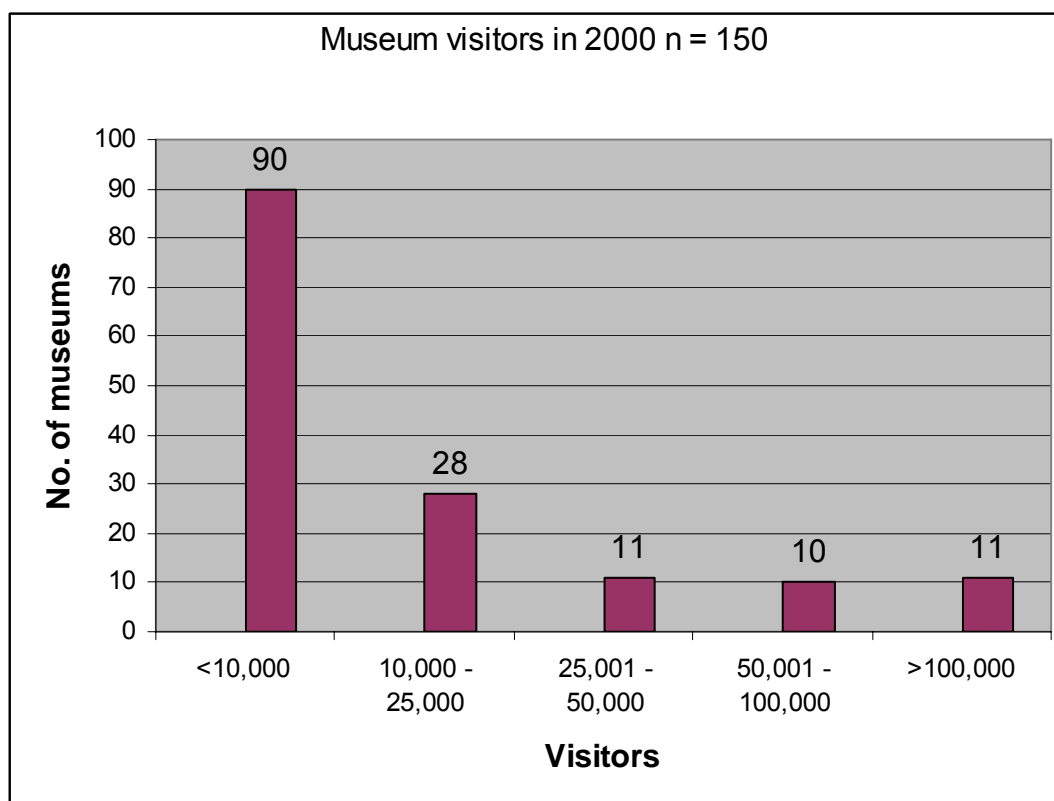
6.10.1 Museum visitors in 2000

This section examines in more detail visitor numbers to Scottish museums in 2000 and subsequently variations in the context of governance and location.

6.10.1.1 Museum visitors in 2000 - Scotland

One hundred and fifty museums responded, three museums did not respond (Figure 6.10.1.1). Eleven museums received more than 100,000 visitors in 2000, but over eight times that number of museums received less than 10,000 visitors. The information in Figure 6.10.1.1 shows a positively skewed distribution with a mode and a median less than 10,000 visitors.

Figure 6.10.1.1: Annual visitors to Scottish museums in 2000



The statistical pattern mirrors the National Audit (Scottish Museums Council 2002b). It recorded 281 or 64.6% museums as having fewer than 10,000 visitors in 2000-1, compared to 90 museums or 66.7% in this study. Extending analysis beyond 10,000 visitors to 50,000 visitors, (the next National Audit category) revealed 85.3% of this survey's museums were visited by less than

50,000, a figure that closely matched the National Audit's figure of 88.0%. Figure 6.10.1.1 indicated only 21 museums or 14.0% of this survey recorded more than 50,000 annual visitors and that only 11 museums or 7.3% of museums attracted more than annual 100,000 visitors .

The similarities in profile between Figure 6.10.1.1 and the National Audit (SMC 2002b) emphasise that a Scottish museum is typically attracting less than 10,000 visitors and that many of these museums are actually visited by less than 2,000 visitors. This reinforces the recurring question of sustainability, (Ryder 2000; Scottish Executive 2003; Scottish Museum Council 2002). Too few visitors equate to too little revenue and an inability to cover costs; and ultimately failure beckons. This pattern may have been historically associated with independent museums, but other governances increasingly face this dilemma, as funders, especially government, encourage museums to increase their income from visitors.

It should be noted, however, that the method of recording visitor numbers is open to interpretation and abuse. This flaw arises because many museums are free and only estimate their annual numbers based on observations at certain times and dates. Another weakness is the question of whether to record visitors who use a museum's café, shop or grounds, but who have not visited the collection. Some museums may record these visitors, others may not. The possibility is that some of these figures may be an over or under representation of visitor numbers and therefore may be distorting strategy and policies. This is possibly an area worthy of further investigation.

6.10.1.2 Museum visitors in 2000 *by governance*

The picture that emerges within the context of governance is that local authority, university, independent, and regimental museums are positively skewed; this is particularly marked amongst university and independent museums. These two governances; university and independent, are characterised by their low visitor numbers, < 10,000. The low visitor numbers associated with university museums may be the result of limited customer access, since the majority of these museums only open by appointment.

The majority of independent museums similarly attract less than 10,000 visitors, but the skew towards the small is more pronounced, since only one museum in this category attracts more than 100,000 visitors. The implication is that there is an underlying weakness amongst independent museums, preventing them from growing beyond a certain point. The concern is that this weakness is specific to independent museums, since no other governance suffers so markedly from this characteristic, yet all governances are operating in the same market, and therefore are subject to the same variables.

An explanation may lie in the collection; either it is too subject specific and therefore appeals to only a minority, or, the collection is too parochial and common place to warrant a visit. This visitor disinterest may be strengthened by a belief that because many of these museums are small, the subject matter does not change, therefore there is a lack of repeat custom. This perception may be valid, because a lack of visitors leads to insufficient funds to invest in new exhibits; paradoxically, the collection may not be some independent museums' greatest strength, because the collection is of limited interest or value.

Table 6.10.1.2: Museums recording 100,000 or more visitors in 2000 by governance

<i>Visitors</i>	<i>Nat.</i> <i>N= 8</i>	<i>Local</i> <i>N = 46</i>	<i>Univ.</i> <i>N=16</i>	<i>Ind.</i> <i>N = 78</i>	<i>Regt</i> <i>N = 5</i>
<10,000	0	20	11	58	1
10,000-25,000	4	8	3	10	3
25,001-50,000	0	6	1	4	0
50,001-100,000	1	5	0	4	0
>100,000	3	5	1	1	1
Missing	0	2	0	1	0

National museums reveal a bi modal distribution: one mode is clustered around 10,000–25,000 visitors, and a second mode around 100,000+ visitors. The larger museums attracting 100,000+ visitors are internationally renowned museums and galleries; by contrast, the museums attracting 10,000–25,000 are specialist museums e.g. maritime. It could be argued that like many independent museums the subject matter of the smaller, less well-visited museums has a more limited visitor appeal.

6.10.1.3 Museum visitors in 2000 *by location*

Eleven museums recorded more than 100,000 visitors in 2000 (Table 6.10.1.3). Nine of these museums were located in either Edinburgh or Glasgow, whilst the two other museums were located in the Greater Glasgow conurbation (Chatelherault), and Stirling (Argyll & Sutherland Highlanders Museum), a town easily accessible by motorway from Glasgow or Edinburgh. The latter's location in Stirling Castle is equally significant, because it is regularly the fourth or fifth most popular paying tourist attraction in Scotland (Scottish Tourist Board 2001, VisitScotland 2002, 2003, 2005, 2007). This geographical concentration mirrors annual Scottish Museum Council data (SMC 2003, 2004, 2005). The recurring evidence indicates that the most popular Scottish museums are sited in primary locations, especially Glasgow or Edinburgh, or sites close to primary locations. The least visited museums are in tertiary locations.

Table 6.10.1.3: Museum visitors in 2000, by location

<i>Visitors</i>	<i>Primary</i> <i>N = 33</i>	<i>Secondary</i> <i>N = 80</i>	<i>Tertiary</i> <i>N = 40</i>
<10,000	11	50	29
10,000-25,000	7	12	9
25,001-50,000	3	7	1
50,001-100,000	2	7	1
>100,000	9	2	0
Missing	1	2	0

Tertiary museums are characterised by a mode and a median of less than 10,000 visitors. This data reinforces the point that low visitor numbers generate low income and therefore brings into question the sustainability of such museums. Visitor income, which is discussed in greater depth in section 6.12.1, identifies visitor income, whether by admission, donation or commercial activities, as the main source of tertiary museums' income.

Only two museums, or 5%, of tertiary museums could claim visitor numbers in excess of 25,000 in 2000. These two museums were Rosslyn Chapel and Inverary Jail. These two museums enjoy unusual characteristics. Rosslyn Chapel's mysterious history has attracted visitors to the chapel for centuries,

but its location, although classed as tertiary, is only eight miles from Edinburgh and accessible by dual carriageway and trunk road. Inverary Jail's success has won it numerous awards, which suggests stakeholders' expectations are being managed, but also location appears to play a role. Inverary sits astride a major tourist route connecting Glasgow and the north-west Highlands and is a popular tourist destination for tourists and Glasgow day-trippers who are attracted by the town's architecture, castle and surrounding landscape. It can be argued that these two museums' appeal is due to a number of factors, but access respectively to Edinburgh and Glasgow helps to explain their success.

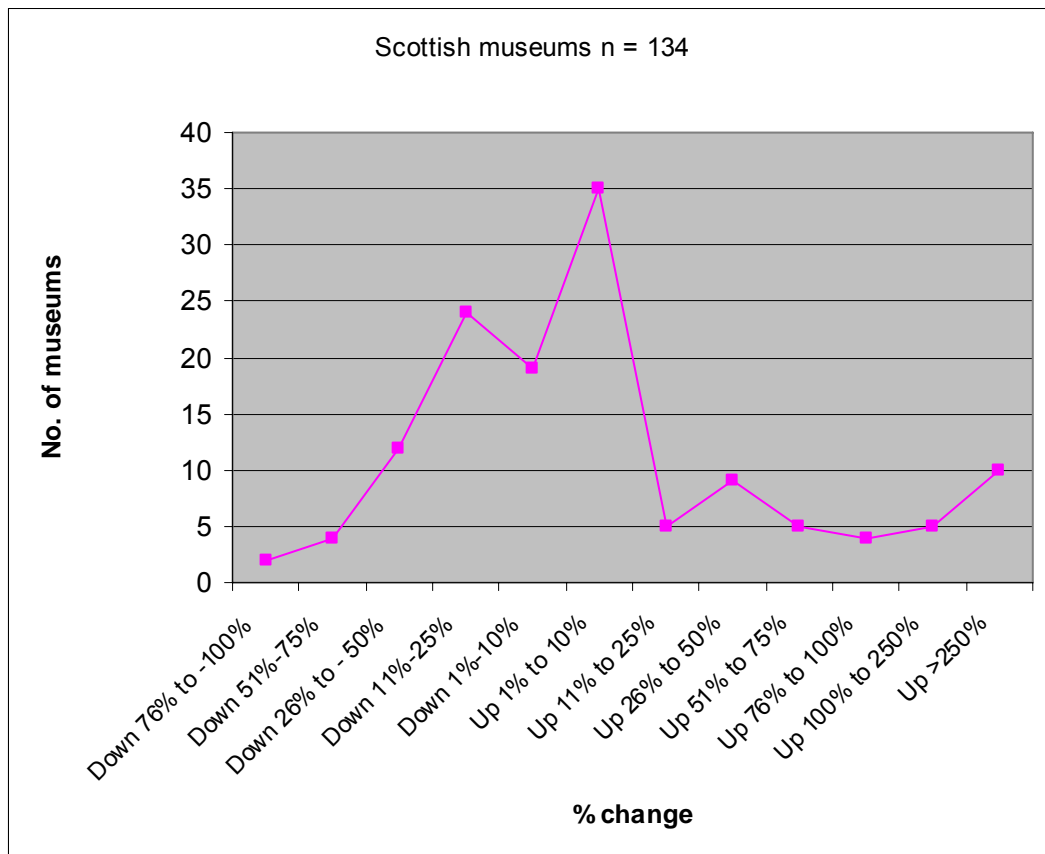
6.11.1 Museum attendance 1990 - 2000

This section evaluates changes in Scottish museum attendance during the 1990s and variations in the context of governance and location.

6.11.1.1 Museum attendance 1990 – 2000 (*Scotland*)

A majority of museums saw their attendance figures (Figure 6.11.1.1) rise during the 1990s: 73 museums compared to 61. However, half of those museums experiencing a rise in visitor numbers witnessed only a modest growth of 1-10% over the decade. A small number, nearly one in seven, nonetheless enjoyed an increase in visitor numbers of 75% or more, including 10 museums that enjoyed a footfall increase of more than 250%. The reasons cited for this growth include refurbishment, better presentations, and better signposting. The other end of spectrum revealed a less pronounced spike, only two museums had seen their numbers fall significantly. One museum cited the reason for this collapse on the loss of its premises following a change in the building's owners; the other museum blamed 'reduced funding and increased competition'.

Figure 6.11.1.1 Percentage change in Scottish museum attendance 1990-2000



Focusing on either end of the spectrum presents a positive picture, since museums experiencing 75% or more growth in visitor numbers outnumber those experiencing a 75% decline in visitor numbers by 9.5:1, however it is in the mid range 11%-25%, and 26%-50% that fallers outnumber climbers 36:14 suggesting that there are significant structural problems in the sector. These museums cited both industry specific and societal issues as the cause of declining visitor numbers. Micro-external problems focused on over supply, whilst societal pressures included increased competition, e.g. shopping centres, as alternative destinations, as well as more demanding customers and increased government legislation and bureaucracy. These explanations mirror many other sectors in the UK and find expression in Federation of Small Business reports e.g. 2003, 2006.

6.11.1.2 Museum attendance 1990–2000 by governance

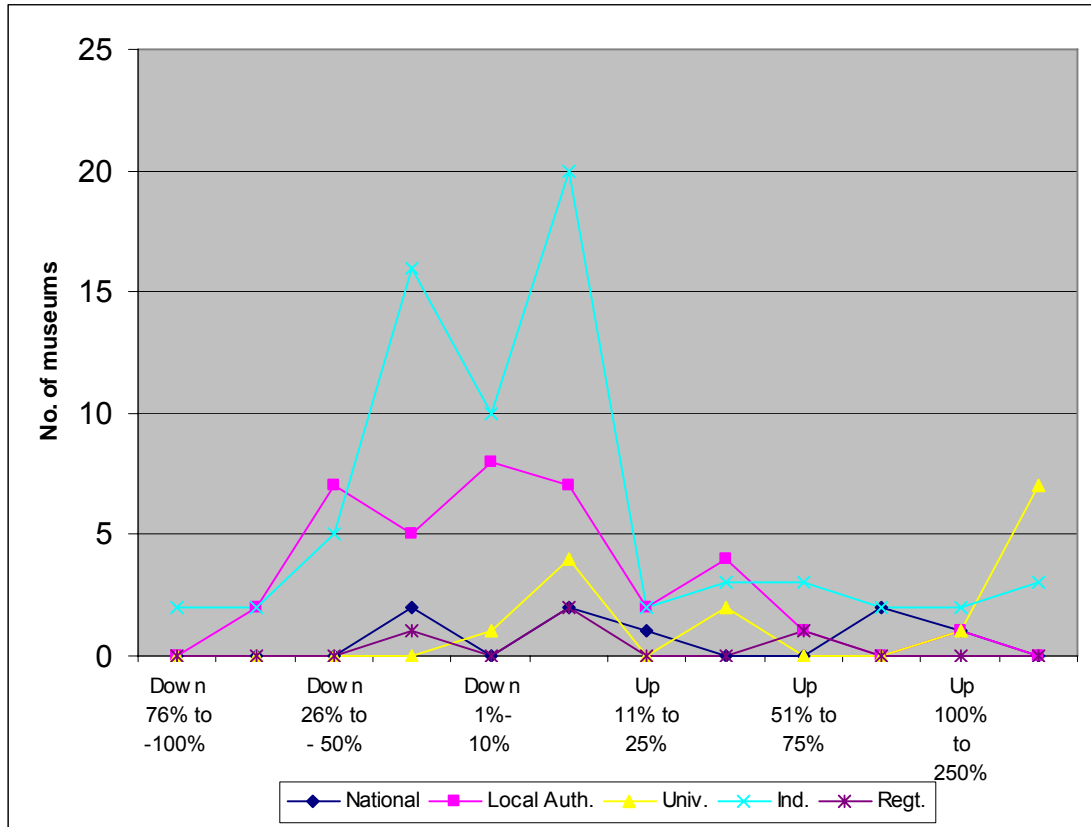
Figure 6.11.1.2 shows that the majority of university museums have experienced growth in museum attendance from 1990-2000, but that a small majority of local authority and independent museums have witnessed a decline in attendance. This is statistically borne out using one way ANOVA. The mean difference in university museums' attendance 1990-2000 was respectively 4.10 and 3.63 times higher than local authority and independent museums (Sig 0.000 and Sig 0.000).

The distribution of national museums is tri modal (Figure 6.11.1.2) which suggests these museums had varied experiences. Three national museums, the maritime museums, experienced a decline of 11%-25% in visitor attendance between 1990 and 2000. The museums attributed their decline to a lack of resources. Those national museums, which had experienced growth of 1% -10% in visitor numbers, wrote that their museums had developed a more professional approach during this period. The implication is that this approach led to better relationships with stakeholders, particularly in meeting visitors' needs. The high growth national museums stated that their museums had benefited from investment in buildings, better display material and more tailored educational programmes.

Local authority museums display a near bell shape distribution pattern with a mean and median lying in the category labelled visitor numbers down 1-10%. This marginal skew towards declining visitor numbers is attributed to local authority under-investment. Respondents felt that local authorities could ignore or neglect their museums because councils faced more pressing socio-political problems driven by more powerful stakeholders. The temptation for local authorities is to divert resources from museums (Boztas 2005a). This is borne out by respondents' comments. One curator commented '*Museums are a very 'soft' target, under-appreciated by public and governing body*', and another commented that '*lack of resources*

prevented better marketing'. These statements suggest that political disinterest translates into staff disillusionment, and arguably a poorer visitor experience.

Figure 6.11.1.2 Percentage change in attendance 1990 and 2000, by governance



These anecdotal comments, whilst valid, have to be taken in context, since section 6.7.1.2 indicated that local authority investment has been significant, judged on the number of new museums that have opened since 1985. The explanation for the respondents' criticism is that museum operating budgets have often been the victim of local authority cuts. These cuts have been poorly explained or argued, leading to the respondents' comments above.

University museums revealed the most positive picture; 14 of the 15 museums recorded an increase in visitor numbers, including seven museums, which had experienced stellar growth of 250%+ over the 1990s. This growth was attributed to increased university funding which had enabled

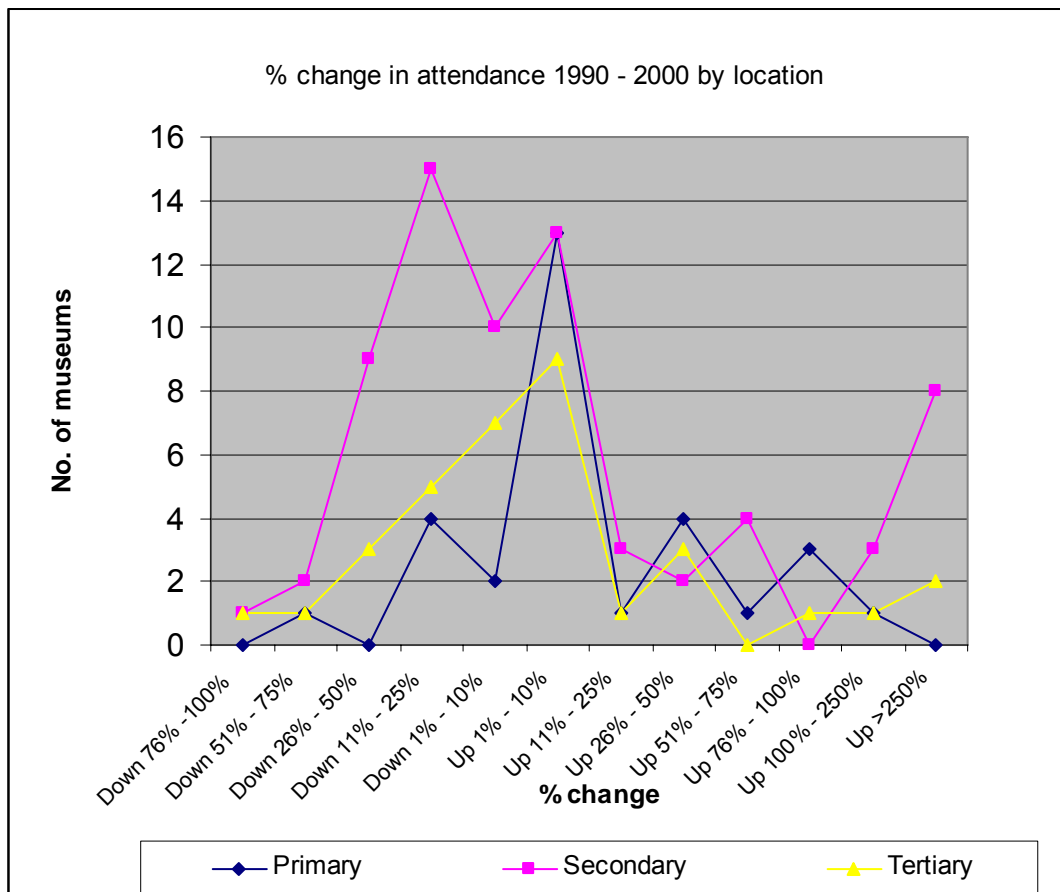
the museum to recruit more, and better, staff, leading to increased opening hours and the ability to deliver a better product. However, with the exception of the Hunterian museum attracting over 100,000+ visitors per annum, university museums attracted low visitor numbers, so that the explosive growth in visitor numbers in relative terms distorted the reality that, in absolute terms, visitor numbers were still less than 10,000 by 2000.

Independent museums revealed a similar visitor distribution pattern to local authority museums. The mean and median were planted in the category 1-10% decrease in visitor numbers, however these figures masked a bi modal central tendency. One mode clustered around the category of decrease 11%-25%, whilst a second mode emerged around 1%-10% growth. Explanations for those experiencing a decline of 11%-25% suggested that their museum had failed to keep up with customers' *'increased expectations'*, whilst another museum stated *'there are more museums now than 10 years ago, consequently more competition'*. By contrast, those museums that had grown identified a number of possible causes, including a greater focus on the community and a more commercial approach, which put greater emphasis on the customer. It is difficult to offer more than generalisations about regimental museums given the very small sample, but it is illuminating to note that of the three that recorded increases in visitor numbers, one specifically attributed their success to *"greater emphasis on the customer and less viewing it as glass boxes"*.

6.11.1.3 Museum attendance 1990–2000 *by location*

Primary located museums recorded the most positive growth. Twenty-three museums stated visitor numbers had risen, although the majority, 13, were within the range 'up 1%-10%' (Figure 6.11.1.3). This category also attracted the median and the mean. This data reinforces earlier observations regarding visitor numbers and income that accessibility to a large local market, as well as the cities' popularity as tourist destinations, help to explain their growth. Secondary and tertiary located museums reveal a more evenly balanced distribution between those museums experiencing growth and those experiencing decline, but the means and medians were lodged in the band 'down 1%-10%', suggestive of museum typologies, either stable, or in gentle decline. ANOVA reveals no statistically significant difference between the means of the three locations, therefore suggesting that location does not appear to have influenced museum attendance in the previous decade.

Figure 6.11.1.3 Percentage change in attendance figures between 1990 and 2000 by location



The high growth (100%-250% and 250% or more) secondary located museums comprised a group of university museums which, as previously stated in section 6.11.1.2, attributed their success to increased investment. The four other high growth museums were Stromness, The Baird Institute, Montrose Air Station and Almond Valley. Stromness believed their growth could be linked to Heritage Lottery Funding which had enabled it to develop a larger, more modern and attractive museum. This theme that investment results in increased visitor numbers was cited in 6.11.1.2. However this explanation is too simplistic, and may downplay the role internal stakeholders - governing body, staff, and volunteers - exert. Indeed, investment is often predicated on demonstrating organisational skills and competences to the funder, e.g. Heritage Lottery Funding. The Baird Institute's explanation was that greater emphasis on developing more appealing displays had attracted more local visitors.

Location arguably plays a role in Almond Valley Heritage Trust's success. It is sited in a major, growing new town, Livingston, population 62,230 (Scottish Executive 2004) and is only 20 minutes by motorway from Edinburgh. This ease of access to the local community and Edinburgh's large number of residents and visitors help to explain its growth. Montrose Air Station's growth in attendance is more difficult to assess, since the respondent offered no written explanation, and its local population is small by comparison to Livingston (Scottish Executive 2004). It is worth noting that growth is from a low base, as Montrose attracted less than 10,000 visitors in 2000.

The two, high growth, tertiary located museums are Crail and Roslyn Chapel; intriguingly both respondents mention greater emphasis on the customer. Their argument is that there are numerous alternative leisure attractions competing for the visitor's income. They specifically cite the transformation of garden centres into a competitor, maintaining that these places have adapted by providing warm, comfortable environments, and by providing ancillary activities such as catering, in order to enhance the visitors' experience. The observation is that;

“Value for money and visit enhancement is the name of the game”

Roslyn Chapel

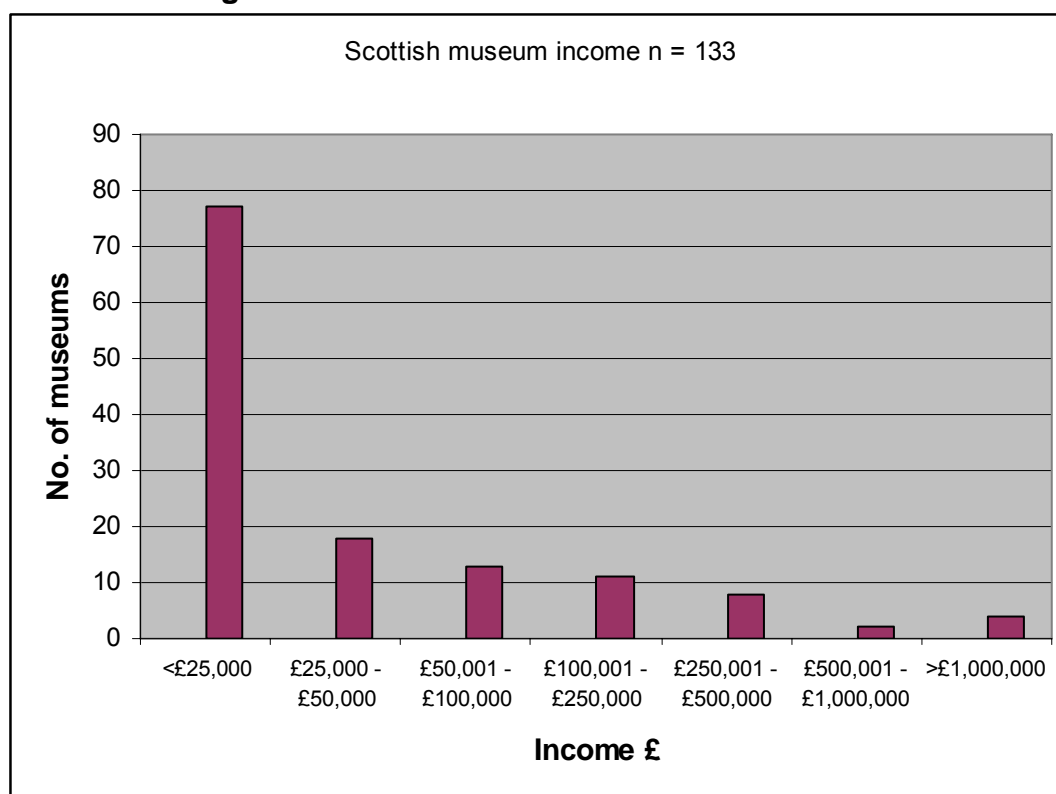
6.12.1 Total income from all sources in 2000

Income is a dominant theme in museum literature (Barr 2005; Brymer 2002; Goulding 2000; McPherson 2006), because many museums are struggling financially. To this end museums are searching for alternative sources encouraged by a dominant stakeholder, government. The following three sections: 6.12, 6.13., 6.14 quantitatively evaluate museum funding. The rationale for this exploration is that it helps to identify who funds Scottish museums and their possible influence on museum strategy.

6.12.1.1 Total income from all sources in 2000 - *Scotland*

Twenty museums did not submit data. This may reflect a number of reasons, including a traditional reluctance amongst many organisations to divulge financial information because it may reveal their financial strength or weakness. Other reasons may stem from the respondent's inability to access information, because it is recorded elsewhere, e.g. the finance department of a local authority. Dunn (1998) noted that the reluctance of Glasgow museums to release financial information forced her to revisit her doctoral aims and objectives.

Figure 6.12.1.1: Scottish museum income in 2000



Four museums recorded income of more than £1,000,000 (69, 76, and 116); whilst the fourth was a council’s museum department, which aggregated its four museums’ income. It admitted that one museums, (146) welcomed 12 times more visitors, than the other three museums combined, consequently the council distributed income on a pro rata basis. Figure 6.12.1.1 echoed other research (Scottish Museums Council 2002b) that the majority of museums earn relatively small amounts of income. This doctoral research calculated that nearly 60% of museums in 2000 earned less than £25,000 income, whilst only 3.0% earned more than £1,000,000 (Figure 6.12.1.1).

This sectoral skew towards organisations operating on low incomes relative to the large organisations is reflected in many other sectors of the economy, for example hotels (Halcro and Lynch 2003). The mean income falls between £25,001-£50,000, but the statistics more tellingly reveal that the median

income and modal income is less than £25,000. This positively skewed data reflects that many museums appear to be on the financial margin, and therefore these small museums' financial expertise often places as much emphasis on controlling costs as on growing revenue, since any rise in costs will have a disproportionate effect on the museums' financial position. Consequently, even well meaning legislation such as the National Minimum Wage Act (1998) or the Health & Safety Work Act (1975) can result in financial difficulty and closure.

This question's data strengthens the view that the typical museum not only attracts visitor numbers in the low thousands, but correspondingly survives on income of £25,000 or less (Figure 6.12.1.1). Museums that rely on visitors for the majority of their income are consequently financially very vulnerable, often dependent on stakeholders, in particular staff, governing bodies and local authorities, to support them either in kind or financially.

6.12.1.2 Total income from all sources in 2000 by governance

Data (Table 6.12.1.2) indicates four governances are dominated by museums which earned less than £25,000 in 2000, only national museums are excluded from this category. Independent and local authority museums are particularly marked by their low income and that survival often relies on outside intervention in the form of a grant or donation in kind. Survival for many independent museums depends on the goodwill of volunteers, the governing body and the local community, similarly local authority museums survival depends on local authorities.

Table 6.12.1.2: Museum/gallery income from all sources in 2000, by governance

<i>Income</i>	<i>National</i> <i>n = 8</i>	<i>Local Authority</i> <i>n = 46</i>	<i>University</i> <i>n = 16</i>	<i>Independ.</i> <i>n = 78</i>	<i>Regt.</i> <i>n = 5</i>
<£25,000	0	23	5	47	2
£25,000 - £50,000	0	0	7	11	0
£50,001-£100,000	1	4	2	5	1
£100,001-£250,000	1	3	1	5	1
£250,001-£500,000	0	3	0	5	0
£500,001-£1,000,000	0	1	0	1	0
>£1,000,000	1	2	1	0	0
Missing	5	10	0	4	1

The response rate for national museums, n=3, was too small to generalise, but to note, no national museums' income was less than £50,000 in 2000. It suggests that national museums are not as financially vulnerable as many other Scottish museums.

The distribution of income amongst local authority museums is skewed towards those generating income of less than £25,000, 23, but a number of museums, 9, generated income over £100,000, including two: (76) and (146) which generated earned over £1,000,000 in 2000.

This skew towards the small scale was even more pronounced among independent museums with 78.6% recording income of less than £50,000 in 2000. This skew elicited the following comment from the National Audit in its analysis of Scottish museum income;

“Perhaps the most significant figure is the fact that the majority of independent museums operate on a budget (income) of £50,000 or less.”

(SMC 2002:35)

Only one independent museum (26) earned more than £500,000 in 2000. This museum was not listed in the Scottish Museums Council’s database, but it was listed in the 24-hour museum database. It offers a mix of displays and public space for networking. Its remit may offer a solution to other museums to think creatively about the use of their space as a meeting place and hub. It must be acknowledged, though, that its location near Buchanan Street in Glasgow city centre may be a critical factor in its success.

The low income generated by university museums points to the fact that they are frequented by small numbers of visitors. They are sustained by university monies. The exception is The Hunterian in Glasgow, which received significant funding through research grants, as well as generating approximately 20% of its revenue from commercial activities such as venue hire, catering, retailing, and lectures.

The small number of regimental museums responding to this questionnaire (n=4) makes it difficult to offer generalisations, save to observe that (28) generated the largest revenue, £100,001-£250,000. Its financial strength appears to be related to its commercial activities. It claimed that in 2000 it received over 70% of its revenue from retailing and catering, a percentage considerably higher than the other regimental museums. The reasons for its success appear unclear, but are possibly bound up with issues raised in section 6.16.1, which reveal the museum has an exceptionally, large number of volunteers. This characteristic suggests that success in attracting

volunteers translates into financial success and, in a virtuous cycle, commercial success attracts volunteers.

6.12.1.3 Total income from all sources in 2000 by location

The distribution pattern of income mirrors the financial pattern of other sectors e.g. brewing where a small number of organisations generate a significant turnover, relative to that sector. In this research only four museums had an operating income of more than £1,000,000, and a further two had income in excess of half a million pounds. These six museums included: three based in Glasgow, one in Edinburgh, one in Greater Glasgow, and one in a medium size town. This last museum has been noted positively in other studies (Park 1998). The only tertiary located museum generating more than £250,000 in 2000 was Rosslyn Chapel. Rosslyn Chapel's close proximity to Edinburgh (eight miles) and well-publicised mythology, as previously stated, offer critical reasons for its financial success.

Table 6.12.1.2: Museum/gallery income from all sources in 2000 by location

<i>Income</i>	<i>Primary n = 33</i>	<i>Secondary n = 80</i>	<i>Tertiary n = 40</i>
<£25,000	11	40	26
£25,000 - £50,000	1	14	3
£50,001-£100,000	4	3	6
£100,001-£250,000	4	6	1
£250,001-£500,000	2	5	1
£500,001-£1,000,000	1	1	0
>£1,000,000	3	1	0
Missing	7	10	3

All museums are skewed towards the low income end of the scale, but this is most marked in those museums located in rural areas: 70% of all tertiary museums have income of less than £25,000, compared to 57% for museums located in secondary locations and 42% of those located in primary locations. This evidence clearly indicates that there is linkage between location and income and is statistically supported using one way ANOVA. The mean income of primary located museums is 1.104 and 1.405 greater than secondary (Sig. 0.018) and tertiary located museums (Sig 0.002)

6.13.1 Source of income in 2000

This section discusses the diverse sources of revenue Scottish museums received in 2000 and then analyses revenue in the context of governance and location.

6.13.1.1 Source of income in 2000 - *Scotland*

The museum sector derives its income from a variety of sources as evidenced in Table 6.13.1.1. The single most important source of funding in 2000 was government, whether in the form of the Scottish Executive or local authorities. It contributed over a third of the sector's income, 36.8%, and helps to explain this stakeholder's power and legitimacy and, when required, its ability to exercise urgency. If taken with university funding and Scottish Museums Council funding, government funding rises to 39.8%. This figure is less than stated in previous literature (Dunlop, Galloway, Hamilton & Scullion 2004; Wilson & Boyle 2004) which estimated that government was responsible for 55-70% of the sector's income. The difference may be attributable to the number of independent museums in this survey. This governance relies less on government funding than the other four museum governances (Scottish Museums Council 2002b). The statistics do however emphasise the sector's need to work with, and respond to, government, because without this funding many museums would fail. This government intervention also illustrates the argument that commercially this public good is unsustainable without government intervention (Barr 2005; Barton 2000; Johnson 2003; O'Neill 2006a; Towse 2003; Sanz et al 2003).

Table 6.13.1.1 Percentage source of operating income – Scotland

<i>Source</i>	<i>Percentage</i>
Government	36.8%
Retail	20.5%
Admission	17.3%
Donations	8.7%
Catering	4.3%
University	2.7%
Interest received	1.7%
Gift Aid	1.1%
Subscriptions	0.8%
Fund Raising	0.6%
Scottish Museum Council	0.3%
Other	5.2%
Total	100.0%

The need to diversify and seek other sources of funding makes strategic sense, and museums have made significant attempts to develop their commercial revenue by developing retailing and catering operations. The importance of retailing to the museum sector is evident: it generated a fifth of museum revenue in 2000, and when combined with catering totalled almost a quarter of museum revenue in 2000. The importance of these commercial activities (McPherson 2006) helps to explain why museums need to develop their managerial skills as a complement to their curatorial ones. The knowledge and skills required running commercial operations with its emphasis on revenue and profit maximisation contrasts the curatorial skills of research and learning demanded by museums (Babbidge 2002; Fopp 1997; Moore 2004)

6.13.1.2 Source of income in 2000 *by governance*

Analysing income by governance reveals the importance of government to each of the five typologies, but its importance is most explicit amongst national, local authority, and university museums. It is noted that only three National museums responded to this question, but the percentage closely corresponded to the National Audit (SMC 2002b). The role of the Scottish Executive and local authority in funding these three governances provides a strong degree of stability and as the National Audit (SMC 2002b:36) argues,

“cushions these organisations from fluctuations in visitor numbers and visitor expenditure ... and enables them to maintain consistent standards for core museum responsibilities”

The implied concern expressed in the National Audit is that government subsidy creates a dependency culture and stifles a need to diversify museum income, but the data in Table 6.13.1.2 suggests independent and regimental museums and, to a lesser extent, local authority museums have diverse income streams.

Some local authority museums, notably: (13), (39), (71) and (114), stated that more than three quarters of their income in 2000 came from retailing. These figures helped to lift the local authority figure for retailing to 20.30%, a figure more than six times than that noted in the National Audit (SMC 2002b). These discrepancies suggest possible different methodological approaches or respondents' misunderstanding of one or both survey's questions. Only questioning the original respondents and examining the National Audit survey tool would help to explain why this discrepancy arose.

Table 6.13.1.2: Percentage source of income by governance

<i>Source</i>	<i>Nat.</i> <i>N = 8</i>	<i>Local</i> <i>N = 46</i>	<i>Univ</i> <i>N = 16</i>	<i>Independ</i> <i>N = 78</i>	<i>Regt.</i> <i>N = 8</i>
Government	81.67%	59.81%	47.87%	21.54%	18.20%
Retail	0.83%	22.18%	7.50%	20.07%	44.90%
Admission	13.00%	5.73%	0.00%	27.04%	6.40%
Donations	1.70%	5.98%	5.13%	11.05%	7.30%
Catering	0.73%	4.66%	0.00%	4.75%	3.90%
University	0.00%	0.00%	37.50%	0.49%	0.00%
Interest received	0.00%	0.00%	0.00%	3.18%	0.00%
Gift Aid	0.00%	0.00%	0.00%	1.81%	2.00%
Subscriptions	0.00%	0.62%	0.00%	1.54%	0.00%
Fund Raising	0.00%	0.00%	0.00%	1.12%	0.00%
Scottish Museum Council	0.00%	0.00%	0.00%	0.58%	0.00%
Other	2.07%	1.02%	2.00%	6.83%	17.30%
Total	100.00%	100.00%	100.00%	100.00%	100.00%
<i>Missing</i>	5	6	8	8	0

Independent and regimental museums generated the greater percentage of their income from the customer, although government contributes about a fifth of museum income to these two governances (Table 6.13.1.2). Income from admissions is the single largest source of independent museum funding. It accounts for over 27% of income; but the visitor in his/her various guises: admissions, retailing, catering, donations and fund raising was the main source of income, contributing over two thirds of independent museum revenue in 2000, compared to about 35% of local authority income, and an even smaller percentage amongst national and university museums. The financial importance of visitors, particularly to independent museums, is self evident, and explains the myriad comments about this stakeholder's salience (Barr 2005; Evans 1995; Fopp 1990, 1997; Hooper-Greenhill 1994; Lennon & Graham 2001; Scottish Museums Council 2002b).

Regimental income in 2000 appeared to rely heavily on retailing, but this figure was distorted by two museums (47, 96) claiming that retailing provided over 80% of their income. This skew on a small sample should be treated with caution.

6.13.1.3 Source of income in 2000 by location

Government funding (Table 16.13.1.3) provided between 32p and 40p in every pound of museum revenue in 2000. Secondary located museums enjoyed the highest level of government support. Similarly secondary located museums generated the highest amount of revenue from retailing, although tertiary and primary located museums also enjoyed significant percentage income from retailing.

Table 6.13.1.3: Percentage source of income by location

<i>Source</i>	<i>Primary</i> <i>N = 33</i>	<i>Secondary</i> <i>N = 80</i>	<i>Tertiary</i> <i>N = 40</i>
Government	36.17%	39.90%	32.00%
Retail	15.60%	23.65%	18.28%
Admission	10.13%	17.75%	21.17%
Donations	11.34%	7.10%	9.60%
Catering	9.34%	3.12%	3.04%
University	12.50%	0.54%	0.00%
Interest received	0.00%	0.55%	4.70%
Gift Aid	0.63%	0.90%	1.66%
Subscriptions	0.00%	1.27%	0.68%
Fund Raising	0.00%	0.19%	1.71%
Scottish Museum Council	0.00%	0.00%	1.05%
Other	4.30%	5.03%	6.11%
Total	100.00%	100.00%	100.00%
Missing	9	16	2

The most significant differences amongst admission were between tertiary and primary sites, tertiary sites enjoyed twice as much revenue from admissions as primary, although this was marginally offset by higher donations in primary sites.

Primary museums derived three times as much revenue in percentage terms as secondary and tertiary sites. The expectation is that primary museums would have received less income from their catering operations than secondary or tertiary museums because of the number of restaurants and cafes in the cities. One explanation may be that primary sites are earning considerable revenue from associated catering activities, i.e. functions. One

city museum (69) stated that 5% of its revenue came from functions. Another explanation for catering's importance is that primary museums are larger and have sufficient space to devote to catering, whilst secondary and tertiary sites smaller in size believe retailing offers an easier and better commercial solution, particularly as it avoids certain legal requirements, in terms of health and hygiene legislation.

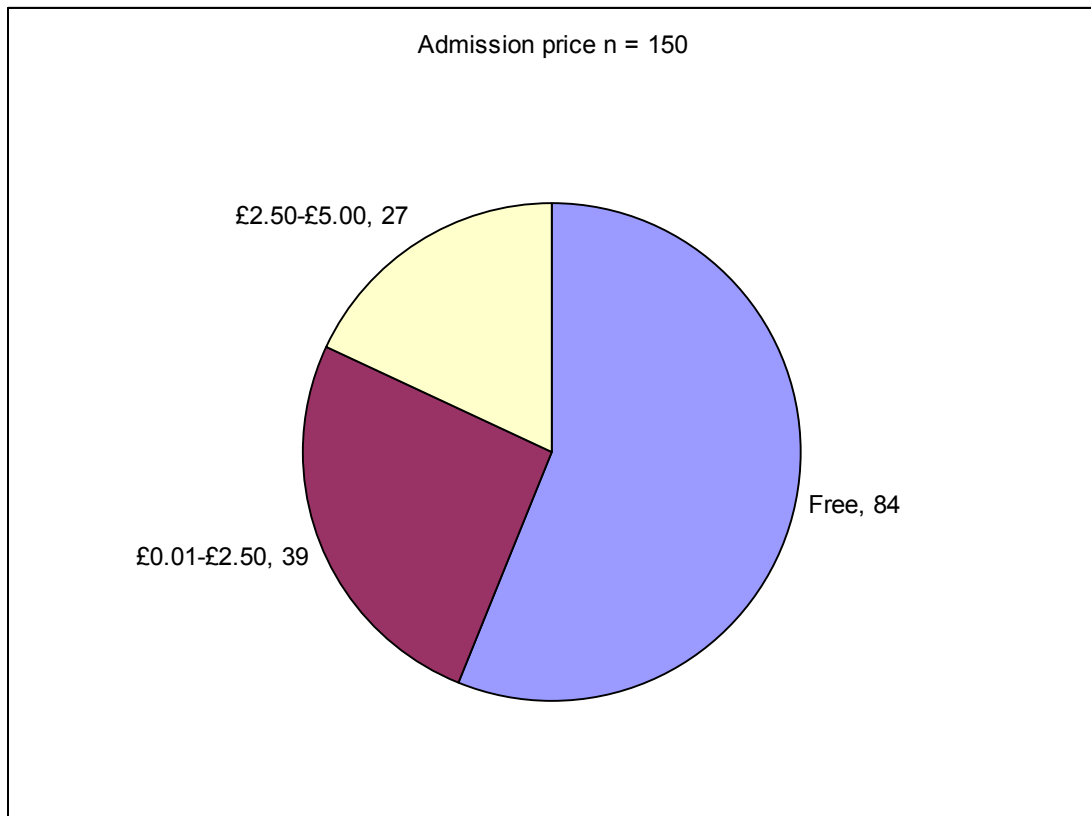
6.14.1 Adult admission charge

This section explores the extent of admission charging in Scotland. Charging is a controversial issue (Bailey & Falconer 1998), but it came to the fore in the 1990s when the Labour party pledged to abolish it. The data is analysed to discover whether charging is influenced by governance and location.

6.14.1.1 Adult admission charge - *Scotland*

One hundred and fifty museums replied, the majority, 56.0%, stated that admission was free, a percentage that corresponds to other research (SMC 2002b). No museum at that period in time February–June 2001 charged more than £5.00 admission for an adult. The issue of charging is an emotive topic within the museum sector. The Conservative governments' practice (1979-97) was to allow museums to make their own decisions regarding admission charging. This policy militated against Labour government philosophy and practice, particularly in the context of social inclusion (Bailey, Falconer, Foley, McPherson & Graham 1997). The UK government's decision to abolish admission charges for English and Welsh national museums was followed by the Scottish Executive in 2001. The difficulty for museums is that charging creates a moral and financial conundrum. The argument against charging is that it discourages visitors, primarily those from lower socio-economic groups. It also appears to be the antithesis of a civilised society which seeks to foster knowledge and learning (Johnson 2003). These reasons provide the moral justification for free museum entry.

Table 6.14.1.1 Adult admission charge in 2000 - Scotland



But, as Bailey and Falconer (1998) argue, this service is not free. Frequently, the tax payer underwrites the museum service. The decision to abolish national museum charges reflected the definitive stakeholder's salience: government. This overtly moral stance contradicts the financial reality of sections 6.12 and 6.13, which indicate that many museums appear to be financially unsustainable.

6.14.1.2 Adult admission charge *by governance*

Table 6.14.1.2 reveals that seven local authority museums charged admission, an apparent contradiction of section 32 Public Libraries Consolidation (Scotland) Act 1887. These charges may relate to special exhibitions or displays, or possibly a legal loop hole, which allows specific local authority museums to charge. This situation appears more anomalous when cast against the realisation that other museums within the same local authority are free. This situation occurred in the following local authorities: Dumfries & Galloway, East Ayrshire Scottish Borders, Shetland, and Western Isles. There appears to be no discernible operational, political or geographical pattern linking these authorities to explain why they are charging admission and is a possible source of further research.

Table 6.14.1.2: Adult admission charges by governance in 2000

<i>Price</i>	<i>National</i> <i>n = 8</i>	<i>Local</i> <i>n = 46</i>	<i>Univ</i> <i>n = 16.</i>	<i>Independ</i> <i>n = 78</i>	<i>Regt.</i> <i>n = 4</i>
Free	3	38	15	25	3
£0.01-£2.50	0	6	1	31	1
£2.50-£5.00	5	1	0	21	0
Missing	0	1	0	1	1

The majority of independent museums charged admission for an adult, but a substantial minority did not charge (Table 6.14.1.2). This appears paradoxical since this governance is characterised by financial fragility (Ryder 2000; Roberts 2003; Scottish Museums Council 2002b), yet 25 museums disregarded a source of revenue. The explanation for not charging is that the museum's governing body may believe it is contrary to the museum's ethos as defined by ICOM (2001) and Scottish Museums Council (2001c), and that it acts as a barrier to social inclusion. It may also be prompted by a fear that charging will discourage visitors and lead to a decline in retail and catering revenue.

6.14.1.3 Adult admission charge *by location*

The majority of primary located and secondary located museums are free (Table 6.14.1.3), in contrast to tertiary located museums. The data indicated a primary located museum was approximately twice as likely to be free as a tertiary located museum. The argument was that museums, which traditionally support free admission: national, local authority, and university predominate in primary and secondary locations, as opposed to independent museums, which are more likely to be tertiary sited. Another possible explanation may be that museums in primary locations are competing against other free attractions, such as shopping centres, libraries and parks. It is also possible that primary museums use free entrance as a promotional tool to encourage visitor spending in their shops and restaurants. This strategy, however, is not validated by statistics (section 6.13) which indicated that tertiary located museums generated more income in relative terms from retailing than primary located museums.

Table 6.14.1.3 Adult admission charges by location in 2000

<i>Price</i>	<i>Primary</i> <i>N = 33</i>	<i>Secondary</i> <i>N=80</i>	<i>Tertiary</i> <i>N = 40</i>
Free	24	44	16
£0.01-£2.50	3	25	10
£2.50-£5.00	5	10	13
Missing	1	1	1

6.15.1 Commercial services

The question sought to assess the importance of commercial activities to a museum, because of museums' need to diversify and grow income.

6.15.1.1 Commercial services - *Scotland*

Museums receive approximately a quarter of their income from commercial activities, such as catering and retailing (section 6.13), although some museums generated a considerably higher percentage in 2000. The benefit of this income is evident financially, but it is also driven by customer expectations. Customers increasingly demand that museums provide services such as retailing and catering as part of the 'museum experience', for example:

“Public expects considerably more from museums than they used to. They expect most museums to have websites, email, instant access to collections, etc. Museums are also expected to have cafes and shops.”

(154)

Respondents were asked to rank six ancillary services in terms of commercial importance; 72 museums ranked a shop as the most important commercial activity (Table 6.15.1.1). The importance of retailing is strengthened by the fact another five museums cited their e-commerce and mail order activities as of greatest commercial importance. This perception reinforces quantitative data expressed in Table 6.13.1.1 which calculated that more than 20% of Scottish museum funding is derived from retailing. It also supports evidence that museums are increasingly relying on retailing as a source of revenue (Ford & Mottner 2002; McPherson 2006).

Table 6.15.1.1 Most important commercial activity to Scotland's museums n = 112

<i>Shop</i>	<i>Catering</i>	<i>Room hire</i>	<i>E-Commerce</i>	<i>Mail order</i>	<i>Crèche</i>
72	24	11	4	1	0

Retailing's popularity can be attributed to the perception that it is a low cost, low risk income generator requiring little space, specialist equipment, or formalised training compared to catering. All museums have the space to sell products, even if the range is limited to small products such as pencils, where as catering requires more space, specialist skills and equipment. This more onerous investment means that catering is popular with only a third as many museums as a gift shop. The advantage for museums is that catering encourages longer stays and possibly greater sales. Catering therefore may be an invaluable source of revenue at a time when many museums are struggling financially (McPherson 2006; Wilson & Boyle 2004).

The third commercial activity, room hire, offers many advantages to museums. It allows them to maximise their revenue by selling a facility that is already a sunk cost. The other advantage is that it can generate further revenue, by offering catering as an 'add on' to room hire. The disadvantage for museums is that space may be limited, and that there may be a fear that the collection will be damaged.

6.15.1.2 Commercial services *by governance*

Analysing the importance of these commercial activities by governance (Table 6.15.1.2) indicated that retailing was particularly important to local authority, independent and regimental museums. Approximately 60% of local authority museums and regimental museums and 50% of local authority classified retailing as their most important ancillary activity. By contrast, half of national museums emphasized the importance of catering, an outcome based on greater resources. Evidence in this questionnaire, for example in sections 15, 16 and 19, indicate that national museums have the staff and the income to invest in sizeable catering operations. National museums are also invariably housed in large buildings or large sites e.g. Royal and National Museum, which have the space to set aside for catering.

Table 6.15.1.2: Most important ancillary services by governance

<i>Commercial activity</i>	<i>National</i> <i>N = 8</i>	<i>Local Authority</i> <i>N = 46</i>	<i>University</i> <i>N = 16</i>	<i>Independent</i> <i>N = 78</i>	<i>Regimental</i> <i>N = 5</i>
Shop	2	27	2	38	3
Catering	4	7	1	12	0
Room hire	0	5	2	3	1
E-Commerce	0	1	0	3	0
Mail order	0	0	0	1	0
Crèche	0	0	0	0	0
Missing	2	6	11	21	1

A caveat to the above information asked if the museum sub-contracted any of its commercial activities (Table 6.15.1.2). Seventeen museums indicated that they sub-contracted their retailing and/or catering to a third party, in absolute terms this was most common amongst independent museums. The only governance not to engage in sub-contracting was the regimental museums, which may suggest a different organisational culture. Their small number, n=5, makes it difficult to hypothesise, but it might be worthy of further investigation within a wider investigation using Miller's (1998) thesis as the basis of a longitudinal comparison.

6.15.1.3 Commercial services *by location*

Location (Table 6.15.1.3) was no barrier to a museum's commercial activity. All locations viewed commercial activities with equal enthusiasm, approximately three quarters of each governance rated one of their ancillary services as important. There was, however, variations across the governances.

Table 6.15.1.3: Most important commercial services, by location

<i>Commercial activity</i>	<i>Primary N = 33</i>	<i>Secondary N = 80</i>	<i>Tertiary N =40</i>
Shop	8	45	19
Catering	9	7	8
Room hire	5	6	0
E-Commerce	1	1	2
Mail order	1	0	0
Crèche	0	0	0
Missing	9	21	11

Primary sites rated retailing and catering in almost equal measure, by contrast secondary and tertiary sites favoured retailing; in particular, secondary museums were enthusiastic supporters of a shop. The importance that secondary and tertiary museums attach to a shop and retailing more generally may be based on the belief that it offers a low risk strategy compared to catering.

6.16.1 Museum staffing

The following section profiles staffing within Scotland's museums as at 2000.

6.16.1.1 Museum staffing - *Scotland*

The responses revealed 4,136 people working in 144 Scottish museums. This consisted of 1,700 full time staff, 683 part time staff and 1,753 volunteers. The responses revealed a wide range of staffing levels and mixes. The largest employer was the Royal Museum & National Museum of Scotland in Chambers Street, Edinburgh, which employed 361 full time staff, 145 part time staff and approximately 100 volunteers. At the other end of the spectrum, twenty museums relied solely on volunteer staff.

The percentage mix between full-time, part-time and volunteer was 41:17:42. This compares to the National Audit's staff mix of 37:10:53 (SMC 2002b). The mixes to an extent differ, but nonetheless both surveys indicate the large number of volunteers in relative and absolute terms working in Scotland's museums. Volunteers are an important resource to Scotland's museums both as a tangible and intangible asset. They are a tangible asset that helps to reduce labour costs, which is often a museum's single biggest operating cost (SMC 2002b). Their presence is a sign of community enthusiasm and goodwill whose intangibility provides the museum with a competitive advantage (Barney 1991). This intangibility is rooted in a complex relationship, because the volunteers' motivations for involvement are so diverse (Holmes 2003).

The three largest museum employers (Table 6.16.1.1) each listed more than 100 full time employees and a further 14 museums employed between 10 and 48 full time staff, but the remaining 127 museums employed less than 10 full time staff. The mean staffing team was 26; split two sixths full time, one sixth part time and three sixths volunteers, however the mean paints a misleading picture as it is distorted by data from the three largest museums each employing over 100 people. The largest museum's staffing complement

equates to Bolton's (1971) definition of a large firm, whereas the reality is that a typical Scottish museum is more akin to a micro organisation (Bolton & Thompson 2004) based on the median employment levels of one full time employee, two part time employees and two volunteers. This skew towards micro organisations amongst Scottish tourist attractions has been observed elsewhere (Halcro & Lynch 2003; Scottish Museum Council 2002b; Watson, McCracken & Hughes 2004).

Table 6.16.1.1: Three largest museum employers by employment category (numbers of staff in brackets)

<i>Full- time staff</i>	<i>Part- time staff</i>	<i>Volunteers</i>
Royal Museum & Museum of Scotland (361)	Royal Museum & Museum of Scotland (145)	Gordon Highlanders (126)
Kelvingrove Art Gallery & Museum (325)	Callendar House (20)	Abbot House Heritage (100)
National Gallery of Scotland (218)	Pollok House (15)	Royal Museum & National Museum of Scotland (100 approx)

The Royal Museum & National Museum of Scotland in Chambers Street, Edinburgh, was the largest employer of full-time and part-time staff. Kelvingrove's full-time staffing complement of 325 also categorised it as a large-scale employer, but unlike the Royal Museum & National Museum of Scotland, it did not employ significant numbers of part-time staff. No ready explanation can be offered for this fact, but maybe reflects an historical practice. The Royal Museum & National Museum of Scotland was the only museum to employ significant numbers of part-time employees. The next largest employer of part-time employees was Callander House, which listed 20 staff. A further 13 museums stated that they employed between 10-15 part-time staff.

The largest employer of volunteers in Scotland was the Gordon Highlanders museum in Aberdeen, which listed 126 volunteers. This characteristic may be related to military pride in the regiment. This postal questionnaire occurred five years after the regiment had merged with another Highland regiment, in spite of widespread opposition. This publicity may have generated renewed

enthusiasm for the regiment and subsequently the museum. Other explanations may include an enthusiastic and motivated curator, and possibly strong community support as evidenced by the rating the respondent gave it on the postal questionnaire. Neither of the other two largest employers of volunteers explained their success in attracting volunteers. The large number of volunteers staffing Abbot House Heritage would indicate that they have a critical role in the museum, but their low stakeholder rating in question 20 suggests an unexplainable anomaly.

6.16.1.2 Museum staffing by governance

Analysis of staffing levels by governance (Table 6.16.1.2a) revealed that national museums had total staffing complements approximately seven times larger than regimental museums, 11 times larger than independent and local authority museums and 25 times larger than university museums. This dominance is particularly marked in relation to full-time staff where national museums have a 12:1 superiority over local authority and 82:1 in relation to independent museums. Again, in terms of part-time staff, national museums enjoy higher staffing levels of approximately 12: 1 in their favour compared to the other four governances. It is acknowledge that these ratios are based on a small number of national museum responses. The National Audit (SMC 2002b) commented on this dominance and attributed it to their larger scale and size, but also larger, more stable sources of funding (Scottish Museums Council 2002b).

Table 6.16.1.2a: Mean employment profile, by governance

<i>Mean Employment status</i>	<i>National n = 8</i>	<i>Local Authority n = 46</i>	<i>University n = 16</i>	<i>Independent n = 78</i>	<i>Regimental n = 5</i>
Full time	148.3	12.6	4.1	1.8	2.4
Part time	38.3	3.6	2.2	2.8	2.4
Volunteers	37.3	3.1	2.4	16.2	26.6
Total	224.4	19.3	8.7	20.8	31.4
Missing	4	0	0	4	0

National museums are the largest user of volunteers, although regimental and independent museums attracted significant numbers of volunteers, particularly in relation to paid employees. This characteristic is suggestive of stronger relationships with the community and an organisational culture that encourages volunteering. Intriguingly the largest employer of volunteers was the Gordon Highlanders Museum, which recorded 126 people.

The mean, whilst indicative of average staffing, was skewed by the presence of a small number of large museum employers, the median presents a more accurate picture of average staffing levels (Table 6.16.1.2b), since it is

unaffected by extreme values and is more relevant where there are small samples, in this case national, university and regimental museums.

Table 6.16.1.2b: Median employment profile by museum governance

<i>Median Employment</i>	National n = 8	Local Authority n = 46	University n = 16	Independ. n = 78	Regimental n = 5
Full time	115	2	1	1	3
Part time	5	2	1	1	2
Volunteers	25	0	0	10	2
Missing	4	0	0	4	0

Median data emphasises four of the five governances are micro by definition (Bolton & Thompson 2004), only national museums indicated a different organisational structure, one more akin to a medium size enterprise. The micro nature of employment means many museums find it difficult to achieve their objectives. Lacking sufficient staff they face the difficulties of many small firms: a tendency to focus on the needs of the moment, and ignore strategy (Irvine & Anderson 2004; Katsioloudes & Tymon 2003).

6.16.1.3 Museum staffing by location

The largest full time employer by location is variously: primary - Royal & National Museum of Scotland (361), secondary - Paisley Museum & Art Galleries (31) and tertiary - The Museum of Flight (12). These weightings help to explain the mean figures. These showed primary located museums employ 15 times more full time employees than secondary museums and 28 times more employees than tertiary sites (Table 6.16.1.3)

Table 6.16.1.3a: Mean employment profile by location

<i>Mean Employment status</i>	<i>Primary N =33</i>	<i>Secondary N =80</i>	<i>Tertiary N = 40</i>
Full time	36.9	2.5	1.3
Part time	7.9	3.3	2.5
Volunteer	15.0	12.7	10.7
Total	58.3	18.5	14.6
Missing	2	4	2

The median presents a more realistic picture (Table 6.16.1.3b): and again emphasises that the majority of museums irrespective of their location were in 2000 micro by employment definition (Bolton & Thompson 2003; Deakins & Freel 2003). The higher number of paid staff found in primary museums compared to secondary and tertiary arguably impacts on the museums' abilities to satisfy their aims. Their greater staffing allows a wider depth and breadth of activities to be undertaken, by contrast the secondary and tertiary museums lack staff numbers and specialist skills. The particular difficulty facing tertiary museum is that volunteers have other financial and social commitments, which mean they cannot devote the time and effort to a museum that a full-time employee can.

Table 6.16.1.3b: Median employment profile by location

<i>Median Employment</i>	<i>Primary</i>	<i>Secondary</i>	<i>Tertiary</i>
Full time	3	1	0
Part time	2	2	1
Volunteer	0	1	3
Missing	2	4	2

The positive aspect for tertiary museums is that the presence of so many volunteers is a public manifestation of the community's enthusiasm for the museum. This engagement reflects the complex and intriguing relationship a community enjoys with its museum (Smith 2001).

6.17 Management's perception of museum stakeholders

This section examines stakeholder salience in the context of Scotland, and more specifically in relation to governance and location. This process allows the stakeholders to be mapped and reviewed in the light of the literature presented in Chapters 2, 3, and 4. The data was ranked and interpreted within the context of Wood, Mitchell and Agle's (1997) salience stakeholder model, although detailed application was difficult without further qualitative information.

The question used a five point Likert scale to gauge the importance of stakeholders to Scotland's museums. Agle, Mitchell & Sonnenfeld (1999) similarly used a Likert scale to gauge Chief Executive Officers' opinions about stakeholder salience to the organisation.

The Scottish museums' data were presented in two formats: one as a table of descriptive statistics; the second as a table presenting the range of responses to each stakeholder, which served to illustrate the variations underpinning the descriptive statistics. The number of valid responses ranged from 128 to 147, excluding the stakeholder labelled *other* which recorded only 17. The use of ordinal data lends itself to analysis through the median (Denscombe 2003, Neuman 2004), but relying on one descriptive statistic has limited value. Similarly relying on the mean may distort the findings, since it is affected by extreme values (Kerr, Hall & Kozub 2003). The decision was made to incorporate the mode, mean and standard deviation, as well as examining the distribution of the stakeholder ratings.

6.17.1 Management's perception of the importance of museum stakeholders - Scotland

The ordinal data produced by this question (Table 6.17.1a) revealed that based on the median *the governing body*, *paid staff*, and *local government (funders)* were the most important stakeholders, each scoring 1. The least important Scottish museum stakeholders were the *banks* and *UK Government /EU Commission funders* who rated a median score of 5. The inclusion of the mode and the mean indicated that museums rated *the governing body* and *paid staff* as more important than *local government (funders)*. It is illuminating to note that when analysed in the context of their Likert scores (Table 6.17.1b), the *governing body's* ability to affect the museum is more pronounced; 92 respondents considered the *governing body* as having a lot of importance to their museums. This rating was the highest attributed to any stakeholder. The governing body's influence is frequently cited in literature (Babbidge 2002; Carroll & Buchholtz 2003; Ulrich 2004), because it has the power, urgency and legitimacy to control and command the organisation.

Table 6.17.1a: Descriptive statistics, Scotland's museums

<i>Stakeholder</i>	<i>Valid Responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std dev.</i>
Governing body	143	1	1	1.66	1.107
Staff - paid	131	1	1	1.88	1.431
Local government (funders)	135	1	1	2.52	1.584
Customers – local general public	145	2	1	2.07	1.116
Customers – tourist	147	2	1	2.07	1.114
Voluntary staff	129	2	1	2.57	1.638
Local community	146	2	2	2.29	1.146
Scottish Museums Council	143	2	2	2.51	1.299
Scottish Executive /UK government (legislators)	131	3	3	3.11	1.340
Local area tourist board	137	3	3	3.18	1.283
Customers – researchers	135	4	3	3.49	1.196
Scottish Executive (funders)	141	4	5	3.52	1.584
Benefactors	139	4	5	3.60	1.295
EU (legislators)	128	4	5	3.66	1.258
Competitors	132	4	5	3.67	1.169
Customers – commercial	130	4	5	3.88	1.335
Suppliers (equipment)	131	4	5	4.15	0.985
UK government/EU Commission (funding)	130	5	5	4.07	1.295
Banks	132	5	5	4.38	0.977
Other	17	2	1	2.65	1.835

The weighting attributed to *the governing body* is strengthened by the standard deviation (1.107) compared to a standard deviation of 1.431 for *paid staff*, which indicates that there is less deviation around the mean. The explanation for the difference in standard deviation lies in the point that 19 museums rated *paid staff* as having no importance compared to only eight for the *governing body*. This difference is suggestive of museums which do not have paid staff and instead rely on voluntary labour to staff the museum. This feature is most marked amongst museums generating income of less than £25,000, often those in rural areas.

The median and modal scores of 1 for *local government (funders)* corresponded to *the governing body* and *paid staff*, but its mean score was higher, 2.52. This difference lay in the large number of museums, 34, that

rated *local government (funders)* of as no importance. A number of reasons exist for so many museums rating local authorities as unimportant, notably their governance. National, university, regimental and some independent museums do not apply for funding, or maybe the respondent was unaware that local authorities fund museums, or possibly the museum had applied for local authority funding, but had been rejected. This rejection led the museum to regard the local authority as unimportant.

Scrolling down the rankings a cluster emerged, including: *local customers, tourists, voluntary staff, Scottish Museums Council, and the local community*. Each stakeholder recorded a median of 2, and a mean between 2.07 and 2.57, and a modal score of either 1 or 2. These descriptive statistics reflected their importance to Scottish museums in general, but the number of times that these stakeholders rated a two or a three on the Likert scale (Table 6.17.1b) indicated that they were not of the first importance. Interestingly only 4 and 7 respondents respectively rated *local customers* and *tourists* as unimportant. The survey's data suggests that there is widespread recognition, albeit to varying degrees, of the customers' importance to museums. This reflects a mixture of macro and micro forces, including societal changes, direct and indirect government policy and initiatives designed to create a more consumer focussed society (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2005).

Table 6.17.1b: Stakeholder ratings, Scotland's museums

Stakeholder	Valid Responses	A lot 1	Importance →		Not at all 5	
Governing Body	143	92	26	14	3	8
Paid staff	131	83	21	6	2	19
Local government funders	135	68	10	10	13	34
Customers – local	145	60	36	32	13	4
Customers – tourist	147	57	45	30	8	7
Voluntary staff	129	55	16	17	11	30
Local community	146	43	47	33	16	7
Scottish Museums Council	143	38	43	28	19	15
Scottish Executive/UK government legislators	131	20	25	31	30	25
Local area tourist board	137	15	28	41	24	29
Customers – researchers	135	7	23	37	33	35
Scottish Executive funders	141	29	11	19	22	60
Benefactors	139	9	24	29	29	48
EU legislators	128	10	13	31	31	43
Competitors	132	5	17	37	30	43
Customers – commercial	130	9	18	16	24	63
Suppliers (equipment)	131	2	7	22	39	61
UK/EU funders	130	9	11	17	18	75
Banks	132	2	6	17	22	85
Other	17	7	4	0	0	6

Voluntary staff, like *customers*, recorded a median of 2 and a mode of 1. These figures indicated that to many museums *voluntary staff* are of significant importance, but its mean of 2.57, the highest standard deviation of 1.638 and the second lowest number of responses, 129, all suggest that a number of museums either do not see *voluntary staff* as important or, at best, one of limited importance. Scrutinising the ranking distribution revealed that 30 museums placed no importance on *voluntary staff*, the second highest after *local authority* amongst the first eight stakeholders. This is suggestive that these museums did not use *voluntary staff* or used them only in a very limited manner.

The mean for the *local community* was 2.27 and a standard deviation of 1.146, indicating that the majority of ratings were 1,2,3; in effect demonstrating its importance to Scottish museums. This is reinforced by a median and mode of 2 and reflects the role the community provides in providing labour, money and artefacts, but also intangible assets in the guise of experience and access to social networks.

A similar descriptive pattern can be attributed to *Scottish Museums Council*, a recognition that museums value its operational advice and support, and the strategic lead it provides to non-national museums. Its remit does not cover the national museums and this may partially explain some of the 34 museums who rated the *Scottish Museums Council* as of little or no importance. However, this number suggests that many non-national museums regarded the *Scottish Museums Council* in 2001 as largely immaterial to its organisation. This is a source of concern that excluding possible national museums at least a fifth of this survey did not rate their membership body. The explanation may lie in the *Scottish Museums Council's* strategic shift in the late 1990s, which emphasised greater collaboration with its principal funder the newly formed Scottish Executive and less provision of technical support to its members. This shift would have annoyed and upset some members.

Two stakeholders, *Scottish Executive/UK government as legislators* and the then *local area tourist board*, indicated these stakeholders had the power to affect museums; but that their relationship based on the descriptive statistics was limited to particular instances, such as a legislative act, e.g. the Minimum Wage Act 1998, or when advertising an event.

Commercial customers, researchers, suppliers, benefactors, competitors, Scottish government as funders, and EU Commission (legislator) appeared to have limited impact on Scottish museums, but researchers were identifiable as having a modal score of 3, perhaps reflective of the continuing role of research in many museums' aims. The rating attached to *Scottish Executive as a funder* reinforces their limited financial role within the general museum world. One surprise is that *competitors* did not rate more highly. Its median and modal scores indicate that few museums viewed competitors as having a major influence on museum management. This suggests that a key part of the positioning school of strategic thinking, i.e. competitors or

substitution from rival industries, e.g. leisure, is not a critical dynamic in shaping Scottish museum strategy.

The lack of importance attached to *banks* and *UK Government/EU Commission funding* reflected a variety of issues. Firstly, a museum's status as a not-for-profit organisation means that many may be reluctant to borrow money, unlike commercial organisations. This arises because loans often require collateral. The commercial practice is to set the loan against the value of an asset. Many museums greatest assets are their artefacts, but often it is difficult to place a monetary value on artefacts. Secondly, there is a moral and sometimes legal impediment to this practice, because in the event of defaulting on a loan it would be extremely difficult to sell an artefact as stakeholders would oppose the move; for example the Museum Association's recent decision to expel Bury Council from its membership for selling a Lowry painting (Heal 2006). The UK Government's very limited importance to Scottish museums mirrored the fact that museums are a devolved issue and therefore UK government funding is irrelevant. European Union funding is available, yet either Scottish museums ignore this source, or are unaware of it. For some, location may prevent them bidding, but others may lack the skill, knowledge or time to prepare the necessary documentation. Often the skills and time required to submit documents are present in national museums or larger local authorities, but lacking amongst the vast majority of museums, which have few if any permanent staff. Effectively these conditions act a barrier to growth.

The final stakeholder, *other*, is anomalous, since its median, mode and mean scores suggest it is important to Scottish museums, but only 11 of the 17 responses gave any credence to this stakeholder. Examination of the ratings' distribution revealed seven museums rated *other* as 'very important', namely:

8. Museum of Flight - NMS senior management
9. Brownsbank Museum - Writers and academics of Brownsbank Advisory Committee
10. Toy Museum, Glendale - Skye Toll Bridge

11. Dollar Museum - Heritage Lottery Fund
12. Argyll & Sutherland Highlanders Museum - Historic Scotland
13. Tangwick Haa Museum - Shetland Amenity Trust
14. The University of Edinburgh Natural History Collection - Re:Source

None of these seven stakeholders appeared elsewhere and further analysis shows that one stakeholder, Skye Toll Bridge, no longer exists following its abolition. It is interesting, but surprising to note that only one museum out of 153 gave any rating to the Heritage Lottery Fund (HLF) and then it was to rate it as 'very important'. The Heritage Lottery Fund's role in helping to fund and re-develop museums was recorded widely in the respondents' comments, but its influence on management appears limited. This finding seems paradoxical, but arguably must be of concern to HLF that museums either disregard it or regard their relationship as so transient as to be largely meaningless. An explanation for this minimal impact is revealed in discussions with HLF. It indicates that HLF only monitors an investment until the project is completed, thereafter it does not check or evaluate the investment, and effectively the relationship ends.

The evidence postulates that within a Scottish setting eight stakeholders were more influential and that these stakeholders' salience aligned with the literature review. The definitive stakeholder was the *governing body*, although *paid staff* also figured prominently in many respondents' answers, but the greater range of ratings reflected a higher standard deviation and the reality that some museums had no *paid staff*. These characteristics were reflected in *local government* which was rated 'highly important' amongst the majority of respondents, although those museums that did not receive local government funding rated it as 'unimportant'. The following section assesses this data and possible variations within the context of museum governance.

6.17.2 Management's perception of the importance of museum stakeholders, by governance

The following section analyses stakeholders' importance within the context of governance to assess any variations between the five governances: national, local authority, university, independent, and regimental.

6.17.2.1 Management's perception of the importance of stakeholders to National museums

The number of valid responses ranged from 5 to 8, excluding the stakeholder labelled *other* which recorded 2 (Table 6.17.2.1a). The national museum stakeholder profile approximated the Scottish profile, but it also revealed discernible differences. Similarities existed in the importance national museums attached to *the governing body* and *paid staff*, but national museums ranked *local customers* more highly than Scottish museums in general (Table 6.17.1a). The importance of *local customers* appears to contradict the criticism (Babbidge 2002; Fopp 1997) that public museums were disinterested in the consumer. It is accepted, though, that further substantive evidence is required to support this rating given the small sample size of eight relative to the number of national museums in Scotland, 43 (SMC 2002b).

This belief that the customer has increased in importance is strengthened if the median and mode for *tourists* is also examined. Its median and mode are the same as *local customers*; but its higher mean and greater standard deviation indicated one national museum, the Travelling Gallery, did not regard *tourists* as important. The Gallery's mission was to encourage local people to experience contemporary art and this aim helps to explain its view of tourists as unimportant.

The most significant difference between national museums and Scottish museums in general is the importance the former placed on *The Scottish*

Executive, both as (*funder*) and *legislator*. National museums ranked the Scottish Executive as a dominant stakeholder compared to Scottish museums in general. The explanation is that it is the main source of income for national museums (Table 6.13.1.2) and this provides a source of stability, arguably missing from the other governances (SMC2002b). *Scottish Executive/UK Government (legislator)* rated similarly to its role as funder, but scored a higher standard deviation, 1.643. This reflected a wider variation in opinions. Three national museums, all located in Edinburgh rated government as a legislator as very important, whilst the Museum of Flight, and the Travelling Gallery regarded it as of limited importance. The numbers involved are too small to offer a conclusive interpretation, but it is worthwhile noting that the Museum of Flight is located in a tertiary site, and the Travelling Gallery tours Scotland. The possibility is that location and proximity to the Scottish Parliament may sensitise a museum to the Scottish Executive's legislative powers.

A group of three stakeholders comprising *Commercial customer*, *Researchers* and *Local community* emerged with a similar data profile; but intriguingly national museums placed greater importance on *Commercial customers* and *Researchers* than Scottish museums in general. The importance of the former may reflect the national museums efforts to diversify their income, although in relative terms commercial activities generate only a small percentage of revenue (Table 6.13.1.2). Their importance may be more perceived, than real and perhaps mirrored the number of enquiries national museums experienced with commercial customers, rather the amount of revenue actually generated. The importance of *Researchers* supports a major aim (ICOM 2001) of museums, research, but it also represents demand from researchers to access artefacts of significance (Scottish Museums Council 2002b).

A cluster of six stakeholders: *Local area tourist board*, *Scottish Museums Council*, *Suppliers (equipment)*, *Benefactors*, *Competitors* and *Banks*

emerged with median scores of 3 and mean and modal scores of 2 and 3. This group of stakeholders' relationship with national museums is important, but arguably intermittent. Their power can be translated into activities that support or hinder the museum, but urgency only exists periodically, for example *local area tourist board* promoting an event or a *benefactor* donating an artefact. Their influence is at that moment in time, but may not continue.

One observation appears contradictory is the importance attached to the *local customer*, but the limited importance of the *local community*. This appears paradoxical, but maybe explained by the national museums' belief that their community cannot be defined by their local geography but is defined by the nation state. So that the *local visitor* is drawn from a relatively short distance, but that *the community* encompasses a much broader geographical definition.

Stakeholders characterised as having modal scores of 5 and median scores of 4 reflected their limited influence on national museum management, including *voluntary staff*. The negligible importance of *voluntary staff* to many of the national museums is borne out by data in Question 19, which showed that paid staff outnumbered volunteers by approximately 4:1. This information, plus the reality that many volunteers work limited hours, results in them having little impact on management thinking. It suggests that national museums continue to view volunteers in economic terms rather than leisure terms (Holmes 2003) and may be neglecting a source of competitive advantage (Boezeman & Ellemers 2007). The one museum to rate volunteers as important was The National Gallery of Scotland, but paradoxically it recorded no voluntary staff on its questionnaire. This contradiction is difficult to explain, but possibly the respondent recognised the value of volunteers qualitatively, but could not quantify their numbers.

Table 6.17.2.1a: Descriptive statistics, National museums

<i>Stakeholder</i>	<i>Valid Responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std dev.</i>
Customers – local general public	8	1	1	1	0.000
Staff - paid	8	1	1	1.38	0.518
Scottish Executive (funders)	8	1	1	1.38	0.744
Governing body	8	1	1	1.38	1.061
Customers – tourist	8	1	1	1.63	1.408
Scottish Executive/UK government (legislators)	5	1	1	2.20	1.643
Customers – commercial	8	2	2	2.63	1.302
Customers – researchers	8	2	2	2.50	1.309
Local community	8	2.5	2	2.50	0.535
Local area tourist board	8	3	2	3.13	1.126
Scottish Museums Council	8	3	2	3.25	1.282
Benefactors	8	3	3	2.88	1.126
Competitors	8	3	3	3.38	0.916
Banks	8	3	3	3.38	0.916
Suppliers (equipment)	8	3	3	3.50	1.069
Voluntary staff	7	4	4	3.29	1.380
Local government (funding)	8	3	1	3.00	1.852
EU Commission (legislators)	5	4	3	4.00	1.000
UK Government/ EU Commission (funder)	5	4	5	3.60	1.673
Other	2	1.5	1	1.50	0.707

Table 6.17.2.1b: Stakeholder ratings, National museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot 1</i>	<i>Importance →</i>	<i>Not at all 5</i>		
Customers - local general public	8	8	0	0	0	0
Staff – paid	8	5	3	0	0	0
Scottish Executive (funder)	8	6	1	1	0	0
Governing body	8	7	0	0	1	0
Customers – tourist	8	6	1	0	0	1
Scottish Executive/UK						
Government (legislator)	5	3	0	0	2	0
Customers - commercial	8	1	4	1	1	1
Customers - researchers	8	1	5	1	0	1
Local area tourist board	8	0	3	2	1	0
Scottish Museums Council	8	0	3	2	1	2
Local community	8	0	4	4	0	0
Benefactors	8	1	0	5	0	2
Competitors	8	0	1	4	2	1
Banks	8	0	1	4	2	1
Suppliers(equipment)	8	0	1	4	1	2
Voluntary staff	7	1	1	1	3	1
Local government (funder)	8	3	0	2	1	2
EU Commission (legislator)	5	0	0	2	1	2
UK Government/EU Commission (funder)	5	1	0	1	1	2
Other	2	1	1	0	0	0

6.17.2.2 Management's perception of the importance of stakeholders to local authority museums

A cluster of four stakeholders emerged as the most critical group to local authority museums; *local government (funder)*, *paid staff*, *the governing body*, and *local visitors*, each scored 1 in terms of their median, mode and mean (Table 6.17.2.2a). The least important stakeholders to local authority museums were *suppliers*, *banks* and *benefactors* who rated median and modal scores of 5, and a mean of between 4.30–4.84. Examining the distribution of data in Table 6.17.2.2a emphasises the importance of *local government (funder)* to local authority museums. This feature has previously been noted in section 6.13.1, which demonstrated that nearly 60% of local authority museum funding is derived from Scottish local authorities. Its position as the dominant funder helps to explain *local government's (funder)* position as arguably the definitive stakeholder, because it has the power, urgency and legitimacy to increase or reduce operational funding.

An interesting observation is that Table 6.17.2.2b indicated one local authority museum rated the *local authority (funder)* as having no importance; (Burns House, Mauchline Tryst). The museum's respondent revealed it received no income from its local authority, instead it relied on admission charges and commercial activities; a fact supported by the National Audit (SMC 2002b).

The *local authority (funder)*'s position as the definitive stakeholder is closely matched by the following stakeholders, *paid staff*, *customers*, and *governing body*. Based on these descriptive statistics each of these stakeholders appears to be invested with similar power, urgency and legitimacy and probably one or more of them can and will supplant *local government (funder)* as the definitive stakeholder at any given moment in time.

The profile of the *local community* and *tourists* is similar to the four previously discussed stakeholders in that their modal scores are 1, but the higher

distribution of twos and threes relegated their importance. The position of the *Scottish Museums Council* indicated it had some credence within local authority museum, but its position is one that is more advisory than dominant. The ratings attributed to the remaining stakeholders suggest that their power, urgency and legitimacy were muted, although local authority museums were aware of the *Scottish Executive/UK Government* role as a legislator to impact on them.

Table 6.17.2.2a: Descriptive statistics, Local Authority museums

<i>Stakeholder</i>	<i>Valid</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std Dev.</i>
Local government (funder)	46	1	1	1.20	0.687
Staff – paid	44	1	1	1.41	0.871
Governing body	44	1	1	1.55	0.791
Customers – local general public	45	1	1	1.69	0.973
Local community	46	2	1	1.87	1.002
Customers – tourist	45	2	1	2.07	1.009
Scottish Museums Council	46	2	2	2.61	1.238
Scottish Executive /UK government (legislator)	45	2.5	3	2.56	1.159
Competitors	44	3	3	3.25	1.102
Local area tourist board	46	3	3	3.28	1.277
EU Commission (legislator)	43	3	3	3.30	1.245
Scottish Executive (funder)	45	3	5	3.13	1.486
Voluntary staff	40	4	5	3.70	1.381
UK government/EU Commission (funder)	44	4	5	3.61	1.333
Customers – researchers	45	4	5	3.76	1.131
Customers – commercial	43	4	5	3.73	1.406
Benefactors	42	5	5	4.29	1.019
Suppliers(equipment)	42	5	5	4.33	1.000
Banks	43	5	5	4.84	0.568
Other	4	5	5	4.25	1.500

Table 6.17.2.2b: Stakeholder ratings Local Authority museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot</i> 1	<i>Importance</i> →		<i>Not at all</i> 5	
Local government (funder)	46	41	3	1	0	1
Staff - paid	44	33	7	2	1	1
Governing body	44	28	8	8	0	0
Customers general public	45	25	13	4	2	1
Local community	46	21	15	5	5	0
Customers - tourist	45	16	14	12	2	1
Scottish Museums Council	46	8	18	9	6	5
Scottish Executive/UK						
Government (legislator)	45	8	15	15	2	5
Competitors	44	2	9	16	10	7
Local area tourist board	46	5	7	14	10	10
EU Commission (legislator)	43	4	6	16	7	10
Scottish Executive (funder)	45	10	5	10	10	11
Voluntary staff	40	3	6	9	4	18
UK Government/EU						
Commission (funder)	44	4	6	8	11	15
Customers - researchers	45	1	6	11	12	15
Customers - commercial	43	5	5	5	11	17
Benefactors	42	0	4	5	8	25
Suppliers(equipment)	42	1	2	4	11	24
Banks	43	0	1	1	2	39
Other	4	0	1	0	0	3

6.17.2.3 Management's perception of the importance of stakeholders to University museums

Table 6.17.2.3a provided a ranking order of the university museums' stakeholders. Six to fourteen responses were generated for each stakeholder excluding *other*. The data indicates that *paid staff* was the definitive stakeholder; however this pre-eminence rested on only six responses, whilst the next three stakeholders each rated between 14 and 16 responses. It is accepted that the greater number of responses to these stakeholders; *Scottish Executive (funder)*, *Governing Body*, and *Scottish Museums Council* lend more credibility to their weighting relative to *paid staff*. The three most important stakeholders *paid staff*, *Scottish executive (funder)* and *governing body* rankings approximated to those found in other governances, such as national museums. Their positions reflect the power, urgency and legitimacy they embody, a position that *Scottish Museums Council* also appears to hold.

Its higher ranking can be attributed to the responses received from St Andrews University's seven collections. The keeper of these collections was formerly a director of Scottish Museums Council whose knowledge and insight into that body led him to weight this stakeholder accordingly.

University museums viewed the *community* with ambivalence. A majority of museums regarded it as important, but five respondents placed little or no importance on the *community* (Table 6.17.2.3b). The majority of respondents offered no evidence to support their rating, although one museum (107) stated it was fighting a threat from the university to reclaim space from the museum for other uses. The implication was that the curator's attention was focused on trying to meet/fend off the governing body's demands. The respondent rating the university's governing body as 1 in terms of importance supports this supposition. This example reinforces The University Museums Group's (2004) claim that many UK universities regard museums as a peripheral activity, but possessing resources that a university regards as valuable.

The remaining 13 stakeholders were regarded as either of limited or no importance. The one exception was *voluntary staff*. Three out of seven respondents viewed voluntary staff as an important reflection of their staffing mix (3, 107, 137). None of these museums employed full time staff, and in one case was sustained solely by volunteers (107).

Table 6.17.2.3a: Descriptive statistics, University museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std. dev.</i>
Staff – paid	6	1	1	1.17	0.408
Scottish Executive (funder)	14	1	1	1.43	0.756
Governing body	16	1	1	1.56	1.094
Scottish Museums Council	16	1	1	1.69	1.138
Local community	15	2	2	2.87	1.187
Customers – researchers	8	2.5	3	2.25	0.886
Staff – voluntary	7	3	1	2.86	1.864
Benefactors	15	3	2	3.07	1.163
Customers – local general public	15	3	3	2.93	0.884
Customers – tourist	15	3	3	3.13	1.060
Local area tourist board	8	3.5	3	3.75	1.165
Scottish Executive/UK Government (legislator)	8	4	4	3.63	1.188
EU Commission (legislator)	8	4.5	5	4.00	1.195
Customers – commercial	8	4.5	5	4.25	0.886
Suppliers(equipment)	8	5	5	4.38	0.916
Banks	8	5	5	4.88	0.354
Competitors	8	5	5	4.75	0.463
Local government (funder)	7	5	5	4.71	0.488
UK Government/EU Commission (funder)	7	5	5	4.57	0.787
Other	2	3	1	3.00	2.828

Table 6.17.2.3b: Stakeholder ratings, University museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot</i> 1	<i>Importance</i> →		<i>Not at all</i> 5	
Staff – paid	6	5	1	0	0	0
Scottish Executive (funder)	14	10	2	2	0	0
Governing body	16	11	3	1	0	1
Scottish Museums Council	16	10	3	2	0	1
Local community	15	0	9	1	3	2
Customers – researchers	8	2	2	4	0	0
Staff – voluntary	7	3	0	1	1	2
Benefactors	15	0	7	2	4	2
Customers – local general public	15	1	2	10	1	1
Customers – tourist	15	0	4	8	0	3
Local area tourist board	8	0	1	3	1	3
Scottish Executive /UK government (legislator)	8	0	2	1	3	2
EU Commission (legislator)	8	0	1	2	1	4
Customers – commercial	8	0	0	2	2	4
Suppliers(equipment)	8	0	0	2	1	5
Banks	8	0	0	0	1	7
Competitors	8	0	0	0	2	6
Local government(funder)	7	0	0	0	2	5
UK Government/EU Commission (funder)	7	0	0	1	1	5
Other	2	1	0	0	0	1

6.17.2.4 Management's perception of the importance of stakeholders to independent museums

Independent museums generated the largest number of replies, each stakeholder attracted more than 65 responses. Two stakeholders, *voluntary staff* and *governing body*, appeared to be the definitive stakeholder (Table 6.17.2.4a), confirming earlier literature (Lang, Reeve & Woollard 2006; McLean 1997; Moore 2004; Ulrich 2004). Their medians and modes were identical, whilst their means and standard deviations were very similar, as were the distribution patterns regarding their ratings (Table 6.17.2.4b). An explanation for this very close match is that many directors/trustees of independent museums' governing bodies were also volunteers.

There are, though, 13 that neither rank *voluntary staff*, nor the governing body as important. Six museums (7, 44, 112, 120, 125, and 135) placed no importance on voluntary staff because they did not employ them. A further seven museums (5, 63, 95, 118, 119, 131, 138) similarly did not rate the *governing body*. Analysis reveals two museums (5, 131) were each a member of a larger consortium of museums and in both cases the consortia delegated responsibility for the museum to a separate committee; the suspicion is that there was only a limited relationship between the museum and the governing body. Two museums (63, 138) hinted that their museums' poor performances were attributable to the governing body. A fifth museum (95) offered no explanation, although interestingly the respondent was subsequently made redundant by the governing body and suggested that the relationship between the respondent and the governing body was weak. The sixth and seventh museums (118, 119) provided no explanation for the governing body's irrelevance.

The importance of *paid staff* was reflected in their descriptive statistics, but their ratings' distribution pattern exposed the fact that over a quarter of the respondents rated paid staff as of no importance. The explanation was that these independent museums do not employ *paid staff*, therefore this group

was in effect a non-stakeholder. Customers, both *local visitors* and *tourists*, were important stakeholders, because they provide the largest source of revenue to independent museums (Section 6.13.1), although tourists statistically were more significant based on their mean and standard deviation. This importance reflected the irony that although many museums reflect local issues and themes, many feel neglected by the local consumer, for example “*Most visitors are tourist, locals ‘forget’ the place exists.*” (30), although an explanation for this sense of neglect was not offered.

Independent museums rated Scottish Museums Council more highly than the other governances, except university. An explanation for this perceived importance is that many independent museums lack curatorial skills and use the Scottish Museums Council as an advisor for training and information purposes. This clarity contrasts the contradictory position of the *local community*. To some museums, 37 in number, it is either of first or second importance (Table 6.17.2.4b), but to the remaining independent museums it was viewed with varying degrees of disinterest. This dichotomy was a source of interest, because an independent museum’s collection is invariably sourced in an issue of local significance, yet many independent museums appeared to be rejecting or felt rejected by the community.

Local government (funder) was important to at least a third of independent museums, because they were arguably a major source of income, yet evidence suggested that the customer was the main source of income (section 6.13.1), a fact supported by The National Audit (SMC 2002b). Paradoxically some independent museums received more funding as a percentage of their income than some local authority museums, including one museum, which received more than 90% of its income from the local authority.

Table 6.17.2.4a: Descriptive statistics, Independent museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std. dev.</i>
Governing body	69	1	1	1.80	1.301
Voluntary Staff	69	1	1	1.81	1.375
Staff – paid	67	1	1	2.37	1.722
Customers – tourist	73	2	1	1.86	1.018
Customers – local general public	71	2	1	2.20	1.129
Scottish Museums Council	67	2	1	2.51	1.330
Local community	71	2	3	2.38	1.176
Local government(funder)	68	3	1	3.03	1.684
Local area tourist board	69	3	3	2.99	1.300
Benefactors	68	3	5	3.38	1.350
Customers – researchers	68	4	3	3.54	1.139
Scottish Executive /UK Government (legislator)	67	4	4	3.42	1.339
EU Commission (legislator)	66	4	5	3.74	1.293
Competitors	66	4	5	3.79	1.196
Suppliers(equipment)	67	4	5	4.06	0.983
Banks	67	5	5	4.10	1.089
Customers – commercial	65	5	5	4.14	1.248
UK Government/EU Commission (funder)	68	5	5	4.31	1.2249
Scottish Executive (funder)	68	5	5	4.34	1.101
Other	8	1.5	1	2.25	1.753

Table 6.17.2.4b: Stakeholder ratings, Independent museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot 1</i>	<i>Importance →</i>		<i>Not at all 5</i>	
Governing body	69	46	8	6	2	7
Voluntary staff	68	43	13	4	2	6
Staff – paid	67	35	9	4	1	18
Customers – tourist	73	34	23	9	6	1
Customers – local general public						
	71	26	17	17	10	1
Scottish Museums Council	67	20	17	12	12	6
Local community	71	21	17	22	7	4
Local government (funder)	68	22	7	7	11	21
Local area tourist board	69	10	16	20	11	12
Benefactors	68	8	10	17	14	19
Customers – researchers	68	3	9	21	18	17
Scottish Executive /UK government (legislator)	67					
		9	8	12	22	16
EU (legislator)	66	6	6	11	19	24
Competitors	66	3	7	16	15	25
Suppliers(equipment)	67	1	4	12	23	27
Banks	67	2	4	10	16	33
Customers – commercial	65	3	7	7	9	38
UK Government/EU Commission (funder)						
	68	4	5	6	4	49
Scottish executive (funder)	68	3	3	6	12	44
Other	8	4	2	0	0	2

6.17.2.5 Management's perception of the importance of stakeholders to Regimental museums

This survey's five museums represent the majority of Scotland's eight Regimental museums and therefore offered a fair portrayal of this governance's opinions, although it is recognised that with such a small population one respondent's opinion may have a statistically disproportionate influence. All stakeholders generated five responses except *other* which only recorded two responses (Table 6.17.2.5b).

The definitive stakeholder is *paid staff*, a stakeholder whose importance was previously noted amongst university museums. This was the only stakeholder whose median and modal scores rated 1 and achieved the lowest mean, 1.20. The *governing body* and *voluntary staff* also enjoyed a modal score of 1, but their median scores of 2 and means of 1.80 and 2.20 marked it of lower importance than *paid staff*. The importance of *paid staff* and the *governing body* to regimental museums aligned with Scottish museums' stakeholder profile, but voluntary staff ranked more highly than the Scottish museum profile (Table 6.17.1). The importance of volunteers to regimental museums is reflected in their numbers relative to other governances and borne out by data (Section 6.16.1) and National Audit (2002b). The strong regimental ties (Miller 1998) help to explain the number and importance of volunteers within them.

None of the remaining 16 stakeholders generated more than one score of 1, therefore it is impractical to offer any generalisations regarding their importance to regimental museums.

Table 6.17.2.5a: Descriptive statistics, Regimental museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std. Dev.</i>
Staff – paid	5	1	1	1.20	0.45
Governing body	5	2	1	1.80	0.84
Voluntary staff	5	2	1	2.20	1.30
Customers – tourist	5	2	2	2.00	0.71
Customers general public	5	2	2	2.20	0.45
Local community	5	2	2	2.40	1.14
Customers – commercial	5	3	2	3.20	1.30
Scottish Museums Council	5	3	3	2.60	0.55
Local area tourist board	5	3	3	3.60	1.34
Scottish Executive /UK Government (legislator)	5	4	3	3.80	0.84
Benefactors	5	4	4	3.20	1.10
Customers – researchers	5	4	4	3.60	1.14
Suppliers(equipment)	5	4	4	4.40	0.55
EU Commission (legislator)	5	4	4	4.40	0.55
Local government (funder)	5	5	5	4.20	1.79
Competitors	5	5	5	4.40	0.89
UK Government/EU Commission (funder)	5	5	5	4.40	0.89
Banks	5	5	5	4.80	0.45
Scottish Executive (funder)	5	5	5	4.80	0.45
Other	1	1	1	1.00	-

Table 6.17.2.5b: Stakeholder ratings, Regimental museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot</i> 1	<i>Importance</i> →		<i>Not at all</i> 5	
Staff - paid	5	4	1	0	0	0
Governing body	5	2	2	1	0	0
Voluntary staff	5	2	1	1	1	0
Customers - tourist	5	1	3	1	0	0
Customers – local general public	5	0	4	1	0	0
Local community	5	1	2	1	1	0
Customers - commercial	5	0	2	1	1	1
Scottish Museums Council	5	0	2	3	0	0
Local area tourist board	5	0	1	2	0	2
Scottish Executive/UK government (legislator)	5	0	0	2	2	1
Benefactors	5	0	2	0	3	0
Researchers	5	0	1	1	2	1
Suppliers(equipment)	5	0	0	0	3	2
EU Commission (legislator)	5	0	0	0	3	2
Local government(funder)	5	1	0	0	0	4
Competitors	5	0	0	1	1	3
UK Government /EU Commission (funder)	5	0	0	1	1	3
Banks	5	0	0	0	1	4
Scottish Executive (funder)	5	0	0	0	1	4
Other	1	1	0	0	0	1

6.17.3 Management's perception of the importance of museum stakeholders, *by location*

The following section examines stakeholders' importance within the context of primary, secondary and tertiary locations.

6.17.3.1 Management's perception of the importance of museum stakeholders to primary located museums

Primary located museums identify *paid staff* as the definitive stakeholder (Table 6.17.3.1a), a feature noted in museum literature (Evans 1995, Fopp 1997; Lang, Reeve & Woollard 2006; McLean 1997; Moore 2004) and evident amongst university and regimental museums, some but not all of which have primary locations. The low mean score and standard deviation reflects that 24 museums out of 28 respondents rated *paid staff* as extremely important to a museum, whilst a further four scored this stakeholder as having an important effect on the museum (Table 6.17.3.1b). An explanation for this salience is that staff has the power, urgency and legitimacy to enable a museum to function. The importance attached to *paid staff* amongst primary museums may relate to labour shortage (Scottish Museums Council 2005) and labour mobility in Scotland's four largest cities. This supply issue ensures management attention concentrated on the stakeholder who could withhold or limit access to resources (Frooman 2002). A second reason for management's opinion is that this stakeholder along with the *governing body* are the two stakeholders with whom they will have the most frequent and substantive contact.

Customers although financially important (Section 16.3.1; Scottish Museums Council 2002b) will be viewed in a more detached manner, because their relationship may be more transactional and less relational (Hillman & Keim 2001) than with *paid staff*. It may also hint that primary museums are still the preserve of the curator and his/her skills, rather than the customer (Moore 2004).

Table 6.17.3.1a: Descriptive statistics, Primary museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std. dev.</i>
Staff – paid	28	1	1	1.14	0.356
Governing body	30	1.5	1	1.83	1.117
Customers - local general public	30	2	1	2.10	1.155
Customers – tourist	30	2	1	2.33	1.422
Local community	30	2.5	2	2.60	1.276
Staff – voluntary	27	3	1	3.11	1.717
Scottish Museums Council	31	3	2	3.03	1.329
Customers – researchers	30	3	3	3.03	1.326
Local area tourist board	30	3	3	3.43	1.251
Scottish Executive/UK Government (legislator)	28	3	4	3.04	1.453
Customers – commercial	29	3	5	3.10	1.472
Scottish Executive (funder)	28	3	5	3.11	1.729
Local government (funder)	29	4	5	3.41	1.803
Benefactors	29	4	5	3.55	1.270
Suppliers(equipment)	29	4	5	3.86	1.187
EU Commission (legislator)	28	4	5	3.93	1.086
Competitors	30	4	5	4.07	0.944
Banks	29	5	5	4.31	0.967
UK government/EU Commission (funder)	27	5	5	4.48	1.051
Other	5	2	2	2.40	1.517

Table 6.17.3.1b: Stakeholder ratings, Primary museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot</i> <i>1</i>	<i>Importance</i> <i>→</i>	<i>Not at all</i> <i>5</i>		
Staff – paid	28	24	4	0	0	0
Governing body	30	15	9	4	0	2
Customers - local general public						
	30	13	5	9	2	1
Customers – tourist	30	11	9	3	3	4
Local community	30	7	8	8	4	3
Voluntary staff	27	9	1	4	4	9
Scottish Museums Council	31	4	8	8	5	6
Customers - researchers	30	4	7	9	4	6
Local area tourist board	30	1	7	9	4	9
Scottish Executive/UK						
Commission (legislator)	28	6	5	4	8	5
Customers - commercial	29	5	6	7	3	8
Scottish Executive (funder)	28	8	4	4	1	11
Local government(funder)	29	9	1	2	3	14
Benefactors	29	2	4	8	6	9
Suppliers(equipment)	29	1	3	7	6	12
EU Commission (legislator)	28	0	3	8	5	12
Competitors	30	0	2	6	10	12
Banks	29	0	2	4	6	17
UK Government/EU Commission (funder)	27	1	1	2	3	20
Other	5	1	3	0	0	1

6.17.3.2 Management's perception of the importance of stakeholders to Secondary located museums

The definitive stakeholder to secondary located museums was the *governing body* (Table 6.17.3.2a). Its median and modal scores were 1, identical to *paid staff* and *local government (funder)*, but its mean of 1.34 and standard deviation (0.736) indicated the high number of secondary museums, 60, which rated the *governing body* as having a lot of importance to them. The *governing body* was the only stakeholder without a score of five i.e. no importance. This contrasted feelings expressed by 10 secondary museums which regarded *paid staff* and *local government (funder)* as unimportant, the former, because evidence from the questionnaires indicated they had no paid staff; and the latter, because they received little or no funding from local government.

Local customers and *visitors* had an identical median, mode and mean, but the standard deviation for tourists was lower, scoring more threes and less fours than *local visitors*. *Voluntary staff* scored a median of 2 and a mode of 1, but its mean of 2.63 and standard deviation of 2.63. This was because eight museums saw them as of little importance, whilst a further seven museums regarded them as of no importance. These 15 museums were associated with no or few volunteers relative to the workforce as a whole.

The remaining 12 stakeholders were viewed as having varying, but lesser degrees of importance, although double digit responses, 11 for *local area tourist boards* and *Scottish Executive - funder* (17) suggested these two stakeholders were of significant importance to a number of museums (Table 6.17.3.2a). A feature of at least seven museums was their geographical proximity to a tourist office, and in two cases (64, 133) the tourist office was housed in the same building. This proximity to a tourist office has previously been noted as having a positive impact on a hotel's performance (Halcro & Lynch 2003). A strong relationship was noted amongst a number of secondary museums who received *Scottish Executive funding*. Six of the

museums received between 95% - 100% of their funding in 2000 from the *Scottish Executive*, the remaining 11 do not state their income mix, but the assumption is that they were also major financial beneficiaries.

Table 6.17.3.2a: Descriptive statistics, Secondary museums

<i>Stakeholder</i>	<i>Valid Responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std. dev.</i>
Governing body	77	1	1	1.34	0.736
Staff – paid	68	1	1	1.85	1.438
Local government (funder)	69	1	1	2.13	1.590
Customers – local general public	79	2	1	1.96	1.031
Customers – tourist	79	2	1	1.96	0.926
Staff – voluntary	65	2	1	2.63	1.635
Local community	77	2	2	2.12	1.000
Scottish Museums Council	76	2	2	2.24	1.210
Scottish Executive/UK government (legislator)	67	3	2	3.00	1.243
Local area tourist board	69	3	3	3.01	1.289
Competitors	67	3	3	3.51	1.120
EU (legislator)	65	4	4	3.52	1.276
Customers – researchers	69	4	4	3.64	1.098
Scottish Executive (funder)	76	4	5	3.46	1.595
Benefactors	76	4	5	3.70	1.244
Suppliers(equipment)	67	4	5	4.25	0.766
UK Government/EU Commission (funder)	66	4.5	5	3.91	1.333
Customers – commercial	66	5	5	4.11	1.165
Banks	69	5	5	4.46	0.917
Other	6	3.5	5	3.17	2.041

Table 6.17.3.2b: Stakeholder ratings, Secondary museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot</i> <i>1</i>	<i>Importance</i> <i>→</i>	<i>Not at all</i> <i>5</i>		
Governing body	77	60	10	6	1	0
Staff – paid	68	44	11	2	1	10
Local government (funder)	68	44	11	2	1	10
Customers – local general public						
	79	34	22	16	6	1
Customers – tourist	79	31	23	23	1	1
Voluntary staff	77	26	9	8	7	15
Local community	76	23	32	13	8	1
Scottish Museums Council	76	23	32	13	8	1
Scottish Executive/UK						
Government (legislator)	69	8	18	16	16	9
Local area tourist board	67	11	12	22	13	11
Competitors	65	1	12	24	12	18
EU Commission (legislator)	69	6	8	15	18	18
Customers - researchers	76	1	12	16	22	18
Scottish Executive (funder)	76	17	5	10	14	30
Benefactors	67	2	16	13	17	28
Suppliers(equipment)	66	0	1	10	27	29
UK Government/EU Commission (funder)						
	66	5	7	10	11	33
Customers - commercial	69	2	7	8	14	35
Banks	69	1	2	8	11	47
Other	5	1	3	0	0	1

6.17.3.3 Management's perception of the importance of stakeholders to Tertiary located museums

Tertiary located museums comprised nearly a quarter of the survey; each stakeholder attracted 33–38 responses (table 6.17.3.3a). The exception was *other*, which drew only six responses. Descriptive statistics suggest *Voluntary staff* was the definitive stakeholder but other stakeholders exhibit similar descriptive statistical characteristics notably *tourists, local visitors, governing body, local community, paid staff, Scottish Museums Council, and local government (funder)*. The remaining stakeholders appear to have only limited importance to tertiary museums, although their importance may change with events and issues.

The relationship tertiary museums enjoyed with the eight stakeholders listed above varied from museum to museum, but a feature of all these stakeholders was the double digit responses or near double digit response attached to their importance, in contrast to the remaining stakeholders (Table 6.17.3.3b). The reason for *voluntary staff, paid staff* and *local government (funder)* being rated as of no importance amongst a number of museums is that they have no input. The five museums rating *voluntary staff* and nine museums rating the *paid staff* of no importance did not employ this type of staff. The nine museums that received no funding from local authorities similarly scored local government (funder) as of no importance. The anomaly appears to be the governing body. This stakeholder attracted the second highest number of scores in terms of importance yet five museums (5, 95, 63, 118, 119) accorded it of no importance. All these museums were independent. Explanations have previously been cited for these low scores (Section 6.17.2.4), but it is worth re-iterating in two instances (63, 119) the governing body was identified as the cause of the museums' poor performances.

Table 6.17.3.3a: Descriptive statistics, Tertiary museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>Median</i>	<i>Mode</i>	<i>Mean</i>	<i>Std.dev.</i>
Voluntary staff	36	1	1	2.00	1.414
Customers – tourist	37	2	1	2.00	1.106
Customers – local general public	35	2	1	2.20	1.183
Governing body	35	2	1	2.26	1.482
Local community	38	2	1	2.34	1.214
Staff – paid	34	2	1	2.56	1.673
Scottish Museums Council	35	2	1	2.57	1.290
Local government(funder)	36	2	1	2.58	1.697
Local area tourist board	37	3	3	3.22	1.272
Scottish Executive/UK Government (legislator)	35	3	3	3.34	1.413
Customers – researchers	35	3	3	3.54	1.197
Benefactors	33	3	5	3.36	1.432
Competitors	34	4	5	3.62	1.371
EU Commission (legislator)	34	4	5	3.65	1.346
Scottish Executive(funder)	36	4.5	5	3.92	1.381
Customers – commercial	34	5	5	4.06	1.324
Suppliers(equipment)	34	5	5	4.15	1.158
Banks	33	5	5	4.24	1.119
UK Government/EU Commission (funder)	36	5	5	4.03	1.362
Other	6	1	1	2.33	2.066

Table 6.17.3.3b: Stakeholder ratings, Tertiary museums

<i>Stakeholder</i>	<i>Valid responses</i>	<i>A lot 1</i>	<i>Importance →</i>	<i>Not at all 5</i>		
Staff - voluntary	36	20	6	5	0	5
Customers – tourist	37	15	13	4	4	1
Customers – local general public						
	35	13	9	7	5	1
Governing body	35	16	7	4	3	5
Local community	38	13	7	12	4	2
Staff – paid	34	14	6	4	1	9
Scottish Museums Council	35	9	9	8	6	3
Local government(funder)	36	16	4	4	3	9
Local area tourist board	37	3	9	10	7	8
Scottish Executive/UK						
Government (legislator)	35	6	2	11	6	10
Customers - researchers	35	2	4	12	7	10
Benefactors	33	5	4	8	6	10
Competitors	34	4	3	7	8	12
EU Commission (legislator)	34	4	2	8	8	12
Scottish Executive (funder)	36	4	2	5	7	18
Customers – commercial	34	2	5	1	7	19
Suppliers(equipment)	34	1	3	5	6	19
Banks	33	1	2	5	5	20
UK Government/EU Commission (funder)	36	3	3	5	4	21
Other	6	4	0	0	0	2

6.18.1 Respondents' opinions of the decade 1990-2000

The purpose of this appendix as set out in the thesis's first three objectives was to scope the sector's size and characteristics, as a prelude to investigating a particular typology in greater depth. The analysis to date has statistically analysed Scotland's museums and examined the data within the specific sub-sets of governance and location. However the weakness of using closed questions is that it is set within the framework of the researcher's language and cannot necessarily explain deeper meanings (Bryman 2004, Denscombe 2003); a problem that can be overcome by using open ended questions. This allows a respondent to frame an opinion within the context of their own language and experience, in this case an opportunity to explain their perceptions of Scotland's museums and events that had influenced them over the previous decade. Information gleaned from this open-ended question would also allow triangulation with previous data.

The data was analysed using content analysis and three hundred and twenty three issues identified. These comments were then categorised into 16 second order themes and located within a SWOT matrix to help identify strategic issues within the museum sector.

6.18.1.1 Respondents' opinions of the decade (1990-2000) - Scotland

The SWOT matrix (Table 6.18.1.1) highlighted many positive developments, including better displays (48), greater customer focus (40), refurbished museums (23), more involvement with the community (22) greater use of I.T. (20) and a greater role as an educational and social tool (12). These developments concentrate on the customer and the community, and reflect the power, urgency and legitimacy exercised by these stakeholders, but it also revealed the effect of government's power, legitimacy and urgency. Government policies on social inclusion and life long learning were embedded in many of these developments.

Table 6.18.1.1 S.W.O.T. matrix created from museum responses, Scotland

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Better displays (48) • More focused on the customer (40) • Refurbished museum (23) • More involved with community (22) • Greater use of IT (20) • Greater role as an educational and social tool (12) • Museum has improved (8) 	<ul style="list-style-type: none"> • Increasing difficulty in managing day to day operations (50) • No change (9) • Poor quality of management and labour (2)
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Repeal of admission charges (4) 	<ul style="list-style-type: none"> • Exogenous factors e.g. strength of £ (12) • More assertive customer (12) • Increased bureaucracy (11) • Competition from other museums and attractions (9) • Decline in academic rigour (4)

The responses suggested that at a Scottish level the museums' stakeholders exercised different levels of power, urgency and legitimacy, at different points in time during the previous decade. The emergent theme was that Scotland's museums had become more responsive to the needs and expectations of society, whether in the guise of customers, the community in which they operate or the larger community mandated in the form of government.

This strategic swing during the 1990s towards the customer, the community and government has been noted (Chapter Four), and is reflected in observations such as;

“Museums are moving towards becoming much more focused on the public, and their expectations ... access is now a paramount consideration for us.”

(25)

This observation and similar observations suggest this development was planned, but arguably much of this strategic shift has been unplanned and emergent (Mintzberg, Quinn & Ghoshal 1998), and a response to stakeholder power, urgency and legitimacy. This belief found support in comments about a more assertive, more aware consumer who was forcing museums to change, for example,

“Higher expectations of visitors - possibly due to media and technological advances.”

(121)

Culturally society has witnessed a more assertive consumer (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2005) whose knowledge of comparable industries and societies has allowed him/her to benchmark their expectations. This knowledge is being driven by technology, a technology that has enabled British consumers to access collections remotely. Technological development is also allowing the museum visitor to physically access many European museums through the growth of low cost airlines. The low cost airlines and the cheaper cost of holiday accommodation often makes many European destinations an affordable alternative, allowing the consumer to compare and contrast their museum experiences. This threat becomes more pronounced by events such as poor weather, a strong pound, foot and mouth disease, etc. (Williams & Ferguson 2005).

“The strength of the pound, oil prices, and the weather have all been factors in the decline in visitor numbers”

(21)

And,

“Our summer season can be very erratic - depends on weather, strength of pound, etc..”

(120)

The impact of these exogenous factors is to encourage British visitors to travel abroad, rather than experience Scottish tourist attractions, similarly, these factors discourage overseas visitors. These factors are frequently bound up in global events, beyond the control of national or even supra-government, but government in its various forms is seen as responsible for creeping bureaucracy, a cause of daily management difficulty (50). Expressions varied in content and context about government whether in the guise of European Union, UK government, Scottish Executive, or QUANGOs, such as Scottish Museums Council, but the effect was seen as debilitating, because it discouraged people from working in a museum. The fear was that legislation discouraged volunteers, because it imposed rules and regulations on an activity many regarded as a hobby. Some equated legislation to the strictures of their professional life, rather the freedom and enjoyment of a hobby, a common reason for people to volunteer (Eckstein 2001).

“The main problem facing the Trust is the volume of paper work required, not only to access funds, but also to fulfil requirements of bodies like Scottish Museums Council ... the amount of bureaucracy is far too much and discourages people. “

(15)

This loss of control also manifests itself in the belief that museums are ‘dumbing down’ in an attempt to satisfy government policy on social inclusion. This tension has been observed elsewhere (Delingpole 2006; O’Neill 2006a) and that this type of social engineering can undermine the academic message. One respondent commented that museums had become,

“Less academic for its own sake, more populist.”

(32)

Whilst another respondent claimed that the sector had become an offshoot of the entertainment industry, too focussed on entertainment.

“It seems to me that museums have become more entertainment than education and most are almost identical in display. The supposed need for electronic information seems to render all things similar.” (123)

The strategic shift during the Nineties reflects changing stakeholder power, urgency and legitimacy, but this shift required a similar shift in organisational skills and competences. This can partially be satisfied by investment in fixed assets such as displays, refurbishment and technology, but meeting the expectations of customers, the community and government requires a different set of skills, ones that are based around a managerial rather than a curatorial paradigm. This issue appears evident when examined within the context of governance.

6.18.1.2 Respondents' opinions of the decade (1990-2000) by governance

The data (Table 6.18.1.2) revealed that certain issues transcended governance boundaries, for example improved displays. Similarly many issues characterised all governances, although to varying degrees, most notably the problem of day-to-day management. This concern was particularly evident amongst national, local authority and university museums. Approximately 50% of local authority respondents, more than 85% of national, and university respondents cited this as a problem; by contrast only 25% of independent and regimental museums expressed concern. This difference is possibly, because national, local authority and university governances are rooted in curatorial skills rather than managerial skills. Fopp (1997) and Miller (1998) identified that independent and regimental museums attracted people with managerial skills gained from the commercial world or the armed forces. The managerial skills and knowledge they have acquired are transferable.

Table 6.18.1.2: Respondents' opinions of the decade (1990-2000) by governance

<i>Theme</i>	<i>National</i>	<i>Local authority</i>	<i>University</i>	<i>Independent</i>	<i>Regimental</i>
Increasing difficulty in managing day to day operations	5	20	9	15	1
Better displays	2	13	9	23	1
Greater focus on the customer	2	14	7	14	3
Improved as a result of refurbishment	1	10	1	10	1
Greater involvement with local community	0	9	1	11	1
Greater use of IT	0	5	7	8	0
Greater emphasis on museums as an educational and social tool	4	3	2	3	0
Exogenous factors e.g. strength of £	0	5	0	7	0
More assertive customer	0	7	1	4	0
Increased bureaucracy	1	1	0	9	0
No change	1	1	0	6	1
Increased competition from other museums and leisure attractions	0	1	0	8	0
Improved	0	2	0	6	0
Admission charges repealed	0	1	0	3	0
Decline in academic research	0	1	0	3	0
Poor quality of museum staff and management	1	1	0	0	0
No response	1	6	5	14	1

Note :A museum may offer multiple responses

Evidence for this claim can be found in the respondents' job titles, as previously discussed in section 6.3.1. Curatorial job titles appeared in all governances, but independent governances included a variety of other titles suggestive of a business background, such as owner or business managers. Regimental museums also drew on postholders with experience and skills from outside the museum sector, notably the military. This training provided regimental curators with managerial skills in human resource management, decision making, etc. Further evidence for this belief that independent museums in particular drew on managerial experiences lies in the number of independent respondents who commented on the sector's increasing bureaucracy, a typical business criticism (Bolton & Thompson 2004).

This alignment between independent and regimental museums, however finds no parallel in other issues, instead independent and local authority museums appear to coalesce around issues such as refurbishment and greater community involvement, but these issues drew little comment from the other governances. Local authority and independent museums' involvement in the community may be a moral as well as an instrumental response. Some or all of these museums may believe that developing a relationship with the community is morally right both from the perspective of a good relationship, but also as a means of encouraging access. This moral dimension however appears to have gone unnoticed amongst the other governances and the reality that local authority and independent museums involve the community may be an instrumental response, because these museums draw on the community for artefacts, labour, and visitors as evidenced by museum (31),

“T..... is currently engaged in promoting its facilities within the local community to avoid the previous over-reliance on unpredictable tourist trade.”

(31)

A similar mindset occurred between local authority and independent museums regarding their views on refurbishment, but again one, which drew little comment from the other governances. This investment is viewed positively, but there is little written evidence in the questionnaire to suggest it has been motivated by the need to meet stakeholder expectations. The reality

is that no local authority or independent museum explicitly linked refurbishment with the issue of greater customer focus. One possibility is that investment is a response to competition in other industries such as retailing, rather than a strategy to meet stakeholder expectations; therefore, investment may reflect the governing body and/or staff's perceptions of what is needed rather than customer, community or government expectations.

6.18.1.2 Respondents' opinions of the decade (1990-2000), by location

Secondary museums generated the greatest number of responses equivalent to 2.53 observations per museum, compared to 1.82 comments per primary museums. The reason for this discrepancy appears unclear, although it should be recognised that this bias may skew comments towards a secondary perspective, nonetheless it is evident that certain responses cross geographical boundaries. These issues such as refurbishment, more assertive customer, exogenous factors, increased bureaucracy and better displays do not appear to be affected by location.

Table 6.18.1.3: Respondents opinions of the decade (1990-2000), by location

<i>Theme</i>	<i>Primary N = 33</i>	<i>Secondary N = 80</i>	<i>Tertiary N = 40</i>
Increasing difficulty in managing day to day operations	7	34	9
Better displays	5	28	15
Greater focus on the customer	4	26	10
Improved as a result of refurbishment	5	12	6
Greater involvement with local community	1	16	5
Greater use of IT	0	16	4
Greater emphasis on museums as an educational and social tool	8	3	1
Exogenous factors e.g. strength of £	3	7	2
More assertive customer	2	6	4
Increased bureaucracy	1	7	3
No change	2	4	3
Increased competition from other museums and leisure attractions	2	2	5
Improved	0	4	4
Admission charges repealed	2	1	1
Decline in academic research	0	1	3
Poor quality of museum staff and management	0	1	1
No response	10	12	5

Other issues, whilst often evident in all three locations (Table 6.18.1.3) appeared to be linked in both absolute and relative terms to a certain typology. This included greater use of museums as an educational and social tool (primary), difficulty in managing day to day to operations (secondary), greater use of IT (secondary), greater involvement with the community (secondary), and increased competition from other attractions (tertiary).

The explanation as to why primary museums focussed on the role of museum as an educational and social tool may lie in their geographical proximity to political stakeholders, namely Scottish Executive, local government or

Scottish Museums Council. It may also reflect a more politically sensitive customer. Evidence suggests that museum visitors come from higher socio-economic groups who tend to be better educated (Bailey and Falconer 1998). This fact coupled with close proximity to politicians and the governing body may make local visitors more aware of government's attempt to widen access and encourage life long learning. Museums therefore are responding to this direct and indirect political power, by explicitly promoting a more socially aware and educationally relevant collection.

Secondary museums appear to have experienced greater difficulty in managing day to day operations. A variety of reasons may explain this difficulty. Primary museums have more staff which allows managerial specialisation, but it also allows tasks to be shared and discussed within a larger network. On the other hand, volunteers often staff tertiary museums, consequently stakeholders whether funders or customers may be more tolerant and forgiving of a museum's performance. Secondary museums are invariably staffed by paid employees, although few in number stakeholders' expectations are higher, because they believe staff have or should have the skills to manage. A partial solution to this problem may lie in the use of technology and may explain the enthusiasm with which it has been adopted,

“Technology has changed enormously the way we work and deliver the service ... (it) has created a situation where small services can compete and excel.”

(148)

The third variation noted amongst secondary museums is their focus on efforts to involve the community. The rationale for this development appears to be based on a mixture of normative and instrumental ideas. A normative reason may lie in the belief that the community's involvement can help the community rediscover its cultural and historical roots, but it also offers new members of the community an entry into the local community through a better understanding of its history and culture (10), (79). A more instrumental tone emerged amongst museums: 34, 67, 106, 145, 146, 147, which believed that closer involvement with the community provided a source of visitors and artefacts,

“Involving local groups and artists in displaying their work gives a fresher look for little or no cash outlay.”

(79)

Competition from other attractions including museums produced comments from two primary museums and two secondary museums, but the threat seems most palpable amongst tertiary museums. Visitor numbers to tertiary museums were invariably small, partly because the local population is limited, but also because many of these museums are located outside the popular tourist destinations of Edinburgh, Glasgow or the alternative tourist ‘honeypots’ of Stirling and Inverness. A lack of demand contrasts the belief that there is oversupply. The fear is that too many museums will overwhelm visitors with too much choice and too little time to visit,

“L..... once the only museum north of Cromarty is now surrounded by others, people cannot visit them all”

(9)

This image of unrestrained museum openings has provoked concern that it is financially unsustainable and may lead to some museums naïvely believing that government funding will bail out one or more of them if they encounter financial difficulties (Ryder 2000, Scottish Executive 2003b; Scottish Museums Council 2002). Scottish Museums Council in its annual report 2002 (SMC 2002a) hinted that museums needed to adopt a strategic outlook if they were to have a sustainable future, however, there was a marked reluctance to intervene and manage the situation, instead a policy of *laissez-faire* appeared to be the strategy of the Scottish Museum Council (SMC 2002b).

6.19 Discussion

Historical literature (Evans 1995; Fopp 1997; McLean 1997) maintained that the curator/manager was the definitive stakeholder (Mitchell, Agle & Wood 1997). However, the museum environment has changed radically over the last 25 years (Lang, Reeve & Woollard 2006; Moore 2004), influenced by political, economic, social and technological events, but driven by two stakeholders: customers and government (McPherson 2006). Curatorial skills, once prized, have become less important, as stakeholders argue managerial competences are necessary to lead and manage museums in this increasingly turbulent and complex environment (Kawashima 1998; Moore 2004; Tufts & Milne 1999); a feature noted in wider strategic management literature (Lynch 2003).

Evidence suggests that the museums surveyed have developed their managerial capabilities, judging by their comments about customers, the community, and government. This would tally with Gilmore & Rentschler's (2002) observations, but there the National Audit argued that there was still a skills gap (Scottish Museums Council 2002b), and one that still persists five years after The National Audit (Scottish Museums Council 2006). Publicly funded museums: national, local authority and university museums recorded the greatest managerial difficulties, but respondents identified a number of external causes for this problem, but intriguingly many of these concerns are generic to organisational life in the UK, especially amongst small firms. These issues related to the strength of Sterling, more demanding customers, stronger competition and increased bureaucracy, all of which pepper small business literature (Analoui & Karami 2003; Federation of Small Business 2003, 2006; Greenwood 2004; Schindehutte & Morris 2001); but they also find expression in museum literature (Tufts & Milne 1999). The argument underpinning these problems is that these issues are beyond the firm's control and, therefore, beyond its managerial competences.

However, many of the museums viewed their success over the 1990s whether measured in visitor numbers, investment or customer feedback as implicitly driven by management. These successes involved building better

relationships with customers and the community; and, by extension, government. This trait is often observed in small business research, that practitioners cite their success as due to internal strengths, but their weaknesses due to factors beyond their control (Bolton & Thompson 2004; Littunen 2000). The concern nevertheless expressed by some respondents was that the emphasis on meeting the expectations of the customer, the community and government was diluting the core activities of conservation and scholarship, a debate that has provoked considerably controversy (Kotler & Kotler 2000; Smith 2001), but is most eloquently expressed in O'Neill's (2006a) critique. The fear that museums are more about entertainment than education (Delingpole 2006, McPherson 2006), however this is only acknowledged by four out of 153 practitioners in this survey that the quality of academic research has declined. The survey's responses, listing greater customer focus and better links with the community nonetheless suggest that museums have become more sensitised to stakeholders' expectations, if only to access financial resources (Smith 2001). Evans (1995) argued that this drive originated in the independent museums in the 1980s, because of their need to generate revenue from private rather than government sources, yet the responses indicated that the publicly funded museums placed as great an emphasis on the customer and the community as independent museums.

These comments echo McPherson's (2006) observations that museums had become engaged in meeting customers' needs and expectations, but also in meeting government demands to diversify income. Gilmore & Rentschler (2002) recognised this entrepreneurial spirit in the development of commercial activities, such as catering, retailing and function hire. A view similarly expressed by Ford & Mottner (2002) and Farr (2000), although rooted in an American context, they argued these commercial demands may have been phrased as meeting various stakeholders' expectations, but they were underpinned by the need for financial resources. This is reflected in the importance so many of the survey's respondents, 112, attached to commercial services. Access to funding, the key resource has increasingly become the critical driver in order to meet operating costs and invest in capital projects.

The largest source of museum funding in the U.K. is government in its various forms (Wilson & Boyle 2004). This is supported by Scottish data (Dunlop et al 2004; Scottish Museums Council 2002b) and by data collected from this postal questionnaire. The questionnaires suggest a figure of between 60% and 80% for national, local authority, university and regimental museums, a figure that corresponds to alternative data (SMC 2002b). Independent museums, by contrast received only 20% of their income from government, although invaluable to their survival it demonstrates a significant difference to other Scottish museum governances.

This financial difference played out in other ways, for example the high percentage, 75%, of independent museums whose income in 2000 was less than £50,000; also, despite comprising the largest governance and representing 50% of the sample (n=153), no independent museum earned more than £1,000,000 in 2000, unlike the smaller national, local authority and university governances. The National Audit's (SMC 2002b) findings reinforced this financial skew towards the small scale, when it identified that the majority of independent museums generated incomes of less than £50,000 in 2000. The Scottish Museums Council (2002b) expressed concern about their chances of survival on these low incomes. This problem is not confined to Scotland, because similar reservations have been expressed about the financial vulnerability of so many museums (Selwood 2001; Tufts & Milne 1999).

This difference between independent museums and other governances is statistically borne out in other ways, for example, visitors. Using one way ANOVA confirms independent museums attracted less visitors on average than national and local authority museums in particular. The data collected from the questionnaire blandly indicates that many independent museums welcomed between 0 and 10,000 visitors; the truth is that the majority of these museums actually attracted no more than 2-3,000 visitors (SMC 2002b). The importance of visitors to independent museums has been frequently stressed

(Babbidge 2002; Fopp 1997; Smith 2001), because of their financial importance, therefore few visitors translates into little income.

The reality of the data collected is that substantial income, >£500,000, and by extension higher employment figures and visitor numbers, are the preserve of a small number of Edinburgh and Glasgow museums, or museums within easy access of these cities. This fact bears out previous literature (MLA 2004; Selwood 2001) that museums in large urban centres enjoy greater popularity and financial success because of their location. Data collected from the 2001 postal questionnaire analysed using ANOVA, statistically confirms that in 2000 there was a link between location, mean income and mean visitor numbers. Primary located museums in Scotland enjoyed a mean income and mean visitor numbers both 1.014 times greater than secondary locations, (sig. 0.018) and (sig. 0.000), respectively. This superiority was even more marked in relation to tertiary located museums. Primary located museums' mean income and mean visitor numbers were respectively 1.405 (sig. 0.002), and 1.369 times (sig. 0.000), greater than tertiary located museums.

The financial vulnerability of independent and tertiary museums suggests that many of these museums are unsustainable, yet many of them appear to be surviving and arguably flourishing based on the length of time they have been open. Although data is unavailable on museum failure rates, it is worth noting that of the 21 independent, rural museums subsequently identified for interview four years after this postal questionnaire, 20 of them were still in existence. This survival rate contrasts the high failure rates associated with many small business (Anon 2004c), who cited a failure rate of 55% within three years of a business starting. This high survival rate suggests that independent, rural museums, and arguably museums in general, possess certain features or characteristics that explain their survival.

The answer may lie in the questionnaires' qualitative comments and quantitative data. The respondents' written comments identified that during the 1990s, the Scottish environment had witnessed an increasing focus on certain stakeholders: customers, community and government. This

relationship is supported by descriptive statistical data, highlighting the importance of these three stakeholders, as well as five other stakeholders to Scottish museums. Analysis reveals, however, that there are subtle differences by governance and location, although paid staff and the governing body frequently emerged as amongst the most important stakeholders. The exception is tertiary museums who valued volunteers and tourists more highly, a characteristic to an extent mimicked by independent museums.

The literature (Anderson & McAuley 1999; Halcro & Lynch 2003; Pioch & Byrom 2004) has suggested that rural organisations work differently from their urban counterparts, using their relationships as a source of competitive advantage. Museum literature (Fopp 1997; McPherson 2006; Smith 2001) has commented that similarly, independent museums differ from other governances in their more entrepreneurial attitude. Data (Scottish Museums Council 2002b) and comments by policy makers (Roberts 2003; Ryder 2003; Scottish Executive 2003b) support the appendix's findings that independent museums differ, and tertiary museums differ.

The evidence therefore identified a need to investigate Independent, rural museums. This choice was strengthened by Eisenhardt's (1989) contention that 10 cases are needed to generate sufficient qualitative data from which to extract ideas and concepts. Independent, rural museums numbered 31, a number larger than many other typologies, particularly those associated with national, university and regimental governances.

6.20 Summary

An inductive approach is normally associated with a qualitative research strategy (Bryman 2004), but this research used quantitative and qualitative research strategies to achieve its aim. This was partly based on the need to first scope Scotland's museums, both to identify its characteristics, but also to identify a particular typology for further investigation. A postal questionnaire was used to survey Scotland's museums in 2001. Its response rate double that normally predicted for postal questionnaires (Black 1999; Denscombe 2003) provided a rich insight into Scottish museums in the early twenty first

century, in terms of their both size and structure, but also in gleaning the sector's opinions. The data was primarily quantitative, although respondents also provided some qualitative data in the shape of written comments about their perceptions of the Scottish museum environment during the 1990s. The quantitative data and qualitative comments not only helped to map Scottish museums, it also identified a particular typology: independent, rural museums as worthy of further investigation. This data supported evidence within rural literature and museum literature that this typology justified investigation.